



# ssnup

Smallholder Safety Net  
Upscaling Programme

## DEEPENING FINANCIAL INCLUSION IN RURAL AREAS IN KENYA WITH AN AVC INTERVENTION STRATEGY ('AGRIHUBS')



Africa



Latin America



Asia



Financial services



Non-financial services



Market building



Internal management

### CONTEXT

The agriculture sector in Kenya continues to play a vital role in the country's economy, contributing 26% to the Gross Domestic Product (GDP) with another 27% of the GDP indirectly linked through other sectors. The sector employs over 40% of the total population and more than 70% of Kenya's rural people. The sector accounts for 65% of the export earnings, and provides the livelihood (employment, income and food security needs) for more than 80% of the Kenyan population and contributes to improving nutrition through production of safe, diverse and nutrient dense foods.<sup>1</sup>

### CURRENT STATUS OF THE INVESTEE

Unaitas is a deposit-taking Savings and Credit Cooperative (SACCO) that was registered in 1993. Unaitas was formed by tea farmers to provide financial services in the tea value chain. Over time, the membership was opened to people in other sectors such as SMEs, producer groups and employees. Currently, Unaitas is owned by 340,000 individuals, making it one of the most diversely owned SACCO in the country. The financial institution serves its clients through 28 branches and 400 agents across the country. It offers a wide range of financial products and services, including microloans, group loans, SME loans, and agricultural loans.

### OBJECTIVE OF THE PROJECT

The overall objective of the project is to introduce a new value chain financing strategy using a methodology already tested in Latin America, entitled the 'AVC Intervention Strategy'. This methodology is designed to achieve improved commercial articulation for the smallholder farmers and, therefore, to increase their income, through access to financial and non-financial services with a value chain approach.

The expected outcomes of this project are:

- A newly created AVC portfolio of USD 300,000 by the end of 2023;
- Unaitas has the capacity to replicate an AVC Intervention Strategy including the identification of strategic partners for the non-financial services to be provided to the SH farmers.

### IMPACT INVESTOR



### AGGREGATOR / INVESTEE

Unaitas, Kenya

### TARGETED N° OF FARMERS

400 farmers

### AGRICULTURAL VALUE CHAIN

Poultry, dairy and horticulture

### STARTING DATE

01/03/2022

### DURATION

10 months

### TOTAL TA BUDGET

€ 48,368  
Including € 23,496 (49%)  
contribution from SSNUP

<sup>1</sup> <https://www.fao.org/kenya/fao-in-kenya/kenya-at-a-glance/en/>

