

Agribiz Programme

Annual Report

January to December 2020





*Enhancing the role of women and youth
in agribusiness*

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LIST OF ACRONYMS AND ABBREVIATIONS

Abbreviation/Acronym	Definition
ATC	Agricultural Training Center
BIH	Business Incubation Hub
CASSCOM	County Agriculture Sector Steering Committee
CBOs	Community Based Organisations
CIDP	County Integrated Development Plan
COVID-19	Corona Virus Disease of 19
EUR	Euro
EU	European Union
KES	Kenya Shilling
PoC	Proof of Concept
POCAIRs	PoC Appraisal Investment Reports
Q3	Quarter Three
RBF	Results Based Financing
TWG	Thematic Working Group
SHGs	Self-Help Groups

EXECUTIVE SUMMARY

The AgriBiz programme is tailored to address key challenges that hinder youth and women from tapping into the immense potential in the agricultural sector by providing successful beneficiaries with training, business advisory and financing services through Business Incubation Hubs which will be established in eight counties to serve regions across Kenya.

The selected counties are Kilifi, Machakos, Kiambu, Meru, Isiolo, Kisii, Bungoma and Uasin Gishu.

 This report therefore presents progress of the programme implementation in its first year from 1st January to 31st December 2020.

The programme was rolled out amidst constraints posed by COVID-19 pandemic, the worst global health challenge in modern times. Forcing most countries to go on lockdowns, the pandemic caused widespread restrictions on movements and disruptions in supply chains and business operations.

Despite the challenge of COVID-19, the timely launch and implementation of the AgriBiz programme provided a lifeline to numerous businesses admitted into the programme. Leveraging technology created an avenue for clients to receive significant business advisory support and access to finance from KCIC which enabled them to remain operational.



The programme was launched in March 2020 at an event that brought together state and non-state actors from the national and county governments, development partners including the EU and Danida. Women and youth in agribusiness, who are the target beneficiaries of the programme, were also present.

The call for application generated immense interest, despite the pandemic, given that

10,509

direct applications were received against an annual target of 1,000. The nationwide call for applications (also referred to as the central cohort) attracted 2,461 applications in May 2020

The county call for applications in Bungoma, Kiambu and Meru counties attracted

8,048 applicants.

From The success is attributed to implementation of a robust outreach, communication and visibility strategy.

The virtual rollout of the central cohort was a means to navigate the challenges brought about by the health crisis. Of the 2,461 applications, 200 were selected in line with the vetting criteria and 193 were finally admitted into the

programme after further due diligence and quality assurance protocols were executed in compliance with the programme's operational guidelines.

The virtual rollout of the central cohort was a means to navigate the challenges brought about by the health crisis.



Of the 2,461 applications, 200 were selected in line with the vetting criteria and 193 were finally admitted into the programme after further due diligence and quality assurance protocols were executed in compliance with the programme's operational guidelines.

A baseline survey on key business gaps was conducted on the admitted enterprises

 **51.7%**  **48.3%**
were found to be women-led, **were found to be male-led**

while 65% of the clients admitted were below the age of 35. Thirty five percent (35%) of the cohort consisted of women above the age of 35.

This is attributable to the fact that admissions took into account women regardless of age, while male applicants were restricted to the youth age bracket. At the time of the study, the enterprises had 1,980 employees, majority of whom were male standing at 54%. Thus, tracking is essential through the implementation of the AgriBiz programme to show the impact of job creation for women and youth among supported enterprises.

Access to finance is a lifeline and key for growth and sustainability of the enterprises. Assessment of admitted enterprises was conducted to ascertain the need for capital and their ability to absorb the capital. After the review, 37 clients¹ were approved for RBF financing to the tune of EUR 381,492 (KES 50,540,000) while 13 PoC grants were approved totalling EUR 97,426 (KES 12,907,000). Disbursements of approved facilities are conducted on a rolling basis as clients meet the milestones in the specified financing agreements. Soft commercial debt funding through RBF financing was a more appropriate fit for more cases than for the proof-of-concept financing. Therefore, monitoring the progress and allocation of different pools of funding will be able to inform future implementation.

Advocacy inception and sensitization meetings were held in Meru, Machakos and Bungoma counties. From the initial advocacy engagements with the three counties, the programme got buy-in from governments, including county and national government programmes as well as the private sector and advocacy platforms such as CASCCOMs and Thematic Working Groups (TWGs). Through the programme, KCIC was officially admitted into the CASCOM in Meru County.

Additional county governments, associations and financial institutions have also expressed interest for partnership and engagement to leverage synergies within the AgriBiz programme. Moreover, 20 potential partners within the agribusiness ecosystem have expressed interest in signing MoUs on different components of the programme. This will

1. Clients are the entrepreneurs incubated by KCIC.

enable tapping into multiple resources and opportunities and deliver to the aspirations of the AgriBiz programme.

790 direct jobs

were created in the first year. Out of the jobs created, **625 went to the youth.**

Human resources to support the programme was critical and thus a total of seven Business Analysts and one Hub Manager were recruited, while interviews for additional programme and administrative positions are on course, to be filled by March 2021.

Despite the challenges encountered, KCIC gathered valuable lessons which will be used for programme improvement. This includes leveraging technology to provide virtual incubation support and future digitization of service delivery; significant demand and interest in the programme leading to high number of applicants; demand for financing, in particular under RBF to meet the funding needs of the enterprises assessed; cross cutting network linkages with various county government departments, and opportunities in outreach and communication at the grassroot level for better impact and service delivery.

The easing of restrictions on COVID-19 will support rapid implementation of critical milestones such as the establishment of the Business Incubation Hubs (BIHs) at the counties in the second year.

Measuring progress of programme results shows that 790 direct jobs were created during the first year. Out of these, 625 went to the youth. Against a target of 40, a total of 46 clients were supported to apply for external financing opportunities which were identified during the period.

The program budget utilization for the reporting period stood at 41.83%, which was EUR 1,396,314 out of the annual estimates of EUR 3,337,901.

As at the end of 2020, four counties namely Bungoma, Meru, Kiambu and Machakos had signed MoUs with KCIC on the AgriBiz programme. The other four will sign by the end of quarter one of the second year of implementation.

 Launch of programme in March 2020;	 Scoping study conducted within the eight target counties to generate understanding of key value chains and status of women and youth involvement in agribusiness;	10,509 direct individual applications received (2,461 under the countrywide call in May and 8,048 under the county calls in Bungoma, Meru and Kiambu in November)	 193 admitted enterprises supported under the countrywide call;
 790 direct jobs created by women and youth enterprises supported during the period;	 4 MoUs signed with county governments of Bungoma, Meru, Kiambu and Machakos;	 Advocacy inception and sensitization meetings held in Meru and Machakos counties with commitments to work through county agriculture sector steering committees (CASSCOMs) on priority advocacy issues;	 Programme sensitization meetings held in Bungoma, Meru and Kiambu counties;
 Baseline data collected from admitted clients and baseline report for the central cohort produced;	 07 Business Analysts	01 Hub Manager	Developed and received board approval for the Operational Policy Guidelines document for client identification, selection, onboarding and financing for the AgriBiz Program;
Vijana na Agribiz competition call for applications window opened from 1st to 23rd December 2020, 353 applications were received;	Disbursement of EUR 208,905 (KES 27,675,722) for RBF and EUR 33,091 (KES 4,383,852) for PoC was done. The disbursements are done on a rolling basis as clients meet the conditions precedent specified in financing agreement.		Approvals by KCIC board for access to finance facilities to clients of EUR 381,492 (KES 50,540,000) of Results-Based Financing (RBF) and EUR 97,426 (KES 12,907,000) of Proof of Concept (PoC) financing;

1.0 BACKGROUND TO THE AGRIBIZ PROGRAMME

1.1 INTRODUCTION

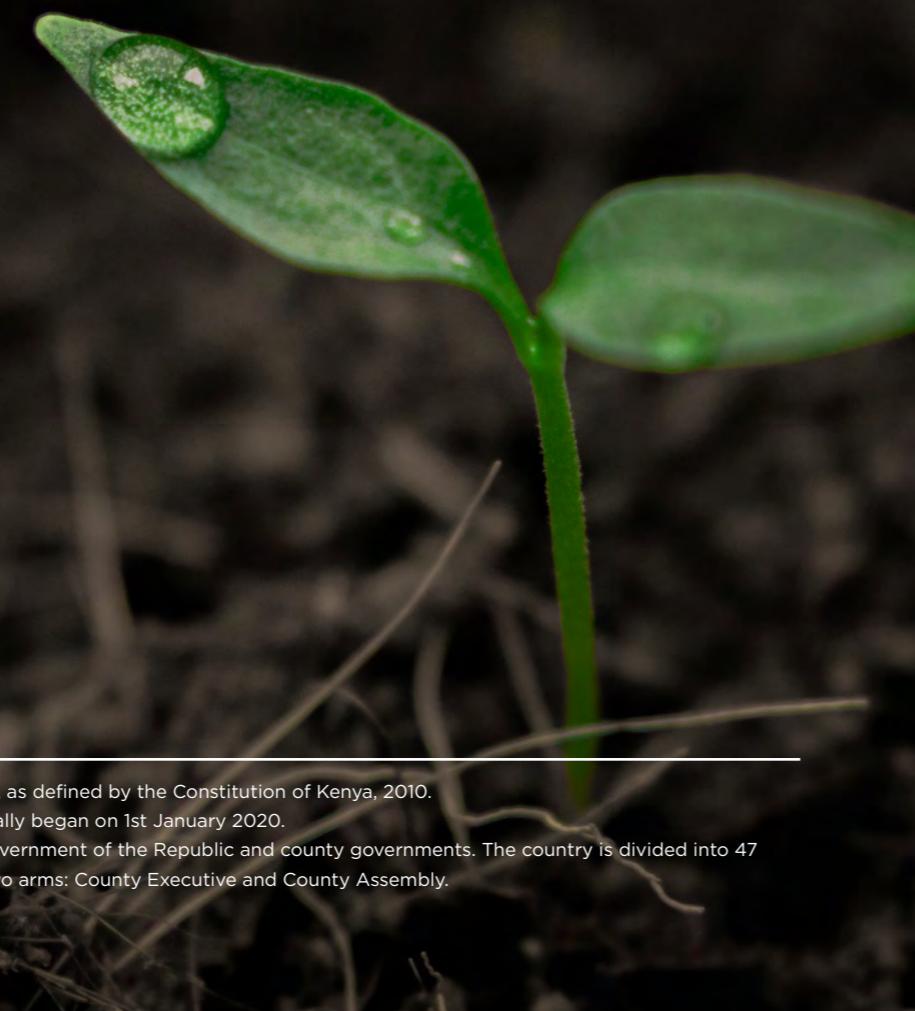
To stimulate the growth of women and youth²-owned enterprises in agribusiness, the European Union (EU), the Ministry of Foreign Affairs of Denmark (Danida) and Kenya Climate Innovation Center (KCIC) launched the AgriBiz programme (“Agri-Biz: Decent jobs for Youth and Women in Agricultural Value Chains in Kenya”) on 6th March 2020³. Over its five-year implementation period from 2020 to 2024, the programme is envisioned to support

2,400 women and youth-led agribusinesses to create over 17,000 job opportunities along agricultural value chains at an approximate cost of KES 5.1 billion.

The programme is structured to be implemented through establishment of eight Business Incubation Hubs (BIHs) in eight counties⁴ across the Republic of Kenya. The BIHs will be used as a one stop centre to attract, build capacity and provide incubation and acceleration

services to support youth and women to be successful in agribusiness ventures and in turn be providers of employment, market and services for other businesses.

BIHs will be established at existing well-resourced Agricultural Training Centres (ATCs) or similar centres, and in this way cost of establishment can be reduced and the sustainability of the investments can be ensured.



2. Youth are individuals between the ages of 18 and 35, as defined by the Constitution of Kenya, 2010.

3. The implementation period of the programme officially began on 1st January 2020.

4. Kenya has two levels of governance. The national government of the Republic and county governments. The country is divided into 47 counties. Each county, headed by a governor, has two arms: County Executive and County Assembly.

1.2 COUNTY SELECTION

The Council of Governors were consulted in the selection process led by the EU Delegation. The consultations focused on which counties would be viable to implement the programme.

The following considerations guided the selection of the eight target counties in which business incubation hubs would be established for purposes of supporting the programme:

1. Support from the county administration of youth employment measures and agricultural transformation, translated in their inclusion in the County Integrated Development Plans (CIDPs)⁵ as well as other concrete interventions;
2. Support by county governments to facilitate access to land and natural resources for youth and women (including existing or planned initiatives to map land tenure and create land banks);
3. Possibility of synergy with other programmes, in particular programmes by the European Union (EU) member states, and complementarity with other BIH and youth initiatives. Synergies with the EU-funded AgriFI programme for optimization of resources and results;
4. Possibility of creating a business incubation centre particularly based on upgrading existing Agricultural Training Centres (ATCs) and the willingness by county administration to grant a concession to manage the ATC or a similar centre under public private partnership on mutually acceptable terms;
5. Existence of financial institutions especially microfinance institutions or regulated Savings and Credit Co-operative Societies (SACCOs) interested in targeting women and youth agripreneurs, and in partnering with the guarantee facility to be established under Component 3 of the programme;
6. Potential impact on poverty reduction and potential coverage of the BIH;
7. Regional balance to ensure equitable sharing of the benefits of programme intervention across the 47 counties⁶;
8. Extent of youth and women unemployment burden as reflected by the poverty levels and population in the counties;
9. Potential of agricultural activities in the select counties to ensure that the programme interventions will yield optimum benefits and meet the programme objectives.

5. CIDPs are prepared by counties to guide development over a five-year period and contain information on development priorities which inform annual planning framework, budgeting and appropriation of funds.

6. Support is not restricted to the host county. Neighbouring counties have access to services from the county BIHs. Accessibility of the hub for entrepreneurs from other counties will also be a factor

Additionally, a rigorous mapping of accelerators and incubators in Kenya was done. It was clear that more than 95% of the hubs are based in Nairobi⁷. There were a few located in major towns with their mandate varying from tech/IT, healthcare and general support to SMEs. The AgriBiz programme will offer unique services targeting youth and women in agribusiness and will take these services outside Nairobi. Based on these broad guiding principles, selection of the eight target counties were premised on the need for regional and geographical balance, the programme used the traditional regional⁸ boundaries of Kenya, that is, Rift Valley, Central, Nyanza, Western, North Eastern, Eastern, Coast and Nairobi. New regional economic blocs into which counties are divided, was also considered, they are:

- **Frontier Counties Development Council (FCDC)**, comprises of six counties;
- **North Rift Economic Bloc (NORB)**, comprises eight counties
- **Mt. Kenya and Aberdares Region Economic**



7. Nairobi is the capital city of Kenya and is a regional industrial and commercial hub in Africa.

8. Kenya was initially divided into eight provinces as listed.

1.3 DISTRIBUTION OF COUNTIES PER BIH

Regional Economic Bloc	Host county and hub	Target counties	Main factors for choosing host county and hub
Jumuiya ya Kaunti za Pwani	Kilifi County , Mtwapa ATC	<ul style="list-style-type: none"> • Kilifi • Mombasa • Taita Taveta • Kwale • Lamu • Tana River 	<ul style="list-style-type: none"> • Targeted by AgriFI- including Agriculture Technical Vocational Education Training (ATVET) center upgrade; • Dynamic and committed county government; • High youth unemployment; • High potential for ATC; • Hub for Coast and parts of North-Eastern Kenya; • Well Established ATC (125 acres), construction of ATC hostels ongoing; • Draft Bill for financial autonomy of ATC ongoing. To be presented to the County Executive Committee (cabinet) soon; • Top Government commitment; • Accreditation of the institution ongoing; • Population density at 116; • Poverty headcount estimated at 668,605 (highest in the block); • Build on IPP Gap and KCEP CRAL; • FAO Fisheries project and blue economy growth; • Good partnership and support relationship on development
Frontier Counties Development Council	Isiolo Isiolo ATC	<ul style="list-style-type: none"> • Isiolo • Wajir • Mandera • Marsabit • Samburu • Garissa 	<ul style="list-style-type: none"> • Geographical hub, allowing access/ coverage of several counties of FCDC block; • Only other ATCs in the blocks are Moyale (difficult to access for other counties in the block) and Garissa (potential security issues); • Central focus on livestock value chain; • Build on FAO focus on forest restoration, bio enterprises and rangeland management

South Eastern Kenya Economic Block (SEKEB)	Machakos County Machakos ATC	<ul style="list-style-type: none"> Machakos Makeuni Kajiado Kitui 	<ul style="list-style-type: none"> Political goodwill demonstrated by the County Government; Well managed, though under-resourced ATC, with huge potential; Bill on financial semi-autonomy of ATC was to be proposed and implemented in the near future.
Mt. Kenya and Aberdare Bloc	Kiambu Waruhiu ATC	<ul style="list-style-type: none"> Kiambu Nairobi Muranga Nakuru Nyandarua 	<ul style="list-style-type: none"> Targeted by AgriFI; dynamic and committed county government; Well organized agricultural sector; Total ATC acreage is 55 acres; Strong agribusiness presence in the county; Hydroponic farming for the youth programme ongoing; Government willingness to match investment by AgriFI to a similar amount; Partnership and cooperation relationships with development partners; High population (2.4 million), with estimated poverty headcount 559,860; Build on to FAO youth project: Reducing Distress Migration Through Local Value Chain Development: Italian Cooperation
	Meru Kaguru ATC	<ul style="list-style-type: none"> Meru Laikipia Tharaka Nithi Nyeri Kirinyaga Embu 	<ul style="list-style-type: none"> Targeted by AgriFI (including ATVET upgrade); Dynamic and committed county government; Draft Bill on financial autonomy for ATC in the Assembly; Established a revolving fund for the ATC; Total ATC acreage is 61 acres ; Ongoing investment in the ATC: ongoing construction of the hall ongoing and renovation of classroom; Build on the IPP GAP project.

North Rift Economic Bloc	Uasin Gishu County Chebororwa ATC	<ul style="list-style-type: none"> Uasin Gishu Nandi Elgeyo Marakwet Baringo Turkana West Pokot 	<ul style="list-style-type: none"> Location ideal to cover the northern corridor of Kenya; Chebororwa ATC is strategically located in Uasin Gishu- closer to West Pokot, Baringo and Turkana counties
Lake Region Economic Bloc (LREB)	Bungoma County Mabanga ATC	<ul style="list-style-type: none"> Bungoma Busia Vihiga Kakamega Siaya Trans Nzoia 	<ul style="list-style-type: none"> Synergy with EU-funded KCEP-CRAL project; Strategically located to provide a balance, with Kisii, for the LREB counties;
	Kisii County ATC	<ul style="list-style-type: none"> Kisii Nyamira Kericho Kisumu Migori Homabay Bomet Narok 	<ul style="list-style-type: none"> High poverty headcount (estimated at 525,632, third highest in the block after Kakamega) and youth/women/unemployment; potential synergies with other partners; Well established ATC; Commitment from the county government (including from the Governor himself), witnessed by construction of ATC hostels; Draft Bill for ATC financial autonomy; Good working relation with Kisii University on agricultural extension services

Official launch of the AgriBiz Programme



2.0 PROGRESS OF IMPLEMENTATION OF PLANNED ACTIVITIES DURING YEAR ONE

Activity	Progress (%)	Comment on status
Component 1: PROGRAMME AWARENESS AND IDENTIFICATION		
1.1 Programme Launch	100% Done	<ul style="list-style-type: none"> Successfully launched on 6th March 2020.
1.2 Mini Programme launches in the counties	30% Done	<ul style="list-style-type: none"> Carried forward to year two due to disruptions caused by COVID-19; Awaiting establishment of BIHs in Bungoma, Meru, Machakos, Kisii, Uasin Gishu, Isiolo and Kiambu counties where MoUs have already been signed with the county governments; Awaiting signing of MoUs and establishment of BIHs in Kilifi county.
1.3 Baseline Survey	100% Done	<ul style="list-style-type: none"> Scoping study conducted successfully in the eight counties. County-specific reports prepared and submitted; Baseline study on admitted clients conducted and report submitted during Q3.
1.4 Awareness and sensitization	40% Done	<ul style="list-style-type: none"> Successfully carried out in Meru, Kiambu and Bungoma counties
1.5 Brand Ambassadors' activities	20% Done	<ul style="list-style-type: none"> KCIC is currently exploring potential brand ambassadors who will be on-boarded and engaged during year two of implementation
1.6 Revival and rebranding of agricultural clubs in schools	Not Done	<ul style="list-style-type: none"> Engagement with education stakeholders and assessment of potential schools to host model agricultural clubs will be carried out during year two of implementation The government is currently restricting entry into schools.
1.7 Partnerships and collaborations (formalization)	In progress	<ul style="list-style-type: none"> Discussions on potential partnerships with Equity Bank, Family Bank, Kenya Women Microfinance Bank and Kenya Agricultural and Livestock Research Organization (KALRO) ongoing KCIC admitted into Meru and Machakos CASSCOMs, joining government entities and agribusiness players at the county-level advocacy platforms; Mapping of potential advocacy partners ongoing in Bungoma, Machakos and Kiambu counties;

Component 2: CAPACITY BUILDING; OPERATIONALIZATION OF BIHS		
2.1 Leasing BIH Workspace Areas	Postponed	<ul style="list-style-type: none"> Carried forward to year two of implementation due to disruptions caused by COVID-19. Site visits to the workspace areas in the ATCs have been conducted for Bungoma, Meru, Kiambu and Machakos counties; Site visits will be conducted in Uasin Gishu, Kisii, Isiolo and Kilifi during the first quarter of year two.
2.2 Programme Transport and Logistics	In Progress	<ul style="list-style-type: none"> Procurement processes for three vehicles are ongoing and KCIC is awaiting advice on duty and VAT exemptions.
2.3 Office Furniture	Postponed	<ul style="list-style-type: none"> Awaits establishment of BIHs.
2.4 Clients' Workstation	Postponed	<ul style="list-style-type: none"> Awaits establishment of BIHs.
2.5 ICT Infrastructure and Set-up	Postponed	<ul style="list-style-type: none"> Awaits establishment of BIHs.
2.6 Renovation Works	In progress	<ul style="list-style-type: none"> Recommendations on renovations to be made for Bungoma, Meru, Kiambu and Machakos were done. The most competitive bids for Bungoma and Meru workspaces are in the final stages of approval.
2.7 Fixtures and Fittings		<ul style="list-style-type: none"> Awaits establishment of BIHs.
2.8 Website Development and Linkages with Social Media	100% Done	<ul style="list-style-type: none"> Can be accessed through the link below: https://agribiz.kenyacic.org/
2.9 Office Supplies	Postponed	<ul style="list-style-type: none"> Awaits establishment of BIHs.
2.10 Learning Management Systems	Postponed	<ul style="list-style-type: none"> Setting up to begin in March 2021. This is under development, however KCIC used webinars and virtual meetings for client support as well as the Nawiri platform for the mentorship program.

Component 3: CASE BUILDING AND AWARENESS CREATION AROUND EMPLOYMENT OPPORTUNITIES FOR WOMEN AND YOUTH		
3.1 Exhibitions and Sensitization Meetings	40% Done	<ul style="list-style-type: none"> Exhibitions will begin in February 2021 and will be in line with donor visits; Sensitization meetings for Bungoma, Meru and Kiambu were conducted in October 2020; A total 497 County, Sub-county and Ward Agricultural and Administration officers were trained on the AgriBiz programme. This partly contributed to the huge interest in AgriBiz from the three counties based on the overwhelming number of applications received; Sensitization meetings for the Machakos BIH will be conducted in February 2021 with plans to hold the same for Kisii, Uasin Gishu, Kilifi and Isiolo during quarter one of 2021;
3.2 Case Studies Documentation and Dissemination		<ul style="list-style-type: none"> Case studies to be documented beginning year two of the implementation period.

Component 4: CALL FOR APPLICATION AND SELECTION OF BUSINESS IDEAS		
4.1 Individual Applications	100% Done	<ul style="list-style-type: none"> A total of 10,509 applications were received in year one of implementation (2,461 applications for the central cohort and 8,048 applications received from counties, Bungoma (3,166), Meru (3,470) and Kiambu (1,423).
4.2 Applications through Competitions	In progress	<ul style="list-style-type: none"> Vijana na AgriBiz competition call for applications closed in December, 2020; 353 applications were received;
4.3 Applications through Bootcamps	Postponed	<ul style="list-style-type: none"> The bootcamp for 30 successful Vijana na AgriBiz applicants will be carried out in 2021.
4.4 Direct Targeting of CBOs and SMEs		<ul style="list-style-type: none"> Direct targeting of CBOs and SMEs was done at the County level i.e., Bungoma, Meru and Kiambu. We were able to reach a total of 281 CBOs and 5,072 SMEs.

4.5 Vetting and Selection	100% Done	<ul style="list-style-type: none"> Successfully evaluated 2,461 applications and selected 200 applicants to join the central cohort. 193 clients who signed LOAs are actively being supported from the central incubation hub; Successfully evaluated 8,048 applications and selected 200 applicants to join the BIHs in Bungoma (63), Meru (66) and Kiambu (71)
4.6 Enrolment	In progress	<ul style="list-style-type: none"> Initially 200 clients were selected to the central cohort. A total of 193 were finally enrolled and received services during the reporting period. In year two, a total of 200 will be enrolled in their respective BIHs in quarter one. In year two, a total of 200 will be enrolled in their respective BIHs in quarter one for Bungoma, Meru and Kiambu counties.

Component 5: INCUBATION AND ACCELERATION SERVICES INCLUDING MENTORSHIP		
5.1 Incubation and Acceleration	100% Done	<ul style="list-style-type: none"> As of end of year one, KCIC incubated 193 agribusinesses which are divided into early stage (75, 38.9%), SMEs (80, 41.5%) and CBOs/SHGs (38, 19.7%). Due diligence to identify the main gaps within these businesses was conducted. The businesses have been supported virtually.
5.2 Mentorship and coaching	In progress	<ul style="list-style-type: none"> The mentorship program was launched virtually on 28th September 2020 and will run till August 2021 for the national cohort; Each incubatee was matched with and is benefiting from their business mentor; The mentorship support for the county cohort will be developed and rolled out in March 2021
5.3 Access to Information	In progress	<ul style="list-style-type: none"> Incubatees have undergone 9 online training sessions which had a total attendance of 504 participants representing the clients being supported. This gives an average of 56 participants per session.

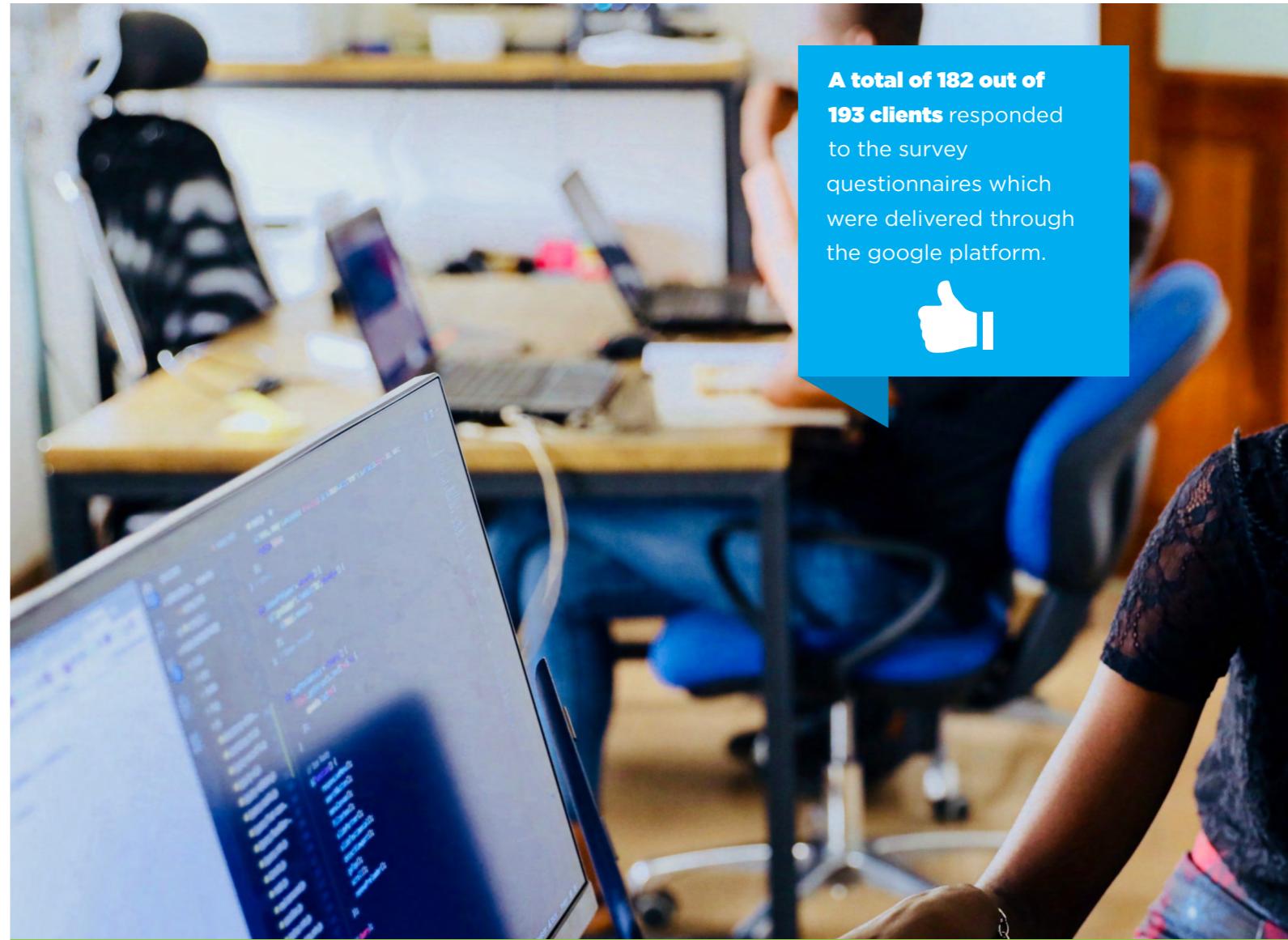
5.4 Access to facilities	In progress	<ul style="list-style-type: none"> Clients have requested to be supported to access the following services. Once support is given by the service providers, results of the services will be posted. 44 clients have been identified for product testing and development support; 41 clients have been identified for various certifications including Kenya Bureau of Standards (KEBS), Global G.A.P., Hazard Analysis and Critical Point (HACCP) among others. 38 clients have been identified for supports towards obtaining trading and county. 56 clients have been identified to receive support towards registration of their business as limited liability companies.
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Component 6: FINANCIAL SUPPORT SERVICES; GRANTS AND INVESTOR READINESS PROGRAM		
6.1 Proof of Concept Financing (80 Clients target for year one)	16.25% Done	<ul style="list-style-type: none"> 13 clients received Board approval for Proof of Concept (PoC) financing to the tune of KES 12,907,000. Disbursement for the first tranche of funds is ongoing with KES 4,383,852 having been disbursed already for clients who have met conditions specified in grant agreements. Assessment of proof-of-concept grant facilities do not match the need and fit for the majority of enterprises as envisioned.
6.2 Result Based Financing (50 clients target for year one)	70%	<ul style="list-style-type: none"> 37 clients received approval for Result Based Financing of Ksh.50,540,000. Disbursement for the first tranche of funds is ongoing with KES 27,675,722 having been disbursed for clients who have met conditions precedent; Majority of clients assessed matched this type of financing after assessment.
6.3 Investor Readiness Programme	Not Done	<ul style="list-style-type: none"> The investor readiness programme will be implemented year two.
6.4 Funds application and processing: Commercial and Legal Due Diligence	Done	<ul style="list-style-type: none"> Legal and commercial due diligence was conducted on all RBF and PoC clients; Field visits were conducted before signing of loan and grant agreements. Visits will be carried out again in February to all financed clients.

Component 7: ADVOCACY WORK AT COUNTY LEVEL		
7.1 Advocacy Campaigns	In Progress	<ul style="list-style-type: none"> Advocacy inception meetings held in Meru and Machakos Counties with high level commitment from departments of agriculture, trade, gender, youth and economic planning. One sector brief produced, focusing on agribusiness landscape highlighting the focus of the programme from a national perspective;
7.2 Supporting Legislation and Policy Reforms	In Progress	<ul style="list-style-type: none"> Commitment from Sectoral Committee on Agriculture, Livestock and Fisheries in the County Assembly of Meru; KCIC admitted to into Meru CASSCOM, a county-level advocacy platform on agribusiness; Engagement with Machakos County Department of Agriculture on priorities for the Gender Policy in (to focus on sections covering Gender and Agriculture as well as Gender and Youth Development);
7.3 Semi-annual cross-county stakeholder dialogue forums	In Progress	<ul style="list-style-type: none"> Three county engagement forums held, as inceptions towards advocacy and build-up for cross-county stakeholder forum during year two of implementation;
Component 8: PROGRAMME MANAGEMENT AND COORDINATION		
8.1 Leadership	Completed	<ul style="list-style-type: none"> The management team provided stewardship on all aspects of program implementation and guidance as envisioned in the annual work plan.
8.2 M&E Team	Completed	<ul style="list-style-type: none"> The M&E supported the program in all aspects in implementing the result framework to capture the results, worked with the program team, collect data and reported on performance.
8.3 Program Staff	Completed	<ul style="list-style-type: none"> The program staff provided the necessary support in commencing the project and ensuring delivery of the services to the clients.

8.4 Finance and HR Staff	Completed	<ul style="list-style-type: none"> The Finance team provided financial management support in budgeting, payments, financial and donor reporting, providing support for the annual statutory audit of KCIC for the year ended 30 June 2020. The HR staff provided support in all aspects of Human Capital Management that included but not limited to staff recruitment and onboarding, performance management, staff welfare, payroll, and staff insurance.
8.5 Procurement and Logistics Staff	Completed	<ul style="list-style-type: none"> Provided support in acquisition of goods and services for the program. Providing logistic support to the staff travelling to the field and coordinating meetings for clients.
8.6 IT Staff	Completed	<ul style="list-style-type: none"> The IT team provided support to the AgriBiz program in all aspects of IT needs and infrastructure support.
8.8 Insurance (Medical and Workplace) and Gratuity	Completed	<ul style="list-style-type: none"> Insurance covers procured and provided to all the AgriBiz staff.
8.9 Audit and review/evaluation	Completed	<ul style="list-style-type: none"> Annual statutory audit which included the audit of the AgriBiz financial transactions conducted and audit report issued in November 2020. The audit covered the AgriBiz transactions for the period January to June 2020.

3.0 BASELINE SURVEY



A total of 182 out of 193 clients responded to the survey questionnaires which were delivered through the google platform.



3.1 INTRODUCTION

A comprehensive agribusiness situational assessment of the eight counties selected to host the BIHs was conducted to form part of the baseline study. Conducted to contextualize the potential of the agribusiness sector in those counties, the findings set the benchmark for measuring change with reference to the programme's targets to improve clients' performance in the sector.

Forming part of the survey was a comprehensive study of clients admitted into the programme, the purpose of which was:

- to gain insights on the status of the businesses;**
- note their potential strengths and identify gaps;**
- highlight key value chains;**
- present the measurement of project indicators prior to implementation of the programme.**

Additionally, the survey assessed the clients' perceptions of knowledge the regulatory environment required to steer the agribusiness sector to pathways of success.

3.2 BASELINE SURVEY- COUNTY SCOPING STUDIES

For the county assessment studies of the 8 target counties, Key Informant Interview (KII) and Focus Group Discussions (FGDs) were conducted and information collected following the guiding questionnaires. Data was triangulated with latest available secondary data to get the stakeholders' perspectives on the state of the agribusiness sector across the counties.

The objectives of these surveys were to map out existing agricultural value chains, identify and conduct physical assessment of ATCs; engage with the county governments and establish their level of commitment to the program; analyse human development indicators with potential influence on implementation of AgriBiz programme; and, draft situational analysis reports that present baseline findings.

Summary of findings:

County	Key agribusiness value chains	Recommended ATC/Institution for BIH	Ongoing policy/programme interventions on women/youth agribusiness initiatives
Kilifi	<ul style="list-style-type: none"> Livestock - dairy Food and cash crops- mango, cassava, coconut and cashew nuts 	ATC Mtwapa	<ul style="list-style-type: none"> Mifugo ni Mali (loosely translates to 'Livestock is Wealth')- to enable dairy farmers access interest free loans; Microfinance (Mbegu Fund) Act- provides seed capital to SMEs
Machakos	<ul style="list-style-type: none"> Industrial crops- coffee, sisal Food crops- grains, legumes, root crops, mangoes, avocados, pineapple, sorghum Horticultural crops- flowers Apiculture Livestock and fisheries 	Machakos ATC/ Machakos TTC	<ul style="list-style-type: none"> CIDP- strong on women and youth engagement, borrowing from the failures of first generation CIDP. AGPO- an affirmative action initiative meant to reserve specific county government tenders for women and youth.

Kiambu	<ul style="list-style-type: none"> Food crops- maize, beans, Irish potatoes, bananas, vegetables Horticultural crops - vegetables, herbs, flowers for local and export markets Fruits- pineapples, mangoes Cash crops- coffee, tea, macadamia, pyrethrum Dairy industry Aquaculture, poultry and pig farming Bee keeping 	Waruhiu ATC	<ul style="list-style-type: none"> Biashara Fund- offers financing to small businesses
Meru	<ul style="list-style-type: none"> Food and cash crops- wheat, barley, Irish potatoes, millet, sorghum, tea, coffee, bananas, miraa (khat) Livestock- dairy, goat and pig farming Poultry 	Meru Technical University/ Kaguru ATC	<ul style="list-style-type: none"> Kaguru ATC Bill, Meru Crop Bill Rapid Response Initiative
Isiolo	<ul style="list-style-type: none"> Crops- maize, sorghum, beans, green grams, rice, cowpeas, dolicos, kales, tomatoes, onions Fruits- watermelon, pawpaw, avocado, citrus, mango and guava Livestock Apiculture Agroforestry 	Isiolo ATC	<ul style="list-style-type: none"> None identified from the study

Kisii	<ul style="list-style-type: none"> Food Crops- maize, beans, potatoes, vegetables Cash Crops- tea, pyrethrum, bananas, sugarcane, Livestock & poultry- zebu, goats, sheep, donkeys Aquaculture Apiculture 	Kisii ATC	<ul style="list-style-type: none"> None identified from the study
Bungoma	<ul style="list-style-type: none"> Poultry - rearing of traditional chicken Food and cash crops- sweet potatoes, dairy, soya production 	Mabanga ATC	<ul style="list-style-type: none"> CIDP- establishment of dairy farm units in select youth polytechnics, ATCs and technical training colleges.
Uasin Gishu	<ul style="list-style-type: none"> Crops- maize, sunflower, barley, wheat, pyrethrum, potatoes Livestock - dairy, sheep, pigs Aquaculture Apiculture Poultry 		<ul style="list-style-type: none"> None identified from the study



3.3 BASELINE SURVEY - ADMITTED CLIENTS

3.3.1 Methodology

The baseline survey was conducted through two main approaches – quantitative and qualitative- to obtain different types of information from the respondents who were the clients admitted into the AgriBiz programme. Quantitative data was collected based on the AgriBiz programme's outcome level indicators. A set of questionnaires were developed against quantitative indicators of the programme.

Qualitative data was collected to understand the key gaps the admitted enterprises had as well as the business environment as influenced by the existing legal, regulatory and policy provisions. The census method of sampling was applied in collecting baseline information from all the clients. A total of 182 out of 193 clients responded to the survey questionnaires which were delivered through the google platform. The online

platform enabled the clients to self-assess themselves along the identified parameters and follow-up validation processes were conducted with the M&E team providing oversight to ensure completeness, reliability and validity of the collected information.

3.3.2 Findings

Of the respondents interviewed during the survey, **54.5% were women while 67.5% youth.**

The study revealed that, at the time, **these enterprises employed 1,980 people, majority of whom were male at 54%**. The findings also showed that more than two-thirds of the admitted clients were at commercialization and growth stages while the remaining were at the ideation, prototype and validation phases.

Regarding length of operation, **48% had existed for a period of 1- 3 years while 22% had operated for less than a year**. Only 17% had been in operation for a

period of 3-5 years. Most of the clients demonstrated sound knowledge of the policy and regulatory environment and how it impacted their businesses. One in three indicated that it was exceptionally easy for a woman or youth to start and run an agribusiness enterprise within their counties of operation while two in five said it was not easy.

KCIC also conducted county assessment surveys whose reports revealed that **value chains across the country were as varied as the counties' geographical locations and climatic conditions**. Most prominent

value chains included, among others, industrial crops, food crops, horticulture, apiculture, livestock and fisheries.

The assessments also **brought out policy priorities in agribusiness by studying the counties' five-year development plans: the CIDPs**. While provisions for agribusiness featured strongly in these plans given agriculture's prominence as the backbone of Kenya's economy, there was little to show, if any, for enabling policies and regulations enacted at the county level or adapted from the national government to spur women and youth engagement in agribusiness.

4.0 PROGRAMME IMPLEMENTATION

3.1.3 Recommendations

Based on this evaluation, it was recommended that client support should take into account the outcomes identified from the baseline while taking into evolving needs. For instance, an overwhelming majority of the businesses would need to be supported to put in place or strengthen their business plans, systems and business skills.

Additionally, a favourable enabling environment for women and youth involvement in agribusiness would require proper buy-in from the policy makers, forming and strengthening county structures for advocacy and utilising such platforms to harmonise advocacy issues, taking into account the needs of the programme as well as the national context and county-specific needs.



Miss Mbula C.E.O Utake Coffee explaining to HE Charles Michel about her product



4.1 CALL FOR APPLICATION AND SELECTION OF BUSINESS IDEAS

4.1.1 Individual Applications- central cohort

A total of 2,461 applications were received in response to the first (countrywide) call rolled out in May 2020. Of these,

 **200 were successful and were issued with Letters of Agreement (LoAs).**

However, on further due diligence, seven were found unsuitable and were therefore exited from the programme.

4.1.3 Review by age

A review of successful applicants by age is illustrated below. It is noted that while male applicants were restricted to the youth age bracket, women applicants of all ages were accepted as per programme guidelines.

Years	No. of Applications	Percentage (%)
18-25	24	12.4%
26-35	102	52.8%
36-45	33	17.1%
46-55	18	9.3%
Above 56	16	8.3%
Total	193	100.0%

4.1.2 Review by stage of business

The 193 enterprises being supported as the central cohort are distributed as illustrated in the following table in terms of stage of business:

Business Structure	Count	% Distribution
Early Stage	75	38.9%
SMEs	80	41.5%
CBOs/SHGs	38	19.7%
Total	193	100.0%

4.1.4 Review by gender

Female applicants constituted 51% of the accepted submissions while their male counterparts were 49% as shown in the table below. This is in contrast to the gender composition of the total applications received where male applicants were the majority at 51.48%. This may be attributed to the fact that women of all ages were considered while for their male counterparts, only those in the youth category were given preference.

Gender	Count	Percentage (%)
Female	99	51.3%
Male	94	48.7%
Total	193	100.0%

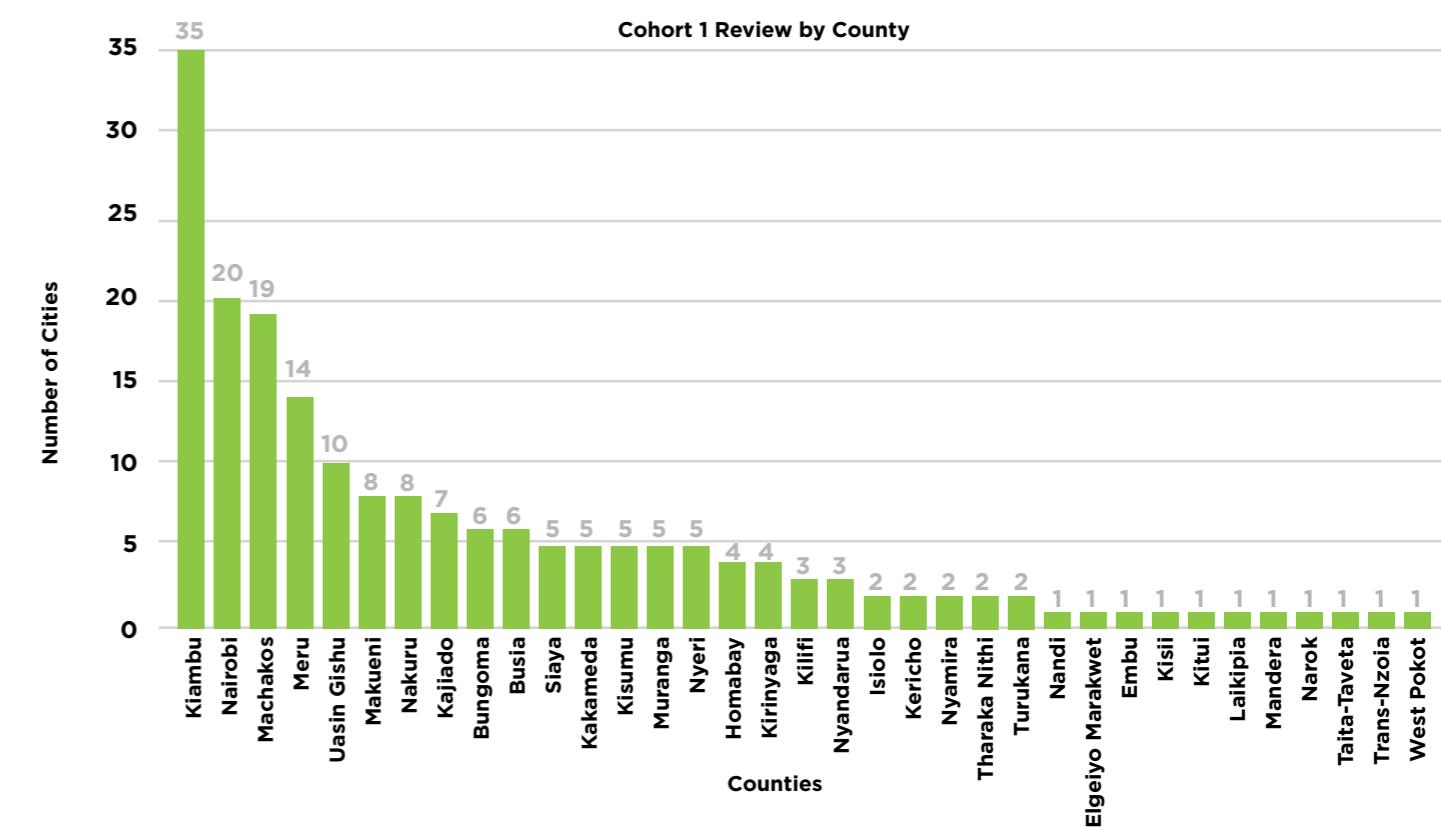
4.1.5 AgriBiz Cohort 1 Review of Age Vs Gender

Description	Count		Percentage	
	Female	Male	Female	Male
35 and Below	43	88	22%	45.5%
36 and Above	62	0	32.50%	0%
Total	105	88	54.50%	45.5%

From the total applications accepted, there are more women led enterprises than those led by men at 54.50%, and 45.50% respectively. However, there were fewer women youth-led enterprises at 22%. All male-led enterprises admitted are youth-led in terms of majority shareholding as per legal registration status.

4.1.6 AgriBiz Cohort 1 Review by county

Applications were received from 35 out of the 47 counties in Kenya. The top three counties with the highest representation in the central cohort are; Kiambu-35, Nairobi-20 and Machakos-19. Counties with the least representation included: Isiolo, Kericho, Nyamira, Tharaka Nithi and Turkana, with two accepted applicants each and Elgeyo Marakwet, Embu, Kisii, Kitui, Laikipia, Mandera, Nandi, Narok, Taita Taveta, Trans Nzoia and West Pokot, each having one accepted applicant. The chart below is a graphical representation of the same.



4.2 SERVICE PROVISION

4.2.1. Business advisory services

Business advisory is specifically designed to provide the entrepreneur with technical skills to effectively run the business hence reducing risks of failure. In the period under review, the KCIC team conducted a gap analysis for the 193 clients to better understand their businesses and their specific needs.

In addition, a screening of the companies' legal status was conducted. This included checking availability of registration certificates, CR12⁹, business permits and licenses. The main business advisory support provided during the period included:



Gap analysis

All the 193 clients had gap analysis conducted for their business and gap assessment reports generated as an outcome of the exercise.

Review of business models

95 clients had their business models reviewed thereby giving them better understanding of their business, the gaps therein and strategies on how to fill in the identified gaps;

Marketing plans

23 clients were supported to develop marketing plans. This enabled them to develop action strategies for customer acquisition and retention;

Customised workplan

All the 193 clients had a customized work plan developed in line with the gaps identified. These work plans provided a guide on relevant incubation support services to be provided to individual clients over the 12-month incubation period;incubation period;

Revision of business plans

125 clients had their business plans revised and improved in line with the new business models. Clients with complete business plans are better positioned to seek external financing opportunities;

Human resource and administration advisory support

2 clients received human resource and administration advisory support, the clients are now better equipped to make hiring decisions and have a clear mapped out process and plan for succession in case of high staff turnover;

Web profiles

108 clients had brief website profiles generated, as an access to market platform through the AgriBiz website. This generated additional online visibility for the clients' businesses and their products;

Pitch decks

5 clients were supported to develop pitch decks for various fundraising opportunities outside KCIC, giving them opportunities to bridge financing gaps and fund their strategic growth plans;

Corporate governance

1 client received training on corporate governance to set up proper governance and leadership structures in their business and build team cohesion; and,

Budgeting and financial planning

1 client was trained on budgeting and financial planning which enabled the entrepreneur to plan better for their business' financial year.

9. CR12 is an official confirmation by the Registrar of Companies in Kenya as to whom the directors/shareholders of a company are.

4.2.2 Mentorship and Coaching

As one of the support activities embedded in the AgriBiz programme, mentorship was rolled out for all the enterprises being supported. It focused on key challenges that hinder women and youth from benefiting from the potential opportunities in the agribusiness sector. The mentorship programme also promoted innovative agribusiness practices.

It is expected that the programme will fuel the success of these SMEs and enable them to survive and grow their revenues, customer numbers and jobs created among other commercial indicators. It will leverage on the existing mentorship programme being offered by KCIC. Groups and individuals will engage with experienced business mentors with diverse expertise and industry experience.

The following milestones have been achieved on the mentorship:



An inception meeting was held in October 2020 to ensure there is alignment on the AgriBiz mentorship programme design, implementation plan and deliverables;

The outcome of this inception meeting was an inception report detailing the methodology and milestones over the 10-month period. Mentorship support for the central cohort will run for 10 months till August 2021 and is structured to involve at least one mentor-mentee engagement during a month. The programme will therefore offer eight individual sessions per mentee, three group mentorship and three technical sessions;

An online mentoring platform was set up. The e-mentor platform, named Nawiri, is licensed and is an avenue through which mentees, mentors and business analysts interact. The success of the programme is largely dependent on the effectiveness of this tripartite relationship among the mentor, mentee and business analyst. Mentorship materials and tools were also shared on the platform. The Nawiri platform facilitates the management and measurement of knowledge transfer;



Virtual induction of business mentors/consultants to the program was done in September 2020. This entailed discussions on the project objectives and levelling expectations from the mentors. They were inducted on:

1. Overview of the programme;
2. The concept of mentoring;
3. Expectations & the guiding principles in the AgriBiz mentorship programme;
4. Business mentoring skills: Business Idea Review Model; General Business System Review; Gaps Identification, Analysis & Closing; Understanding the Business Environment and Financial Assessment;
5. Essential Soft Mentoring Skills: The GROW mentoring model; Appreciative Inquiry; Listening & Questioning Skills; and Change Management;
6. Orientation to the Nawiri mentorship platform; and
7. Mentoring Models & approaches.



The mentorship programme was launched on the 28th of September, 2020 through an online webinar attended by the AgriBiz clients, contracted mentors and AgriBiz Business Analysts. Some of the activities for this session included:

1. Induction of SME consultants/mentors, mentees and KCIC staff on the mentorship programme;
2. Objectives of the program;
3. Expectations;
4. Sharing of mentor experiences; and
5. Dos and Don'ts during mentorship.



All mentors have developed work plans for the 10 months' implementation period including time estimates required for all the stages of the work.



The mentorship programme also includes technical support for specialized needs or gaps identified in select or group of enterprises. Through the programme, AgriBiz clients have been receiving the following training:

1. Leadership and Governance training targeted at CBOs, SHGs and Cooperatives. Fifty-two participants attended the training.
2. Market Access Training for early-stage businesses and SMEs was conducted by an external consultant and was attended by 97 participants.

4.2.3 Access to information

Clients were taken through several online training sessions which were aimed at increasing their knowledge of getting relevant product certification; managing mental health, people and stress; keeping relevant data concerning their businesses to measure and manage impact and sharpening their financial record keeping, analysis and modelling skills.

Key training sessions delivered during the period included:

KEBS standardization training	Counseling session	Monitoring and Evaluation Training
This was conducted by the Quality Assurance Department at KEBS and was attended by fifty-three (53) clients . The clients were taken through the product certification process managed by KEBS;	This was organised to help clients cope with the adverse effects of COVID-19 on their businesses and personal lives. One hundred and twenty-one clients attended.	facilitated internally by the M&E Unit and attended by 61 clients . Through the training, clients were equipped with skills on measuring impact and how to integrate M&E into businesses decisions and operations;
Financial Management Training	Financial Modelling Training	Governance Training for CBOs, SHGs and Cooperatives
Three sessions were conducted by the business analysts where 75 participants attended . The training aimed at improving clients' skills on record keeping;	This was conducted with the objective of improving clients' decision-making ability suing financial models. Twenty-eight clients attended and one followed up by starting to build her business' financial model;	The session was facilitated by one of the mentors under the AgriBiz programme. It was well attended by 52 participants . The leaders of CBOs, SHGs and Cooperatives were able to gain understanding of practical strategies they could adopt to better manage their members and rally them to cohesively work together to attain a shared purpose;
Market Access Training	African Agri Council Webinar on Market Access:	IFC Webinar for Climate Smart SMEs- seven clients were shortlisted to attend;
Attended by 97 clients , they were able to gain a better understanding of how to segment their customers and reach them with a message and product that meets their needs/solves their problem;	10 clients attended and gained insights on the impact of COVID-19 on agri-foods in Sub Saharan Africa.	

Other access to information initiatives relayed to clients included:

32 clients were supported in accessing information regarding market analysis specific to their target market segment(s);

88 clients were supported to access information on external funding opportunities for their consideration;

11 clients were supported on accessing information on where and how to get product development support.

4.2.4 Access to Facilities

Under the AgriBiz programme, businesses were scheduled to receive technical support from testing facilities in order to standardize their products. These services include testing, packaging and prototyping, government certifications of products and services among others. However, due to government and ministry of health COVID-19 restrictions, most facilities scaled down their operations during the year. Access to KCIC incubation space was also restricted hence no client used office space during this period. As COVID-19 restrictions continue to ease, KCIC has identified the following key areas of support for the clients:

	Area of TA	No. of clients
1	Registration from Business names/ CBOs/SHGs to limited companies	56
2	Business Licences- Trading and County Permits (Companies under financial consideration)	38
3	Certifications- KEBS, GLOBALG.A.P., HACCP, Agriculture and Food Authority (AFA), Horticultural Crops Development Authority (HCDA), Export licenses	41
4	Product Development Support -Kenya Industrial Research and Development Institute (KIRDI), KALRO, Gearbox	24
5	Product Testing- KEBS, Gearbox	20

4.2.5 Access to finance: RBF and PoC

The lack of access to finance for early-stage enterprises, is a common barrier which is magnified among the most disadvantaged groups. This is reflected in large part by the relative lack of collateral assets and own financial resources in these enterprises. The AgriBiz programme seeks to create access to finance to clients with innovative and scalable business ideas through Proof of Concept (PoC) and Results Based Financing (RBF) .

PoC is a grant financing facility that will greatly accelerate the adoption of agriculture as an income generating activity by the large number of women and youth in the country. Financial support will be provided on a need basis to clients in line with programme guidelines. PoC is non-repayable and is subject to agreed drawdown milestones. The size of PoC support falls within the range of EUR 2,000 to EUR 10,000.

Result based financing (RBF) on the other hand, is a financing facility which aims to catalyse business growth, for businesses that are post Proof of Concept. This is geared towards enabling both women and youth entrepreneurs to embrace agribusiness as a viable livelihood venture which would help reduce unemployment in the country. Result based financing (RBF) provides debt facilities to the companies against well-defined milestones to facilitate the tranche drawdowns. The ticket size of RBF support falls within the range of EUR 5,000 to EUR 15,000 .



9. Results Based Financing (RBF) is referred to as 'Early-Stage Financing' (ESF) in the Action Document. The term RBF is used going forward.

Funding during year one of implementation

For the first round of financing under RBF and PoC, 64 clients were shortlisted based on a scoring system in the approved AgriBiz Financing Operational Policy Guidelines. The shortlisted enterprises were supported to develop financing profiles for consideration under the programme, including both the investment memos for RBF financing and PoC Appraisal Investment Reports (POCAIRs).

In the first round of financing, the KCIC Board of Directors at a meeting on 30th October 2020, approved investment cases amounting to EUR 381,492 (KES 50,540,000) for RBF financing and EUR 97,426 (KES 12,907,000) for PoC financing, against an allocated budget of EUR 575,181 (KES 76,200,000). Fifty cases consisting of 37 for RBF and 13 for PoC were approved.

The initial allocated budget for PoC and RBF cases for financing was EUR 80,000

and EUR 160,000 respectively, however, due to the impact of COVID- 19 on implementation of the programme, considerable budgetary reallocations were made. The new allocations were EUR 200,000 for PoC and EUR 400,000 for RBF. (refer to section 6.1 on budget reallocation)

After the board approval, further due diligence was conducted on the approved cases and financing agreements developed. Two RBF cases were dropped: one RBF client could not proceed after the due diligence process and another turned down the loan offer.

Upon evaluation by the investment team, 14 out of the 64 clients were recommended for consideration during the next round of financing, as they needed more advisory support to enable them to develop basic business systems and structures.

Disbursement of first tranche funds for the 37 RBF and 13 PoC clients is being done on a rolling basis as the clients meet loan and grant requirements.

For RBF, a total of EUR 208,905 (KES 27,675,722) has been disbursed to clients while EUR 33,091 (KES 4,383,852) has been disbursed to clients under PoC.

In order to decide which enterprises would be eligible to receive funding, for scoring the onboarded clients. The criteria were in line with the Action Document and the approved AgriBiz Operational Policy Guideline for Client Identification, Selection, Onboarding and Financing. Below are some key criteria used:

Results-Based Financing Criteria	Proof of Concept Criteria
Women-Led Enterprise <ul style="list-style-type: none"> • 51% shareholding and above <p>OR</p> Youth-Led Enterprise <ul style="list-style-type: none"> • 35 years of age and below • 51% shareholding and above 	Women-Led Enterprise <ul style="list-style-type: none"> • 51% shareholding and above <p>OR</p> Youth-Led Enterprise <ul style="list-style-type: none"> • 35 years of age and below • 51% shareholding and above
Stage <ul style="list-style-type: none"> • Revenues above EUR 5,000 	Prototype development <ul style="list-style-type: none"> • Almost the final prototyping stage and/or business model.
Scale Potential <ul style="list-style-type: none"> • A clear path to scale 	Market assessment <ul style="list-style-type: none"> • The entrepreneur must have made a market assessment of the market potential for the PoC project
Strong Management Team <ul style="list-style-type: none"> • Entrepreneur skills- Business and Technical 	Social Impact <ul style="list-style-type: none"> • Job Creation • Improved household incomes.
Social Impact <ul style="list-style-type: none"> • Job Creation • Improved household incomes. 	Business Potential <ul style="list-style-type: none"> • A product or service that demonstrates potential and scalability.
Financial Sustainability Potential <ul style="list-style-type: none"> • A Clear business model that demonstrates potential for financial sustainability beyond the program 	Entrepreneur commitment <ul style="list-style-type: none"> • The entrepreneur(s) skills, will and commitment • Co-funding in some cases
For RBF: <ul style="list-style-type: none"> • Milestones: the funding will be drip-fed drawdown with well-stipulated milestones. • Regulatory compliance requirements: Tax, relevant certification for operations, good credit history 	

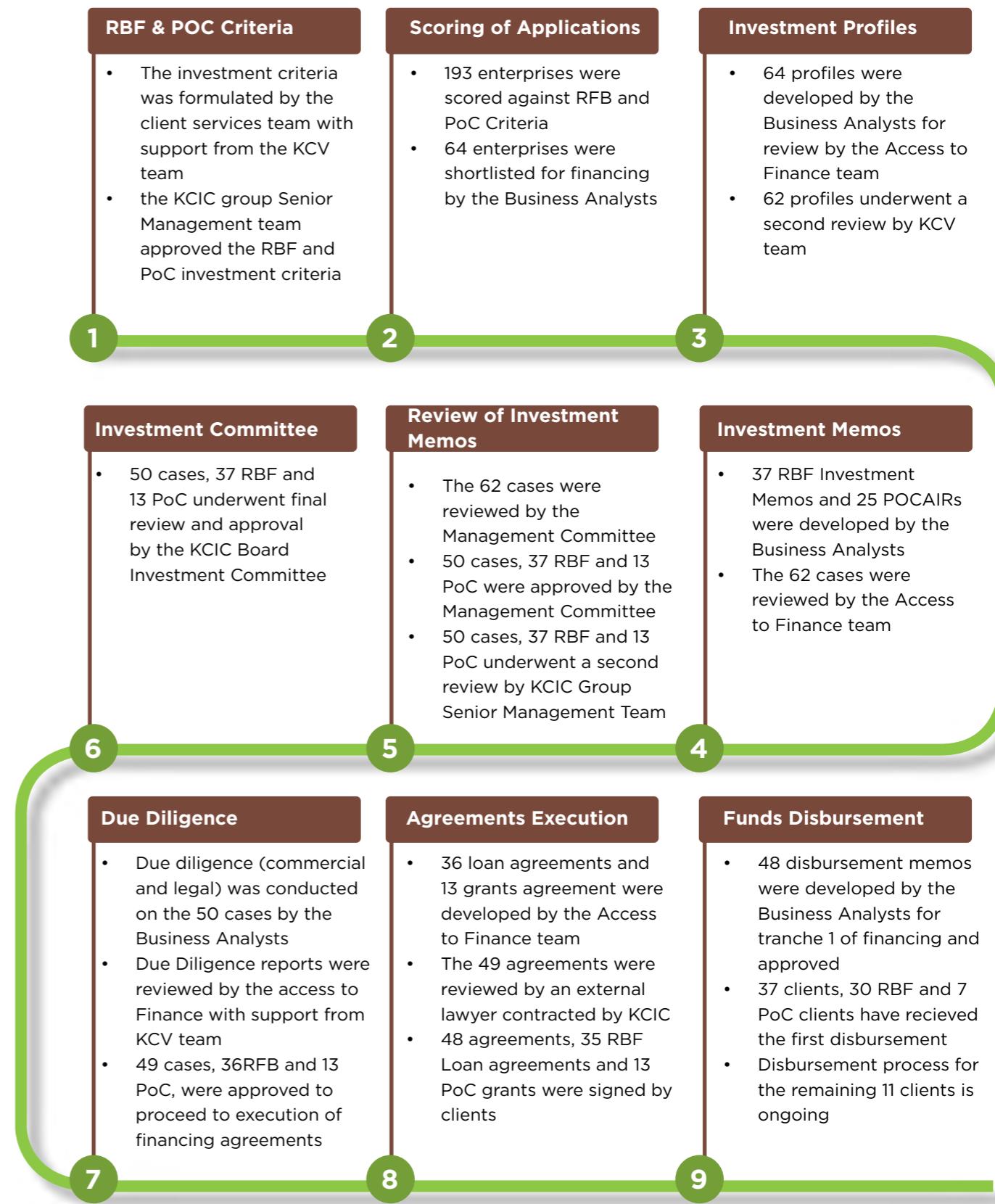


All eligible applications will be evaluated. A scoring system will be used to provide each application with a score between 0 and 100 (100 being most successful). An application must score a minimum of 70 Marks to be considered for financing under the AgriBiz programme.

All the proposed cases for financing: 37 RBF cases and 13 PoC cases, were scored against the above criteria. They all scored above 70 marks out of a maximum score of 100.

a) Process for approval of financing

In order to arrive at the final cases proposed for review by the investment committee, below is an outline of the process flow used:



b) Portfolio Statistics and Demographics

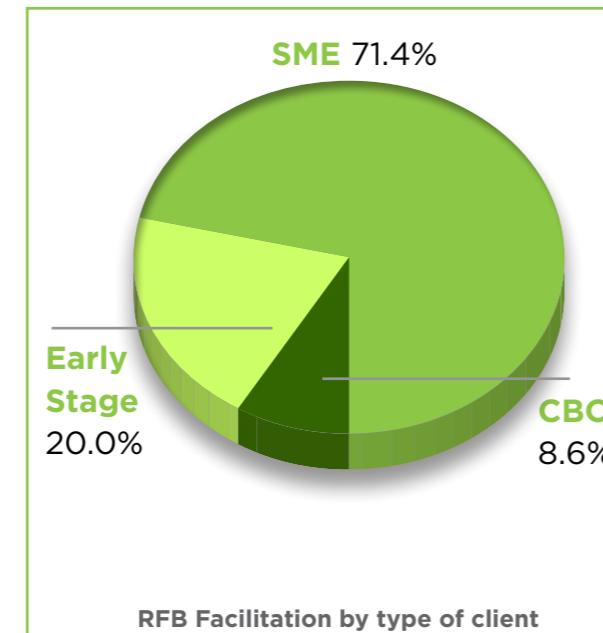
i) By Counties

Clients receiving RBF come from 13 counties with Kiambu having the most clients while clients receiving PoC come from 8 counties with Kiambu still ranking as the highest. Below is a graphical representation:



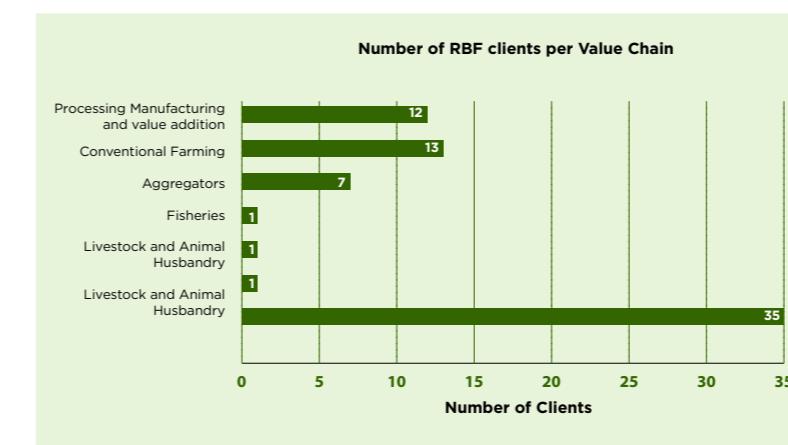
ii) By type of business- CBO, SME and Early-stage

Of the proposed RBF clients, SMEs ranked top with 25 while early-stage companies ranked top with 11 of the proposed PoC cases. Below is a graphical representation:



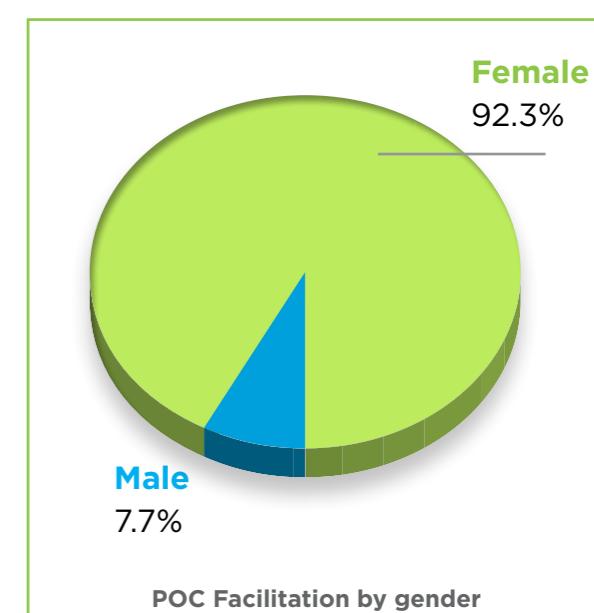
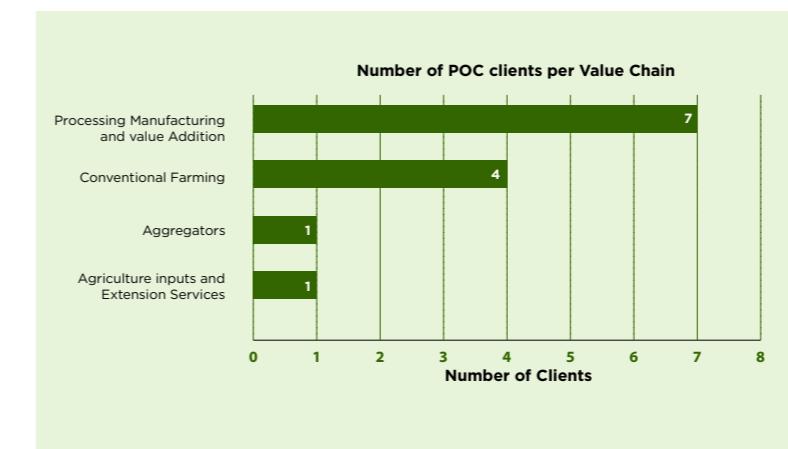
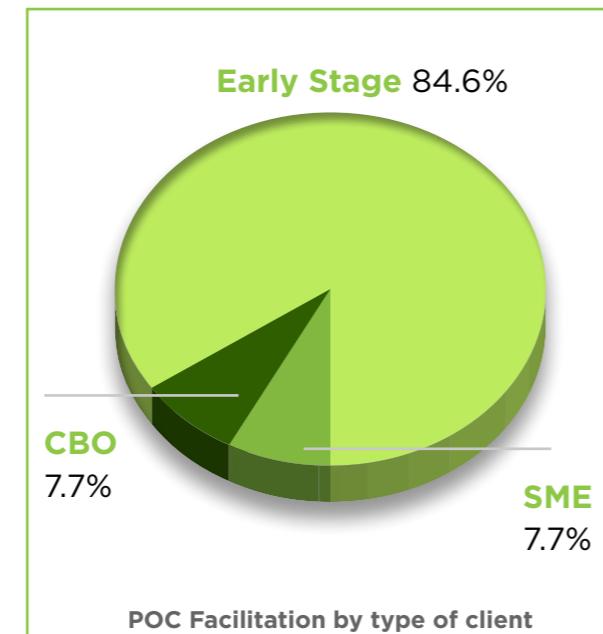
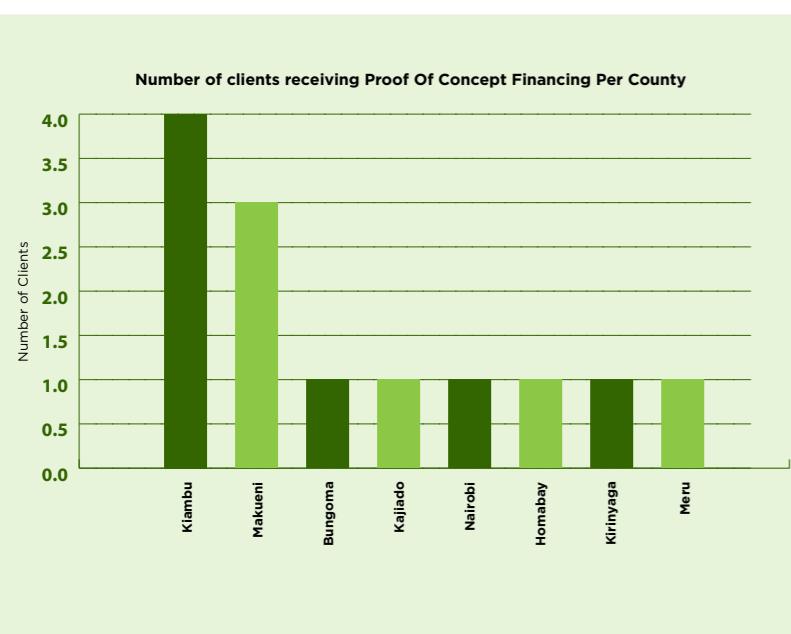
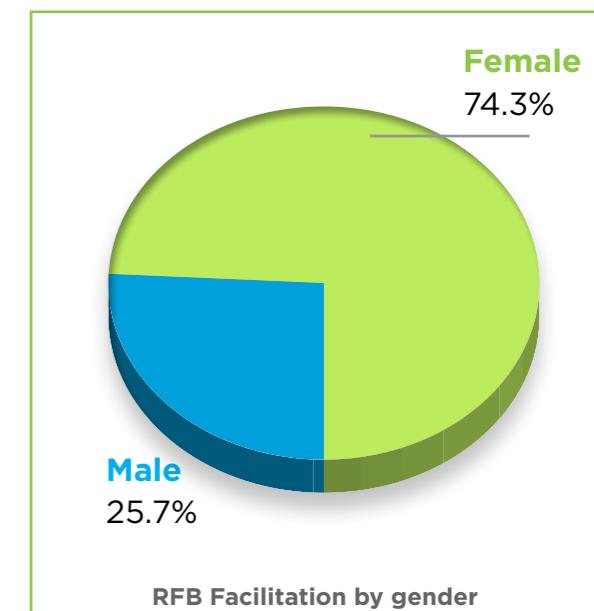
iii) By Value Chain

A greater majority of the clients proposed for RBF (14) and PoC (7) financing are in the Processing, Manufacturing and Value Addition value chain. Below is a graphical representation:



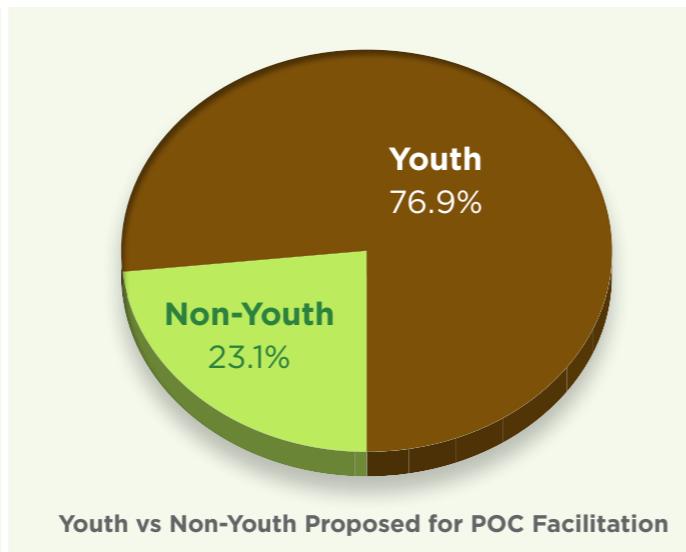
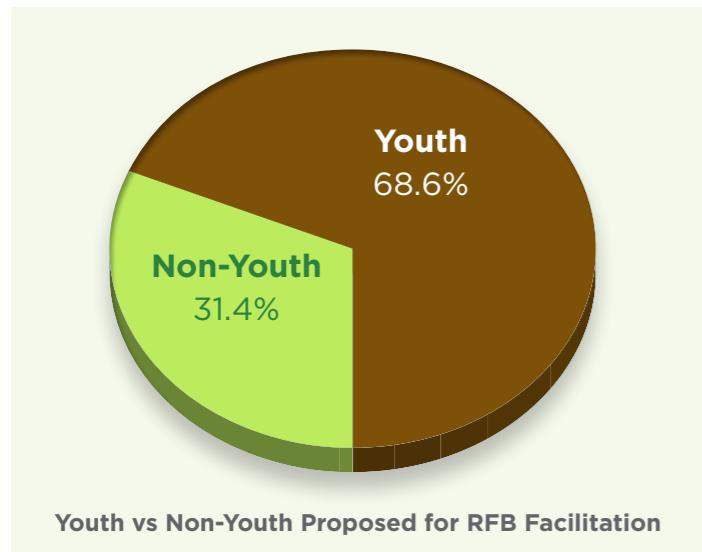
iv) By Gender

Most clients proposed for RBF and PoC financing are female. Below is a graphical representation of the same:



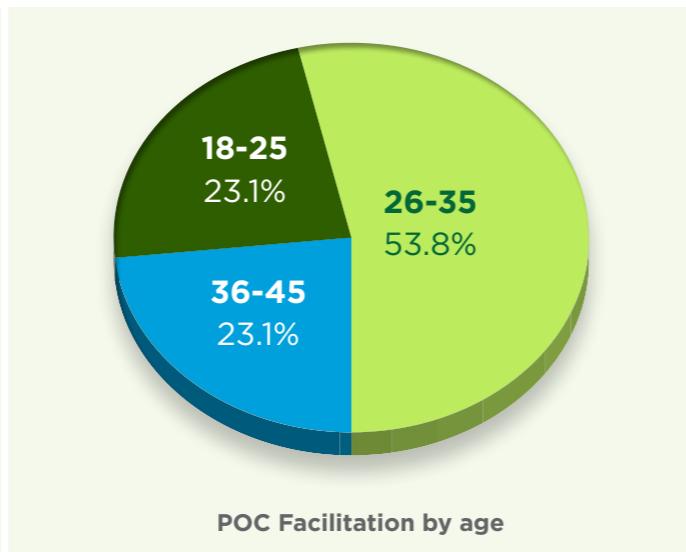
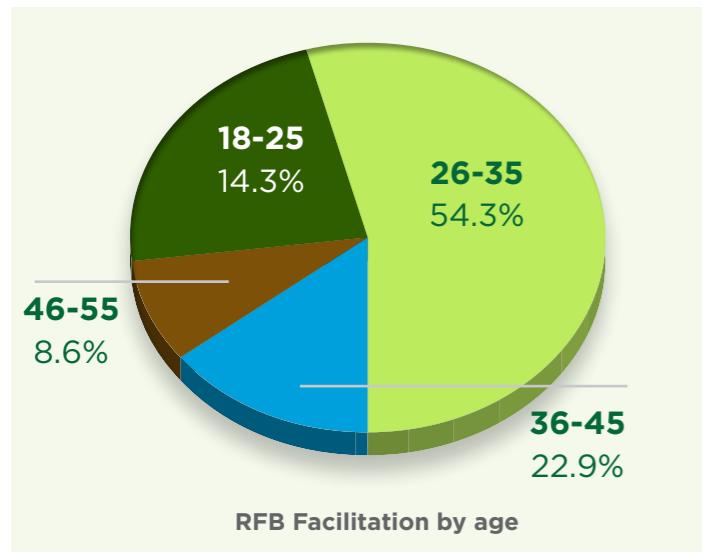
v) Youth Vs Non-Youth

Most of the clients proposed for RBF and PoC financing are youth. Approximately 69% and 77% of the clients proposed for RBF and PoC financing respectively are 35 years and below as presented in the following graphical representation:



vi) By Age

Most clients proposed for RBF and PoC financing are in the 26-35 age range. Approximately 22.9% and 23.1% of businesses proposed for RBF and PoC respectively are led by women who are above 35 years of age. Below is a graphical representation of the same;



Following the approval of these cases by the board, the following additional activities were undertaken:

- 1 Due diligence was conducted on the 50 cases; involved commercial and legal due diligence and field visits.
- 2 The Access to Finance team working with the Kenya Climate Venture (KCV) team developed both the grant letter and initial term sheet documents detailing terms of the financing for client acceptance.
- 3 The team also developed grant agreements and loan agreements with the support from KCV. The loan agreements were further reviewed by a lawyer who also supported the investment process of closing and witnessing the execution of the agreements.
- 4 A webinar was held to educate the clients on financing guidelines as per KCIC's finance and procurement guidelines.
- 5 48 clients, 35 RBF and 13 PoC, signed the loan agreements and grant agreements, respectively, showing clients' acceptance of terms stipulated in the grant and loan agreements.
- 6 Disbursement memos were prepared for the first tranche of funds for both RBF and PoC clients. Disbursement of financing is ongoing on a rolling basis as clients meet requirements stipulated in the agreements, beginning January 2021.

Financing from External Sources:

- **Seventeen (17)** clients were supported to apply for the GAIN (Keeping Foods Markets Working) competition.
- **Three (3)** clients were supported to apply to the Mbele na Biz Business plan competition.
- **One (1)** client was supported to apply for the Agro Minds Mini Challenge.
- **Six (6)** clients were supported to apply for the COVID19 Emergency Response Fund.
- **Three (3)** clients were supported to apply for the Sankalp Global Awards 2020.
- **One (1)** client was assisted to apply for the WFP innovation application.
- **Three (3)** clients were assisted to apply for the JICA Business plan competition.
- **Ten (10)** clients were assisted to apply for the AGRA Deal Room competition.
- **One (1)** client was supported to apply for financing from Dining for Women, NGO.
- **One client (1)** was supported to apply for the AFDB-Agripitch Competition.

4.3 APPLICATION THROUGH COMPETITION: **VIJANA NA AGRIBIZ**

Vijana na AgriBiz Competition targets youth with innovative ideas in agribusiness and who are willing to show them to the world as well as to actualize them from ideation to commercialization. The competition will support the full spectrum of the value chain from agricultural inputs and producers, to suppliers for end consumers in conventional agricultural, fisheries and livestock.

The objectives of this competition include:



Fostering innovation in agricultural practices and in agribusinesses;



Building the capacity of local entrepreneurs especially the youth;



Promoting an innovative entrepreneurial culture in agribusiness;



Enhancing local and international awareness of the innovative practices;



Creating market linkages and offer opportunities for scaling up; and



Identifying and supporting high-growth entrepreneurs like to spur economic growth.

The call for applications for this competition was opened on 2nd and closed on 23rd December, 2020

A total of
353
applications
were received.


Evaluation of the applications has begun and responses to the applications will be communicated by KCIC in February 2021. The following criteria is being considered when reviewing the applications:

- ✓ Entrepreneurial spirit and self-drive
- ✓ Business or market potential
- ✓ Innovation and technological potential
- ✓ Feasibility and viability of the agribusiness idea
- ✓ Job creation and social impact
- ✓ Management capacity
- ✓ Environmental sustainability

Shortlisted cases will be pitching to the jury where 20 companies will be selected to undergo a 2-day bootcamp. There will be scoresheets for all submissions and a shortlist of 20 businesses to participate in boot camp.

During the bootcamp, KCIC will organize a competent jury of six to participate in the National Final pitch event from which 3 winners will be picked for awards and post competition support including an opportunity to join the KCIC AgriBiz program. The top three finalists will receive cash prizes drawn from Application through Competitions and bootcamps (Budget line 4.2) as follows;

Second Runners Up
Ksh. 500,000

First Runners Up
Ksh. 750,000

Winner
Ksh. 1,000,000

For the final round, the top 20 will be onboarded to the AgriBiz Program. Other benefits proposed include an opportunity to join the KCIC mentorship programme, more visibility support from other partners within the ecosystem due to enhanced credibility and validation of their ideas.

4.4 ROLLOUT OF THE PROGRAMME IN COUNTIES

4.4.1 Collaboration with county governments

As part of entrenching collaboration with county governments on the AgriBiz programme, KCIC intends to sign MoUs with the eight counties which will host the BIHs. During the period, KCIC signed MoUs with four counties:



The County Government of Bungoma signed a Memorandum of Understanding with KCIC on 17th September 2020, being the first in a series of seven others to be signed. The BIH will be located at Mabanga Agricultural Centres (ATC) and will support clients from Bungoma, Busia, Vihiga, Kakamega, Siaya and Trans Nzoia counties;



The County Government of Kiambu was the third to sign an MoU with KCIC. The signing ceremony took place on the 1st of October 2020.

The BIH will be set up in Waruhiu Agricultural Training Center (ATC) and will support clients from Kiambu, Nairobi, Muranga, Nakuru and Nyandarua counties; and



The County Government of Meru was the second county to sign an MoU with KCIC on 25th September 2020. The BIH will be set up at Kaguru Agricultural Training Center (ATC) and will support clients from Meru, Laikipia, Tharaka Nithi, Nyeri Kirinyaga and Embu counties;



The County Government of Machakos was the fourth to sign an MoU with KCIC. The signing ceremony took place on the 17th October 2020.

The BIH will be set up at Machakos Agricultural Training Center (ATC) and will support clients from Machakos, Makueni, Kitui and Kajiado counties.

There are plans to conclude the signing of MoUs with the remaining four counties, namely Kisii, Isiolo, Kilifi and Uasin Gishu during quarter one of year two of programme implementation.

a) Evaluation of applications

A total of 8,059 applications were received from the three counties. **The evaluation exercise took 21 days, and the approach was in three stages, re-evaluating the results after each stage before proceeding to the next stage.**

Evaluation of the applications was successfully completed in December 2020

The first step of evaluations entailed compiling of the data from both the physical and online applications from the three counties and evaluating them based on the criteria. The second step of the evaluation involved shortlisting the applicants through a rigorous process and more stringent criteria specific to the type

of enterprise. The third step of the evaluation exercise entailed conducting phone call due diligence to ascertain the applicants personal and business information, business registration status, level of revenue and income streams, commercial viability, social and environmental impact potential, understanding of existing market opportunities and scalability of their business models or ideas.

Evaluation Process:**Step 2**

The objective of the second exercise of evaluation was to further shortlist applications from the initial 2,918 to 613 applications. This was done by awarding each application with a score from 0-100 (100

being best) whereby only application above the score of 70 points would proceed. At the end of the second step of evaluation, 613 applications were accepted and 2,305 unsuccessful. In Meru, 202

applicants were shortlisted while in Bungoma and Kiambu, 209 and 202 applicants were shortlisted in each county respectively.

County	First Step	Second Step (minimum score of 70 points)	% Accepted Applications (2nd Step)
Bungoma	655	209	34%
Kiambu	798	202	33%
Meru	1,465	202	33%

Breakdown of applications evaluated in the second step

Evaluation Process: Step 1

The objective of the first exercise of evaluation was to develop a long list of potential beneficiaries while eliminating the outliers. This was done by reviewing if the applications met the eligibility criteria for admission into the programme. From the initial 8,048 applications received, the first round saw 2,918 accepted

applications and 5,130 unsuccessful applications.

In Bungoma a total of 3,155 applications were received and reviewed. Out of these, 655 proceeded to the second step of evaluation while 2,500 applications were rejected.

In Kiambu a total of 1,423 applications were received

and reviewed. Out of these, 798 proceeded to the second step of evaluation while 625 applications were rejected.

In Meru a total of 3,470 applications were received and reviewed. Out of these, 1465 proceeded to the second step of evaluation while 2,005 applications were rejected.

County	Applications Received	Accepted Applications (eligible)	% of accepted applications (1st Step)	% Distribution
Bungoma	3,155	655	22.5%	38.9%
Kiambu	1,423	798	27.3%	41.5%
Meru	3,470	1,465	50.2%	19.7%

Breakdown of applications received per county

Evaluation Process: Step 3

The objective of the due diligence call exercise was to shortlist the 60 per county, successful applicants for incorporation as the second AgriBiz Program Cohort. From the initial 613 accepted applications, 200 applicants were arrived at. The objective of this step of evaluations

was to better understand and verify that what was written in the application forms was what actually existed on ground.

KCIC had initially intended to support up to a maximum of 60 successful applicants per BIH. However, as per the

AgriBiz Operational Policy Guideline, in instances where the cut-off point has a tie, consideration is given to all applicants with the score. Due to this provision, the final number of clients admitted varied from the targeted sixty as shown in the table below:

County	Bungoma	Meru	Kiambu	Total
Second Review Applications	209	202	202	613
Final Accepted per County	63	66	71	200

Breakdown of applications evaluated in the second step

4.5 ADVOCACY WORK AT COUNTY LEVEL

Introduction

Agriculture's immense contribution to the economy projects it as a key sector to deliver 10% annual growth rate envisaged in the economic pillar of Kenya's Vision 2030 development blueprint.

This requires transforming agriculture from subsistence to innovative, technology-driven and commercially oriented modern agriculture.

A stable, transparent and a conducive enabling environment with sound and predictable/enabling policies is needed for agribusiness enterprises to thrive. The county scoping studies revealed that the CIDPs were strong on agribusiness, given agriculture is the backbone

of Kenya's economy, but there were little provisions-if any- for enabling policies and regulations enacted at the county level or adapted from the national government to spur women and youth engagement in the sector.

It was therefore noted that successful advocacy work at the county level will require proper buy-in from county and national level policy makers, strengthening existing or newly formed county advocacy structures and seeking harmony on advocacy issues at county level while being cognizant of the national context and county-specific needs.

4.5.2 Highlights from advocacy engagements

Inception meetings to introduce priority advocacy items 1

Advocacy inception meetings have been held with county government representatives in Meru, Machakos and Bungoma counties. From the initial advocacy engagements with the three counties, KCIC has gotten the buy-in from government and other stakeholders working within the county, including the private sector in particular.



County Government officials from Uasin Gishu County and the KCIC team, in discussions immediately after a sensitisation forum in Eldoret.

The state of existing policy provisions for women and youth in agribusiness 2

There is acknowledgement from the three county governments of the need to be more deliberate in creating an enabling environment to stimulate women and youth involvement in agribusiness through enabling policies and regulations, increased budgetary allocation as well incentives for SMEs in the agribusiness sector.

In Meru county, there are programmes such as the Youth in Agribusiness Project implemented under the Meru Youth Service and Twaweza, targeted at women, and domiciled under the Department of Gender. Despite the existence of such programmes, the place of women and youth in agribusiness has not been adequately addressed within the existing county policies and legislation.

Government representatives from the three counties acknowledged the need to rally players within the sector towards an all-inclusive approach that carries along the youth and women who have the potential to grow the sector through innovation, labour provision and a potential market along various value chains.

Identify for follow-up and potential partnership, existing county structures for advocacy 3

Opportunities for partnerships in advocacy through various county-level structures have been identified in the three counties and sensitisation of potential partners on the programme's advocacy agenda carried out in Meru and Machakos counties.

In Meru County, KCIC was admitted into the county's CASSCOM, a body mandated to, among other functions, **"strengthen collaboration with public and private institutions in the management and delivery of agricultural programmes and services"** and to "facilitate the development, review, implementation and monitoring of policies, strategies, standards, regulations, plans and legislations of relevance to the sector". This is a multisectoral committee modelled along the lines of the national-level Joint Agricultural Sector Steering Committee (JASSCOM) and draws representation from the county, value chain actors, financial institutions, the private sector and NGOs operating in the county.

By engaging at the CASSCOM, the programme stands to benefit from a platform where sector-wide issues are identified and prioritised. This works better for the programme than the TWG model in place in other counties, and which is more restricted to sub sectors or particular value chains.

The Chair of the sectoral committee on agriculture in the County Assembly of Meru also committed to whip members of the committee and the whole Assembly to focus more on policy and legislation that target women and youth as a way of working towards employment creation for the said demographic groups. The Chair committed to present a report to his Committee and to the Assembly on our meeting as well as the sensitization forum which he attended at Kaguru ATC. Obtaining the Hansard report from the Assembly has been a challenge due to closure of the county headquarters at some point as a result of increased COVID-19 cases.

4.5.3 Roadmap for the programme's advocacy engagement

From the engagements with counties during year one of the programme, and taking note of the successes and lessons learned from the first generation CIDPs, the need to spearhead drafting and implementation of enabling policies and legislation under the 2018-2022 CIDPs, the focus areas for advocacy will generally cover the following elements:



4.6 HUMAN RESOURCE

In support of the programme, additional human resources of seven Business Analysts and one Hub Manager were hired and are currently based at the KCIC office in Nairobi until the BIHs at county level are established. The interviews were carried out from July and August 2020, and the onboarding took place at the beginning of September 2020. The new team was fully inducted on KCIC service offerings. Introductions to the client portfolios were done with each analyst handling a portfolio of approximately 25 clients.

As KCIC signed MoUs with county governments, the need for additional staff to support in the rollout of the programme in the counties was evident.

Additional staff to be onboarded during the first quarter of year two include:

-  Nine Business Analysts;
-  Seven Hub Managers;
-  Five Front Office and Administrative Assistants;
-  Two Drivers; and
-  One Finance Officer.

Interviews were conducted in November and December 2020. Onboarding will take place in the 1st Quarter of 2021.

The existing AgriBiz programme team also underwent a Staff Enhancement Programme conducted by Strathmore University. The aim was to train the team on ethics and the use of digital and online platforms to enhance support to clients.

4.7 LESSONS LEARNT

1 Increased demand for support from agribusinesses related enterprises requires readjusting expected number of applications with potential for more admissions

From the call of applications, so far KCIC received 10,509 from the first nationwide call for applications and a second call targeted at three counties. After the first step of the evaluation process, which aims to review all submitted applications against the admission criteria, a total 1,315 applications proceeded to the second step of evaluation (660 and 655 applications, from the first and second calls for application respectively). The programme had targeted to receive 10,000 applications in the 5 years of implementation. The impact of COVID-19 on jobs could have led many young people to get more involved in agribusiness, as an alternative for job creation. This is an opportunity to further admit and support more enterprises than earlier anticipated. In this regard, KCIC has started engaging other players in the agribusiness sector to provide alternative support that will ensure more of such enterprises are provided with the services they need.

2 High rate of unsuccessful applicants

- a. A key lesson learned is that sensitisation is crucial and different communication strategies need to be adopted in future to address the high number of ineligible applications that were received from rural based businesses at the grassroots level. The BIHs will be crucial centres of communication where potential clients will be supported with understanding the application process and more awareness created to reduce the number of irrelevant applications being received.
- b. Targeted stakeholder forums are important in ensuring clear and proper understanding of the programme by key stakeholders. This is to avoid misconceptions that the programme is entirely about giving free money to all successful applicants. These forums seek to emphasize on the other programme components and benefits that only the successful and also to create ownership of the programme at county level applicant will get. These sensitisation meetings will also leverage on policy and advocacy activities with key leadership at the county level.

3 Technology in business

Restrictions on movements during the COVID-19 period initially provided a challenge to the manner in which businesses had been traditionally supported. However, KCIC developed on an online platform, the e-mentor, which has been used to offer online mentorship support to clients. Moving forward, KCIC the use of e-platforms will be integrated with other modes of interactions such as field visits to provide tailor-made support to clients. There is also the need to invest more resources in developing platforms for the businesses to be able to market and sell their products, while developing the capacity of the entrepreneurs to operate them as a way of reaching new markets- both domestic and export;

4 Structuring of financial support to clients

Over 90% of businesses supported recorded reduced revenues. Businesses that had accessed commercial loans had to request for restructuring of their loans. The distress in revenues resulted in businesses freezing employment of new staff. In the worst-case scenarios, some businesses resorted to layoffs. There is a need for KCIC to offer soft and flexible capital in order to reduce the burden to businesses. In addition, the need for result based financing facilities met more of the funding gap needs of the admitted enterprises as compared to proof of concept grants. Allocation readjustment of pools of funds could be reviewed on an annual basis. KCIC actively engaged partnerships with Kenya Bankers Association, to offer advice and financial education to supported clients on various opportunities for funding to the clients.

5 Lessons on Advocacy Work at County Level

Costs for advocacy activities- The success of the AgriBiz programme is closely linked to ownership of the programme by the county governments. The norm in the counties, however, is that a programme bears the costs for advocacy engagements. These include conference costs, transport reimbursements, accommodation and per diem wherever applicable. From initial engagements during the first year of implementation, it came out clearly that counties are not willing to participate in advocacy initiatives without the programme fully meeting the costs of such initiatives. Further consultations on the matter would be necessary to guide KCIC on the way forward.

a. Engagement with the Council of Governors (CoG) in convening Programme Steering Committee (PSC) meetings has been a challenge. There needs to be a follow - up consultative meeting convened by the EU to operationalise the PSC.

b. Cross-cutting priorities in advocacy and interlinkages among county departments

- even though agribusiness issues are primarily domiciled within agriculture dockets in county governments, the programme will seek to harmonize advocacy priorities and interlink them with other departments which handle issues of trade, industrialization, affirmative action, youth and gender. KCIC will invest in developing linkages with other partners e.g., AgriFI and MESPT, to ensure learning and to avoid duplication of efforts.

6 Mode of communication and networking for clients

Most AgriBiz clients operate in the rural areas where access to emails is, in most cases, a challenge due to connectivity and power issues. A mix of communication methods is being utilized including WhatsApp and bulk text messaging to begin during year two. The forms for the call for applications have also been available in the Swahili language so as to ensure all potential clients can gain access to the programme.

4.8 IMPACT OF COVID-19 ON IMPLEMENTATION OF AGRIBIZ PROGRAMME

4.8.1 Background

With a global hike in COVID-19 cases, WHO declared the disease a pandemic on 11th March 2020, several months after the first case was reported in China in December 2019. A day later, Kenya confirmed her first case of the virus. As at end of 2020, the country's total caseload had already surpassed the 90,000 mark, with slightly over 1,500 deaths. While Kenya and the wider Africa region still accounts for relatively fewer numbers and the prospects of vaccination high, the end of the diseases is still not in sight.

New preventive measures such as social distancing, self-isolation, travel restrictions and night curfews have forced a decrease in economic productivity across all sectors. Partial or full closure of some institutions including learning institutions had decreased

the demand for commodities. In contrast, other than increased demand for medical supplies, the need to keep food supply chains open was and is still important. This therefore presents an opportunity to focus attention on SMEs in the agribusiness sector.

Alarmed by a potential rise in food insecurity during the COVID-19 pandemic, many countries and organizations are mounting special efforts to keep agriculture safely running as an essential business and markets well supplied with affordable and nutritious food to enable consumers access and make purchases despite movement restrictions and income losses. In a move that gave a lifeline to the agribusiness sector, the government in March 2020 exempted the food supply chain from partial lockdown by classifying services in the sector as essential.



4.8.2 Challenges

- 1. Technical challenges for potential clients at the grassroots level-** KCIC may have missed out on potential clients who may not have made applications because they were not tech savvy but had viable business ideas relevant to their localities.
 - In the subsequent calls rolled out in Bungoma, Kiambu and Meru counties, there was an option of dropping off applications at designated points within county offices.
- 2. Reduced ability to conduct physical due diligence site visits** by the KCIC team, due to travel restrictions. This resulted in the delay on concluding the investment process. Shortlisted clients for access to finance support also delayed in submission of the required documents and information required to process the disbursements.
- 3. Delayed advocacy engagements at county level-** most counties preferred physical engagements with the exception of Machakos which was more open to virtual engagements. In Meru for instance, it has been difficult to obtain copies of the Hansard report highlighting the submission to the County Assembly by the sectoral committee chair. The county offices were under complete
- lockdown towards the end of 2020 due to increased COVID-19.**
- 4. Effects of COVID 19 to the supported businesses.** Over 90% of supported businesses recorded reduced sales. As a coping mechanism, most of these businesses reduced their operations and activities by laying off some of their employees. Currently a number of businesses have requested for financial support to rescue them from imminent collapse or shut down. Additional innovative measures are required to support such businesses.
- 5. Delayed rollout of the programme in the counties-** half of the counties had signed MoUs with KCIC towards the end of year one while plans for the establishment of the BIHs were also delayed as a result of COVID-19.
- 6. Recruitment of clients and staff has been done virtually**-the first nationwide call was rolled out virtually, with selection, admission and support following the same line. Additionally, staff recruitment for the 7 Business Analysts and 1 Hub Manager were also done virtually at the peak of COVID-19.

4.8.3 Measures to ensure continuity

KCIC adapted to the evolving situation by coming up with models of supporting SMEs within its programmes through new and innovative ways. Mechanisms were put in place for the provision of all services to clients remotely so as to enable continuity of their operations despite the ravaging effects of the pandemic on livelihoods and the economy.

Even though it became apparent that setting up incubation hubs in the counties as initially anticipated would be delayed significantly during the pandemic, KCIC navigated through the challenge by opting for a central cohort system in which applications would be received via the KCIC office in Nairobi, albeit virtually. Visibility of the programme has also been intensified through social media outreach and regular features in mainstream media particularly print and online news outlets.

5.0 IMPACT TESTIMONIALS



Moses Kimani, the Founder of Lentera Africa - an agribusiness enterprise based in Kiambu County, with Vincent Ogaya of KCIC surveying the company's farming space during a monitoring field visit in November 2020.

5.1 IMPACTING SMALLHOLDER SORGHUM FARMERS THROUGH CONTRAC

Machakos County agripreneurs continue to show their resilience in the agribusiness sector despite the county being one of the arid and semi-arid lands of Kenya that are worst hit by the impacts of climate change.

This has been seen in the large production of sorghum by one Alice Mathingau, the founder of agribusiness solutions. The company which is based in Machakos has contracted more than 2000 smallholder farmers in Kitui, Machakos, Makueni, Meru and Tharaka Nithi Counties to aid in farming and post-harvesting of sorghum.

"There is a renewed interest in promoting drought-tolerant crops such as sorghum which is in high demand due to its nutritional value. However, I realized that performance of sorghum production among small scale farmers has always been low. This encouraged me to venture in this business, to try and incorporate different farmers in our company, where after farming, we offer them a harvesting package," said Alice.

Contract farming has existed for many years as a way of organizing commercial agricultural production of both large scale and smallholder farmers, and for Alice, she believes this technique is bound to improve agricultural performance of smallholder farmers while using this process as a cost-effective way to improve their production.

"I came up with this technique to try and shift farmers' mindset from the subsistence way of farming into the commercial way, and for sure, it has yielded great results," she said.

Her company has been able to acquire a large quantity of sorghum from them due to availability of ready market, and the farmers, on the other hand, have received great support ranging from high-quality seeds and fertilizer inputs to much-needed services such as tractor ploughing and tractor planting and training on how to double sorghum production.

Having been selected among the 200 beneficiaries of the

AgriBiz programme funded by European Union, Danida and implemented by KCIC, Alice takes pride in being one of the many women agripreneurs who have received Result Based Financing.

"Being an entrepreneur especially in the agribusiness sector is not easy, and without having someone to hold onto throughout the journey, entrepreneurs end up giving up due to lack of capital. I am glad to receive this financing which will enable me to widen my arms in this industry" added Alice.

She acknowledges EU, Danida and KCIC for believing in her company and seeing the value in sorghum farming which has always been one of the neglected crops in the country. She looks forward to incorporating more farmers into her company, investing in more ploughing and planting machinery and acquiring even more highly authentic agri inputs.



Danish government representative Ole Thonke and Ms Katrine Hagemann the deputy head of delegation from the European Union courtesy visit to Isiolo county



Nyukihubs Founder Joseph Karuga demonstrating the new improved bee keeping equipment.



Employees at Kimplanters arranging some seedlings in the farm



One of the farmers explaining the benefits she has gotten from working with Nyambene Arimi Dairy



Some of the workers in the process of making Bee Hives at Apiculture Ltd.

5.2 PROMOTING HEALTHY SOLUTION TO OWNING YOUR GLOW

In the quest of trying to find a healthier solution for her sensitive skin, Grace Kimunyu, an advocate, founded Dipsea care naturals which deal with the production of natural skincare and hair products. “Dipsea care naturals started as a passion and interest. I have sensitive skin and while looking for a healthier solution, I decided to enrol for soap making classes,” she says.

Due to the growing interest from family and friends she saw it as an opportunity to turn it into a business venture. “During this process, I also started receiving requests from family and friends who were also interested in trying out soaps made from natural products such as neem powder, turmeric, baobab tree and moringa powder among other natural ingredients,” she adds.

Aside from the soaps, Dipsea care naturals also produce lip butter which is made from sweet almond oil, coconut oil,

lemongrass and shea butter and beard balms which are made from argan oil. The beard balms, however, are still new in the market given that they were launched a month ago after she received multiple requests from male clients who felt left out from the clientele list.

Having been in the green space for a while now, Grace notes that what sets her products apart from the others is her packaging. “As much as a good number of people in the green space are selling natural products, they still use plastics to package their products. As for Dipsea care naturals, we use reusable jars made out of aluminium for packaging. For example, the lip butter tins can, later on, be used as a jewellery container by clients,” she says.

Most of her supplies are sourced from Amalia Nutritive Supplies, a one-stop health shop that supplies natural products that are specifically tailored for nutritional value, mostly for consumption. Grace, however, prefers to use the products as the main ingredients for her products given that they are also suitable for external use.

Unfortunately, the green space also has its challenges. It is an expensive field. Sourcing both the products and the packaging is expensive and at the same time, one needs to price their products in a way that is not too expensive for the clients while maintaining the value of the products. To add to that, being a small business has its challenges too. Financial restraints pose the main challenge that small businesses face, for example, they need funds for branding, marketing among others.

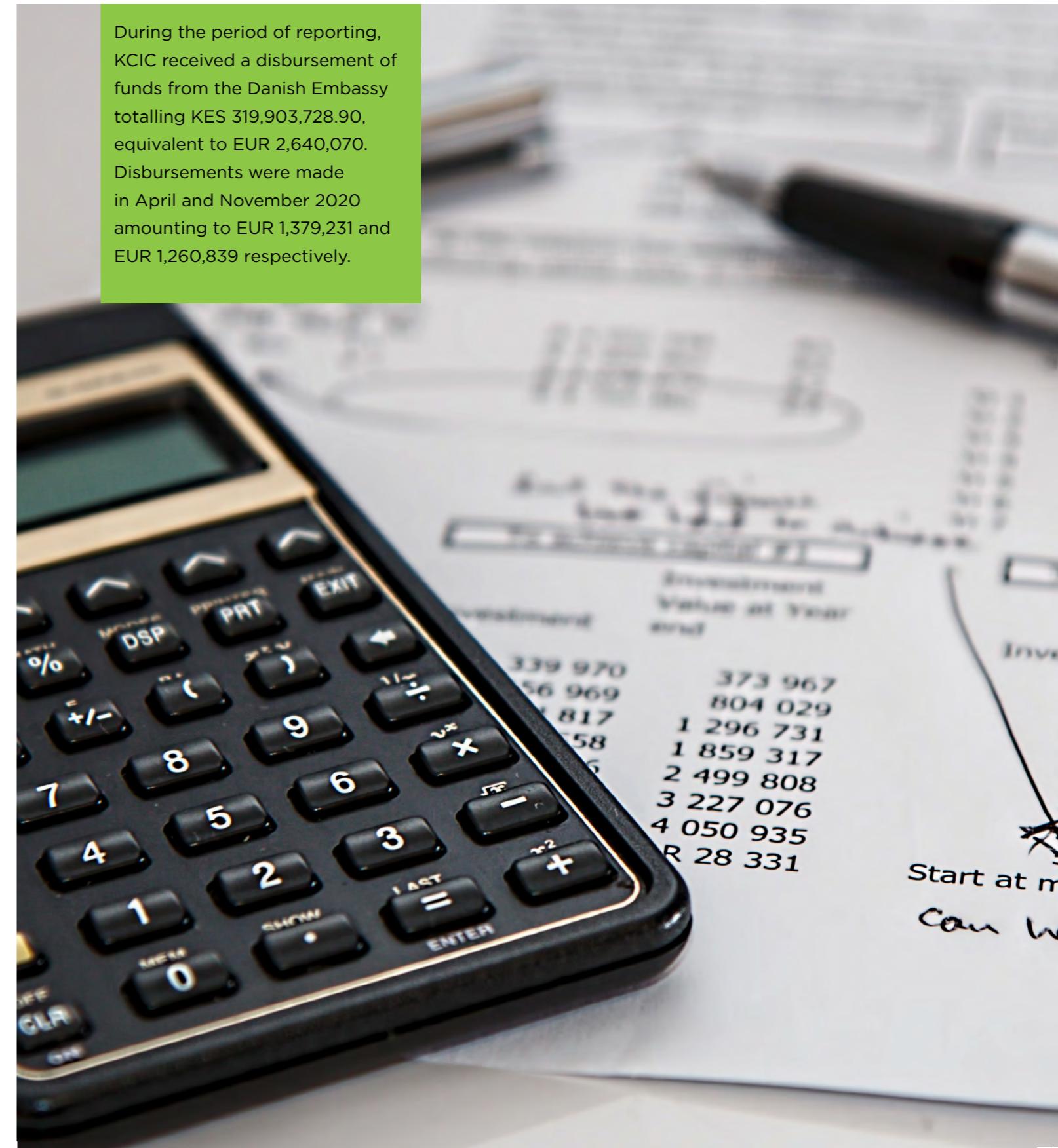
As a member of the AgriBiz program which is run by the Kenya Climate Innovation Center (KCIC) and fully funded by the European Union (EU) and Danida, Grace notes that the membership has been very beneficial to her business. "There has been a notable difference in my business in terms of financial management and business planning which has been the highlight of the membership. It is important to have a business plan because it gives you a sense of where you want to be. The mentorship program by AgriBiz has also been very beneficial to me," she adds.

Luckily, the market response has been good. "The market response was average when we started, given the fact that I had a specific target audience in mind. Though on the good side my sales have been consistent from when we started," says Grace. As for future plans, Grace is looking into having branches all over Kenya and Africa at large. She is also looking into expanding her product range and introducing a grooming package for her male clients, something she believes would be a win for her and her business.

Her clients can access her products in Sawa Mall located in Nairobi. She also recently partnered with Kipusa Beauty as her stockist for her products which are now available in their three outlets in Westfield Mall – Gitanga road, Heri Plaza – Karen and Buffalo Mall in Naivasha. Clients can also access our products via her Instagram page at dipsea_care.

6.0 FINANCIAL REPORT

During the period of reporting, KCIC received a disbursement of funds from the Danish Embassy totalling KES 319,903,728.90, equivalent to EUR 2,640,070. Disbursements were made in April and November 2020 amounting to EUR 1,379,231 and EUR 1,260,839 respectively.



6.1 BUDGET REALLOCATION

Budget reallocation was based on the proposal of the central cohort to support 200 clients and had implications on the revised budget as follows;

- Increase staffing to support the entrepreneurs and businesses efficiently;
- Increased funding opportunity at an early stage to deploy capital through POC and RBF Financing; and
- Larger pool to provide Mentorship and Investor readiness training.

Proposed increase in the following budget items as follows;

- Increase in Proof-of-Concept Financing (POC);
- Increase in Result based Financing (RBF);
- Increase in Mentorship and coaching for larger cohort; and
- Increased Investor reading training to support more enterprises to receive funding

Proposed savings/sources of funds to cover above revisions;

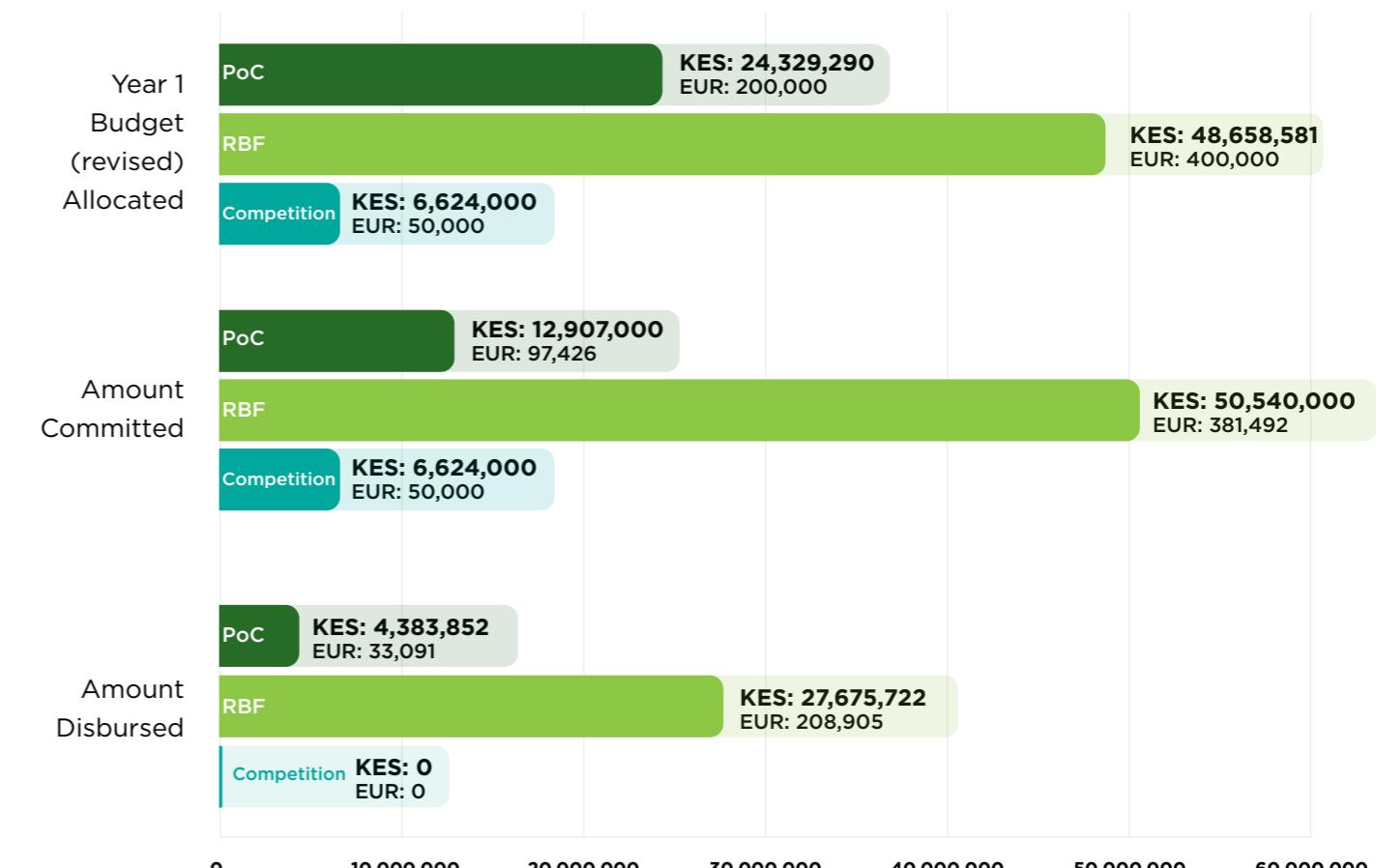
- Reduction in BIH Leasing;
- Reduction in PoC and RBF financing in the last year of the programme;
- Reduction in the Investment Management Cost; and
- Reduction in staffing costs.

	 2.1 Rent for BIH (hubs)	 6.5 Investment Management Costs	 5.5.1 Program Staffing costs	 6.1 POC Financing in Year 5	 6.2 RBF Financing in Year 5
Initial Budget (EUR)	192,000	153,090	693,750	320,000	500,000
Revised Budget (EUR)	0	110,090	543,750	220,000	300,000
Variance (EUR)	192,000	43,000	150,000	100,000	200,000
TOTAL VARIANCE					685,000

6.2 SUB - GRANTING

The following amounts were committed to KCIC clients:

	 6.1 Proof of Concept Financing (POC)	 6.2 Result based Financing (RBF)	 5.2 Mentorship and coaching	 6.3 Investor reading training	 6.4 Funds application and processing: Commercial and Legal Due Diligence	
Initial Budget (EUR)	80,000	160,000	131,000	48,000	60,000	
Revised Budget (EUR)	200,000	400,000	331,000	123,000	110,000	TOTAL VARIANCE
Variance (EUR)	120,000	240,000	200,000	75,000	50,000	685,000



6.3 BUDGET IMPLEMENTATION STATUS FOR THE PERIOD

1ST JANUARY TO 31ST DECEMBER 2020

DESCRIPTION	Original Budget (in EUR)	Revised Budget	Expenditure (in EUR)	Original Budget Balance (in EUR)	% Expenditure on Original Budget	% Expenditure on revised Budget	Budget vs. Expenditure notes
1.0 PROGRAM AWARENESS AND IDENTIFICATION							
1.1 Program Launch	9,200	9,200	20,936	- 11,736	227.57%	227.57%	The over expenditure on this budget line was due to unexpected raise in number of participants that led to increase in venue and logistics costs. The event was successfully launched on 6th March 2020 at Strathmore University.
1.2 Mini Program Launches in the Counties	40,800	40,800	-	40,800	0.00%	0.00%	This activity has been carried forward because of disruptions caused by COVID-19.
1.3 Baseline Survey; Monitoring and Evaluation	70,000	70,000	54,507	15,493	77.87%	77.87%	The main expenditure on this cost center was on study conducted successfully in the eight counties.
1.4 Awareness and Sensitization	50,000	50,000	17,098	32,902	34.20%	34.20%	The main expenditure on this cost center was sensitization and awareness to stakeholders conducted in Bungoma, Meru and Kiambu Counties.
1.5 Brand Ambassadors' Activities	35,000	35,000	-	35,000	0.00%	0.00%	No expenditure has been incurred on this activity
1.6 Revival and Rebranding of Agribusiness Clubs in Schools	20,000	20,000	-	20,000	0.00%	0.00%	No expenditure has been incurred on this activity
1.7 Partnerships and Collaborations	6,000	6,000	-	6,000	0.00%	0.00%	No expenditure has been incurred on this activity
TOTAL PROGRAM AWARENESS AND IDENTIFICATION	231,000	231,000	92,541	138,459	40.06%	59.94%	

2.0 SELECTION; CAPACITY BUILDING; OPERATIONALIZATION OF BIHS

2.1 Leasing BIH Workspace Areas	192,000	-	-	192,000	0.00%		This has been reallocated and pushed to FY2 when containment measures against COVID-19 shall have been relaxed. See reallocation in section 6.1.
2.2 Program Transport and Logistics	208,750	208,750	90,218	118,532	43.22%	43.22%	3 double cab vehicles have been procured to be used for the implementation of the program.
2.3 Office Furniture	124,800	124,800	-	124,800	0.00%	0.00%	Awaits leasing and establishment of BIHS.
2.4 Client Workstation	30,400	30,400	-	30,400	0.00%	0.00%	Awaits leasing and establishment of BIHS.
2.5 ICT Infrastructure and Set-up	127,720	127,720	10,141	117,579	7.94%	7.94%	This cost relates to acquisition of computers for the program staff recruited
2.6 Renovation Works	100,000	100,000	937	99,063	0.94%	0.94%	Awaits leasing and establishment of BIHS.
2.7 Fixtures and Fittings	32,664	32,664	-	32,664	0.00%	0.00%	Awaits leasing and establishment of BIHS.
2.8 Website Development and Linkages with Social Media	14,895	14,895	4,388	10,507	29.46%	29.46%	This relates to the revamping of KCIC website and social media coverage
2.9 Office Supplies	64,000	64,000	-	64,000	0.00%	0.00%	Awaits leasing and establishment of BIHS.
2.10 Learning Management Systems	-	-	-	-	0.00%		Awaits leasing and establishment of BIHS.
2.11 Office Utilities	8,000	8,000	-	8,000	0.00%	0.00%	Awaits leasing and establishment of BIHS.

2.12 Bank charges and Asset Insurance	1,500	1,500	449	1,051	29.93%	29.93%	The main expenditure on this activity is bank charges
TOTAL SELECTION; CAPACITY BUILDING; OPERATIONALIZATION OF BIHs	904,729	712,729	106,133	798,596	11.73%	112.05%	

3.0 CASE BUILDING AND AWARENESS CREATION AROUND EMPLOYMENT OPPORTUNITIES FOR WOMEN AND YOUTH							
3.1 Exhibitions and Sensitization Meetings	24,000	24,000	-	24,000	0.00%	0.00%	No expenditure has been incurred on this activity
3.2 Case Studies Documentation and Dissemination	-	-	-	-	0.00%	0.00%	No expenditure has been incurred on this activity
TOTAL CASE BUILDING AND AWARENESS CREATION AROUND EMPLOYMENT OPPORTUNITIES FOR WOMEN AND YOUTH	24,000	24,000	24,000	-	100.00%	0.00%	

4.0 CALL FOR APPLICATION AND SELECTION OF BUSINESS IDEAS							
4.1. Individual Applications	4,000	4,000	5,764	-1,764	144.10%	69.40%	This expenditure was high due to high number of applications received. A total of 2,461 applications received from startups, SMEs, as well as SHGs and CBOs.
4.2 Applications through Competitions and Bootcamps	50,000	50,000	50,000	-	100.00%	100.00%	No expenditure has been incurred on this activity
4.3 Direct Targeting of CBOs and SMEs	10,000	10,000	-	10,000	0.00%		No expenditure has been incurred on this activity
4.4 Vetting and Selection	12,000	12,000	9,012	2,988	75.10%	133.16%	The expenditure was within the budget
TOTAL CALL FOR APPLICATION AND SELECTION OF BUSINESS IDEAS	76,000	76,000	64,776	11,224	85.23%	14.77%	

5.0 INCUBATION AND ACCELERATION SERVICES INCLUDING MENTORSHIP							
5.1 Incubation and Acceleration	241,000	241,000	-	241,000	0.00%	0.00%	No expenditure has been incurred on this budget line, KCIC has admitted 200 agribusinesses. Due diligence to identify the main gaps within these businesses has been conducted. The businesses to be supported virtually from KCIC office in Nairobi.
5.2 Mentorship and coaching	131,000	331,000	131,000	-	100.00%	39.58%	See reallocation in section 6.1. The expenditure was within the budget
5.3 Access to Information	90,000	90,000	-	90,000	0.00%	0.00%	No expenditure has been incurred on this activity
5.4 Access to facilities	110,000	110,000	-	110,000	0.00%	0.00%	No expenditure has been incurred on this activity
5.5 Business Incubation Hub Staff cost:	693,750	543,750	253,162	440,588	36.49%	46.56%	See reallocation in section 6.1. The expenditure on this budget line was an apportionment of KCIC staff cost for staff supporting the AgriBiz program and direct staff cost for AgriBiz program staff.
TOTAL INCUBATION AND ACCELERATION SERVICES INCLUDING MENTORSHIP	1,265,750	1,315,750	384,162	881,588	30.35%	29.20%	
6.0 FINANCIAL SUPPORT SERVICES; GRANTS AND INVESTOR READINESS PROGRAM							
6.1. Proof of Concept Financing (400 Clients)	80,000	200,000	66,916	13,084	83.65%	33.46%	See reallocation in section 6.1. The expenditure was within the budget
6.2 Result Based Financing (250 Clients)	160,000	400,000	348,292	-188,292	217.68%	87.07%	See reallocation in section 6.1. The expenditure was within the budget

6.3 Investor Readiness Program	48,000	123,000	-	48,000	0.00%	0.00%	See reallocation in section 6.1. No expenditure has been incurred on this activity
6.4. Funds application and processing: Commercial and Legal Due Diligence	60,000	110,000	3,623	56,377	6.04%	3.29%	See reallocation in section 6.1. The expenditure was within the budget
6.5 Investment Management staff cost:	153,090	110,090	72,591	80,499	47.42%	65.94%	The expenditure was within the budget
TOTAL FINANCIAL SUPPORT SERVICES; GRANTS AND INVESTOR READINESS PROGRAM	501,090	943,090	491,422	9,668	98.07%	52.11%	

7.0 ADVOCACY WORK AT COUNTY LEVEL

7.1 Advocacy Campaigns	10,000	10,000	521	9,479	5.21%	5.21%	The expenditure was within the budget
7.2 Supporting Legislation and Policy Reforms	10,000	10,000	-	10,000	0.00%	0.00%	No expenditure has been incurred on this activity
7.3 Semi-annual cross-county stakeholder dialogue forums	10,000	10,000	-	10,000	0.00%	0.00%	No expenditure has been incurred on this activity
TOTAL ADVOCACY WORK AT COUNTY LEVEL	30,000	30,000	521	29,479	1.74%	1.74%	

8.0 PROGRAM MANAGEMENT AND COORDINATION

8.1 Leadership	69,526	69,526	69,557	-31	100.04%	100.04%	The expenditure on this budget line was an apportionment of KCIC staff cost for staff supporting the AgriBiz program
8.2 M&E Team	4,702	4,702	4,704	-2	100.04%	100.04%	The expenditure on this budget line was an apportionment of KCIC staff cost for staff supporting the AgriBiz program

8.3 Program Staff	34,504	34,504	34,519	-15	100.04%	100.04%	The expenditure on this budget line was an apportionment of KCIC staff cost for staff supporting the AgriBiz program
8.4 Finance and HR Staff	91,670	91,670	91,711	- 41	100.04%	100.04%	The expenditure on this budget line was an apportionment of KCIC staff cost for staff supporting the AgriBiz program
8.5 Procurement and Logistics Staff	17,205	17,205	17,213	-8	100.05%	100.05%	The expenditure on this budget line was an apportionment of KCIC staff cost for staff supporting the AgriBiz program
8.6 IT Staff	2,475	2,475	2,477	-2	100.08%	100.08%	The expenditure on this budget line was an apportionment of KCIC staff cost for staff supporting the AgriBiz program
8.7 Insurance (Medical and Workplace) and Gratuity	5,250	5,250	5,250	-	100.00%	100.00%	The expenditure on this budget line was an apportionment of KCIC staff insurance cover for staff supporting the AgriBiz program
8.8 Audit and review/evaluation	80,000	80,000	31,328	48,672	39.16%	39.16%	The expenditure on this budget line was an apportionment for annual audit fee
TOTAL PROGRAM MANAGEMENT AND COORDINATION	305,332	305,332	256,759	48,573	84.09%	15.91%	
TOTAL DIRECT ELIGIBLE COSTS	3,337,901	3,637,901	1,420,314	1,917,587	42.55%	52.71%	

When comparing with the original budget (EUR 1,396,314), the utilization for the reporting period stood at 41.83%. Based on the revised budget, the utilization was 38.38%

6.4 AUDIT

The audited accounts for KCIC Company for the year ended 30th June 2020 had unqualified audit opinion. The audit did not have any inconsistencies with the financial statements. The audit entailed obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

However, the organisation maintains a strong internal control as stipulated in our Finance and Procurement Manual. There is segregation of duties to ensure that no single person has complete control over transactions and approvals. All the financial transactions are reviewed and certified before expenditure is incurred or payments made.

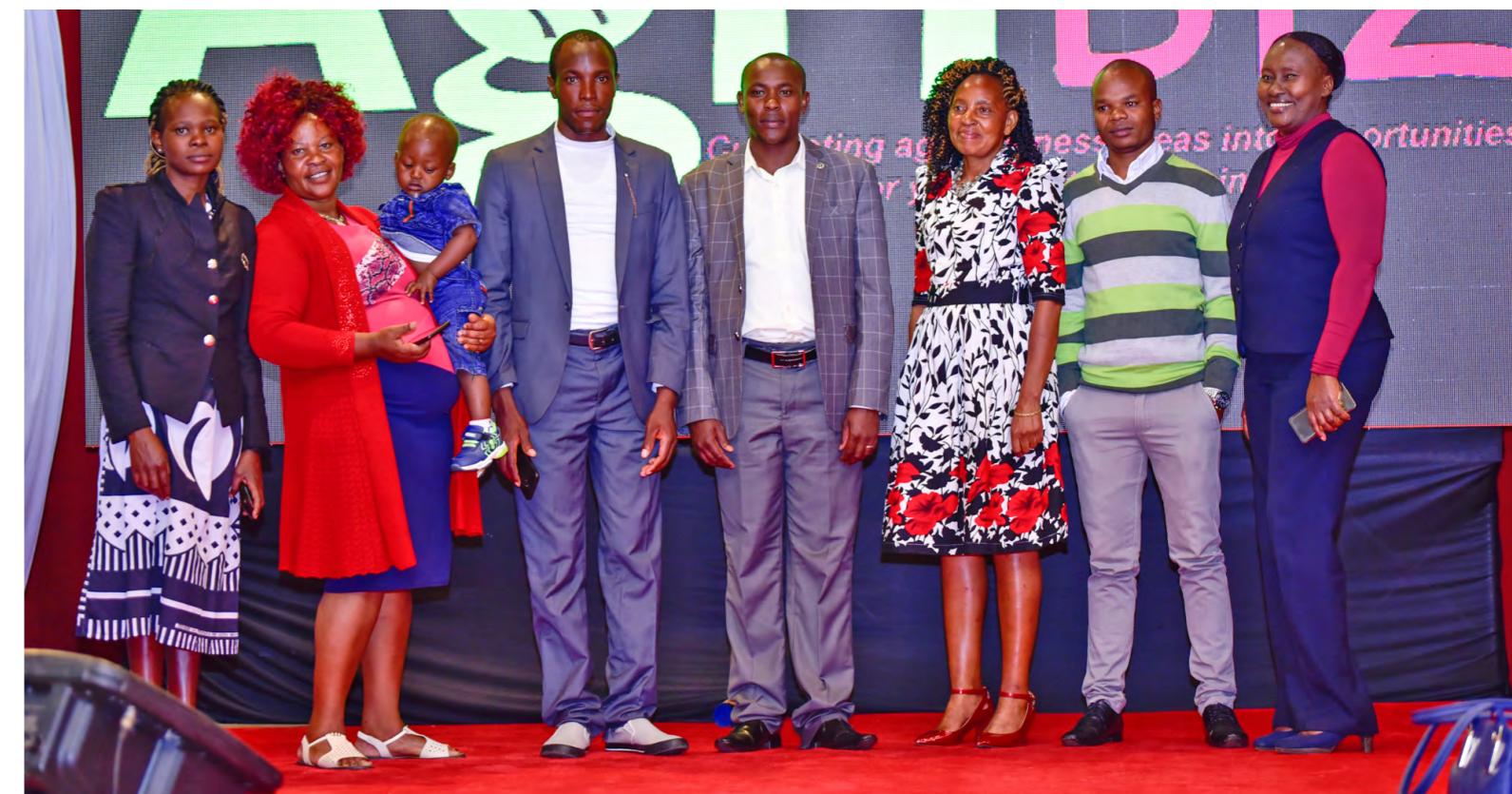
KCIC aligns with the Kenyan financial year running from July to June. The statutory Audit of the KCIC Group FY 2019/2020 included the AgriBiz funds, as well as bilateral support from DANIDA. For the period January – June 2020, the Audit accounts for total KES 30,828,411 for the AgriBiz programme.

The expenditure was in line with the approved work plan and budget for the financial year 2020.

Budget category	Amount in KES
Program awareness and identification	8,782,394
Operationalization of business incubation hubs	42,790
Call for application & ideas selection	438,829
Incubation and accelerator services	6,414,576
Program management and coordination	15,149,822
	30,828,411



European Union Ambassador to Kenya, Simon Mordue (in maroon suit), chats with governors Alfred Mutua (center) of Machakos and Wycliffe Wangamati of Bungoma (in specs) en route to the National Launch of the AgriBiz Program on 6th March 2020 at Strathmore University in Nairobi.



Some of the youth and women agripreneurs drawn from across the country during the National Launch of the AgriBiz Program at Strathmore University in Nairobi, 6th March 2020.

7.0 APPENDICES

7.1 APPENDIX 1 - RESULT FRAMEWORK MATRIX

Overall objective:

"Inclusive and sustainable growth is promoted in rural economy, in alignment with the priorities of the Government of Kenya"

Results chain	Intervention Logic	Indicators	Baseline	Year 1 Target	Actual achieved	Programme Target	Comments
Specific objective (as identified by the EU)	Sustainable job opportunities for youth and women are created in agricultural value chain	1.1 Number of jobs created (contributing to priority Big 4 indicator on 200,000 jobs created)	0	3,400	<ul style="list-style-type: none"> 790 374.5 males and 415.5 females 625 youth employees 	20,000	This accounts for direct jobs during the first year of implementation. Operations for most businesses were affected by COVID-19 resulting in freezing employment of new staff.
		1.2 Number of new businesses/start-ups created (contributing to priority Big 4 indicator on 1,000 SMEs boosted)	0	200	80	1,000	20% of the cohort onboarded on the central call consisted of new businesses. These are businesses which had not registered/acquired at the admission stage business permits/company registration status.
		1.3 % smallholder farmers accessing financial services.	0	40%	0	40%	Tracking of the total number of farmers accessing financial services was not done! However, the supported clients were able to engage a total of 14,035 new farmers.
Result 1 (as identified by the EU)	Sustainable business and employment opportunities in agribusiness for youth and women are identified, promoted and supported through 8 Business Incubation Hubs (BIH).	Number of KCIC clients accessing external funding (other than KCIC)	0	20	55	100	<ul style="list-style-type: none"> 45% Grants 35% Debt 9% Equity 11%- Did not specify source of funding.
		Amount of financing (in Euro) leveraged by KCIC	0	5,000,000	0	5,000,000	<ul style="list-style-type: none"> No funds specific for the AgriBiz programme were mobilised. Resource mobilisation and partnership linkages are being explored to supplement programme activities.

Results chain	Intervention Logic	Indicators	Baseline	Year 1 Target	Actual achieved	Programme Target	Comments		
		Number of agribusiness related policies/laws/regulations/amendments in the process of enactment/enacted reflecting KCIC's influence	0	5	1	5	<ul style="list-style-type: none"> Inception meetings were held with county stakeholders from Meru, Bungoma and Machakos counties, follow-up actions on policy initiatives relevant to the programme are ongoing. 		
		Outputs (action by KCIC)	Component 1: Program Awareness & Identification	1.1 Number of youth and women applying to the AgriBiz call for business applications	0	2,000	10,509	10,000	<ul style="list-style-type: none"> Joint input between KCIC and the agriculture department into the Gender Policy currently under formulation with components on "Women and Agriculture" as well as "Gender and Youth Development".
				1.2 Number of youth and women agribusinesses admitted Disaggregated by age and sex	0	480	<ul style="list-style-type: none"> 193 Male- 94 Female- 99 onboarded onto the central cohort 	2,400	<ul style="list-style-type: none"> 10,509 (2,461 applications received from the central cohort and 8,048 received from Bungoma, Meru and Kiambu counties.)
			Component 2: Select; capacity development; operationalization of the BIHs	2.1 Number of youth and women accessing technical facilities disaggregated by testing, fabrication and design support	0	40	0	200	<ul style="list-style-type: none"> 193 clients have already been admitted and at various stages of servicing. 200 clients will be onboarded from Bungoma, Meru and Kiambu BIHs in Quarter 1 of 2021. An evaluation report has been shared for approval.
				2.2 Number of intellectual property (IP)/trademarks registered	0	2	0	10	Clients' submissions have been presented for support in the acquisition and registrations for IPs and trademarks.

Results chain	Intervention Logic	Indicators	Baseline	Year 1 Target	Actual achieved	Programme Target	Comments
		2.3 Number of operational BIH	0	8	0	8	<ul style="list-style-type: none"> 4 MoU have been signed for Bungoma, Meru, Kiambu and Machakos Two hubs have complete assessment of renovation works from professional bids (Bungoma and Meru)
		2.4 Percentage usage of the office space provided	0	100%	0	100%	This has not been actualized due to COVID-19 restrictions
		2.5 Development of a Learning management systems (LMS)	0	1	0	1	This is under development, however KCIC used webinars and virtual meetings for client support as well as the Nawiri platform for the mentorship program.
Component 3: Case building and awareness creation around employment opportunities for women and youth.	3.1 Exhibitions and sensitization meetings		10	3	50		Exhibitions were not conducted due to COVID-19 restrictions. However, a total of three sensitization forums (on AgriBiz programme) were conducted in Bungoma, Meru and Kiambu counties.
	3.2 Idea competitions	0	2	1	10		Call of applications launched for "Vijana na AgriBiz" in December 353 applications were received for evaluation.
	3.3 Case studies documentation and disseminations	0	3	0	15		Case studies were planned for year 2 due to late rollout of the programme occasioned by COVID-19.

Results chain	Intervention Logic	Indicators	Baseline	Year 1 Target	Actual achieved	Programme Target	Comments
	Component4: Call for application and selection of business ideas for incubation and acceleration	4.1. Individual Applications disaggregated into age and sex	0	1,000	7,020	5,000	<ul style="list-style-type: none"> Individual applications are applications submitted by early-stage companies and SME'. Early-stage companies and SMEs applications received at the central cohort 1002 Males, 922 females, 24 did not specify. Individual applications i.e Early-stage companies and SMEs applications from counties (i.e Meru, Bungoma and Kiambu counties) 5,072 disaggregated as 1,725 males, 3,300 females, 48 did not specify gender. For the applications that did not specify their ages were for physical applications that were hand filled and dropped off at the various ATC's.
		4.2 Applications through Competitions and Bootcamps	0	1,000	353	5,000	Applications received for Vijana na AgriBiz. Evaluation of received applications on going.
	Component 5: Business advisory services including mentorship developed and delivered to youth and women	5.1 Number of Mentors / Trainers Selected	0	10	23	50	AgriBiz Mentors to supporting clients
		5.2 Number of training sessions delivered	0	16	9	80	Training sessions through monthly webinars and group-based training were conducted.
		5.3 Number of youth and women trained in entrepreneurship and other technical trainings	0	600	193	3,000	Virtual Incubation support through training and mentorship

Results chain	Intervention Logic	Indicators	Baseline	Year 1 Target	Actual achieved	Programme Target	Comments
		5.4 Number of youth and women with access to business incubation services with support of the action, disaggregated by age and sex	0	480	193	2,400	193 clients receiving support.
		5.5 Number of new business models developed or realigned	0	200	125	1,000	Business advisory offered on development and refinement of already existing business plans
		5.6 Number of youth and women trained in agricultural skills	0	1,000	0	5,000	No specific training on agriculture was conducted. The activity was designed to be implemented at the BIHs (ATC's) to train the clients on agriculture. The restrictions on movements and physical meetings due to Ministry of Health reduced activities at the ATC's
		5.7 Number of platforms created for youth and women information sharing and networking	0	1	2	1	<ul style="list-style-type: none"> Nawiri e-platform developed for clients' interaction with mentors and specific business analysts. WhatsApp group set up for networking purposes for the clients selected for financing.
Component 6: Access to finance opportunities created to youth and women		6.1 Number of people with bankable business plans developed with support of the Action, disaggregated by sex and age	0	200	125	1,000	In line with proposed cases of financing
		6.2 Number of business proposals approved for financing	0	130	37	650	Total investment cases for RBF and PoC financing approved.

Results chain	Intervention Logic	Indicators	Baseline	Year 1 Target	Actual achieved	Programme Target	Comments
		6.3 Number of proofs of concept grants issued to early-stage businesses	0	80	13	400	PoC cases approved for financing
		6.4 Number of results-based financing to youth and women	0	50	37	250	RBF cases approved for financing



An exhibition by Kimplanter, an enterprise supported through the AgriBiz programme, during a visit to KCIC by the President of the European Council.

7.2 APPENDIX 2 - PROGRESS ON IMPLEMENTATION OF COMMUNICATION AND VISIBILITY PLAN

Activity	Target	Progress and Status of Activity
Launch the AgriBiz Program	#9 launches 1 National Launch and 8 program launches in the counties	<p>National launch successfully carried out.</p> <p>Mini-launches in the eight targeted counties will be rolled out as from year two due to COVID-19 disruptions.</p> <p>Leveraged the signing of MOUs with various counties including Bungoma, Machakos, Kiambu, and Meru to generate visibility in national newspapers, television and social media.</p>
Undertake call for application to recruit potential AgriBiz clients into the program	At least #4 Adverts in mainstream media, 8 partnerships established	<p>Advert developed and placed on Daily Nation for the central cohort. Same was shared on social media.</p> <p>Social media, physical posters and physical sensitization undertaken for the county call for applications for Bungoma, Kiambu and Meru.</p>
Review existing media contacts in KCIC's database and update it to include journalists who specialize in agribusiness reporting	#30 journalists	Media database updated with 30 journalists from print, broadcast and digital media.
Hold an inception meeting with journalists	#1 inception meeting with journalists	Not yet done due to COVID-19 restrictions, scheduled for year two of implementation

Source for coverage opportunities by leveraging media contacts to increase visibility of the AgriBiz Program in radio, TV & newspapers	#12 At least 3 opportunities per quarter in the form of news stories, documentaries and features.	<p>Over 36 mainstream media appearances since launch. Sample link:</p> <p>https://www.the-star.co.ke/news/2020-03-08-sh51-billion-AgriBiz-programme-for-women-and-youth-launched/</p> <p>https://www.businessdailyafrica.com/bd/news/counties/bungoma-signs-deal-to-set-up-eu-funded-agribusiness-hubs-2303814</p> <p>https://www.standardmedia.co.ke/farmkenya/article/2001370628/food-security-agenda-benefits-sh5-billion-for-youth-and-women</p> <p>https://www.the-star.co.ke/business/kenya/2020-07-16-eu-to-support-women-and-youth-led-farming-outfits/</p> <p>https://businesstoday.co.ke/the-european-union-AgriBiz-european-union-simon-mordue/</p> <p>https://www.standardmedia.co.ke/business/article/2001379035/eu-lifts-agribusiness-with-sh22b-funding</p>
Publish op-ed articles calling for adoption agribusiness practices in Kenya	#12 At least one article per month	Three Op-eds published on the AgriBiz programme;
Hold Quarterly Review Meetings with journalists	#3 review meetings held beginning Quarter 2	To commence during year two of implementation once an inception meeting with journalists is done.
Redesign KCIC website to incorporate the AgriBiz Program	#1	Design of AgriBiz website completed, and of the site is incorporated in the main KCIC webpage. All clients highlighted on the new website.

Publish and share bi-weekly e-alerts with agribusiness forming part of content	#6 issues of the newsletter published and shared	#24 eAlerts designed and shared.
Publish and disseminate the quarterly Live Green Magazine with agribusiness forming part of content	#4 issues of Live Green published and disseminated	#3 issues of Live Green designed and shared.
Share multimedia content with KCIC audience to increase online visibility and for advocacy through: Twitter, Facebook, Website/Blog, Instagram, LinkedIn	At least #1 post per day	Social media content in form of text, video, graphics, is shared frequently on Facebook, LinkedIn, Twitter and YouTube on KCIC handles. 120 clients highlighted on these platforms.
Prepare content, develop and share multimedia messages that create awareness and call to action on agribusiness through media/social media during international days/weeks/moths	Continuous	Various multimedia content developed and shared on social media during various international days including among others, United Nations Day, International Day of Rural women, World Food Day, Africa - EU Youth Day
Develop and share key messages through bulk SMS services	Continuous	This activity has not yet been done. To commence in year two of implementation;
Target appropriate and recruit Ambassadors for the program, and support key activities including county barazas, public announcement and publicity campaigns	Continuous	This activity has not yet been done. To commence in year two of implementation.
Establish engagement with Ministry of education and target schools, undertake outreach to schools and launch the clubs at county level	# 4 schools reached	This activity was not undertaken due to COVID-19 containment measures limiting physical interactions and closure of learning institutions. To commence in year two of implementation.

Identify key exhibition and forum and support AgriBiz clients and KCIC participate	# 4 trade fairs, innovation and investment forums, governor round tables	This activity was not undertaken due to COVID-19 containment measures limiting physical interactions. To commence in year two of implementation.
Develop program brochures, adverts, case studies, video and photos, programs, branded merchandise, for visibility and marketing	#4 Products	Program brochure developed and distributed, Program adverts developed for social media to recruit clients in various counties, over 30 short videos developed and share on social media, program banners, pens and notebooks developed and distributed to enhance visibility.



An employee at Kabete Vegrow harvesting some chilli peppers in the greenhouse.

7.3 APPENDIX 3: ESTIMATED REACH THROUGH VARIOUS MEDIA

Item	Strategy	Estimated reach
Newspaper articles and TV appearances	Press releases shared during key events like during the launch, signing of MOU and call for application. Op-ed published in leading newspapers and coverage on TV	Reach 1,000,000 readers nationally per publication 10,000, 000 TV viewers
Social Media (Daily posts on each platform)	Facebook: Ran continuous posts giving information about what AgriBiz entails including short videos.	Reach 6000-16,000 people per day (potential reach of 1.3 million)
	Instagram: Shared images and graphics that communicate about AgriBiz	14,000 impressions per posting
	LinkedIn: Targeted the professionals using LinkedIn with posts and blogs.	20,000 impressions per posting
	Twitter: Ride on trending topics to market the AgriBiz	144,000 impressions per posting
	WhatsApp Group: Shared the Newspaper Advertorial with various WhatsApp Groups to reach a wide audience.	1,000,000 per posting
Bulk email - Mailchimp	<ol style="list-style-type: none"> Shared the eAlert and Live Green magazine with the KCIC mailing list including partners and donors who can share it within their networks. Allocate a standby email for responding to all inquiries regarding AgriBiz RBF and PoC 	KCIC has a mailing list 35,000
Website highlight	<ol style="list-style-type: none"> Shared call for application and some successes of clients on the AgriBiz website. Highlight the beneficiaries of the program. 	26,000 impressions daily on the site

7.4 RISK MANAGEMENT

Risk Factors	Likelihood	Impact	Background assessment	Risk management approach/mitigation actions
Operational risks				
Duplication of efforts by stakeholders	High	medium	Coordination and alignment of stakeholders is a significant challenge and this might lead to targeting of same beneficiaries which eventually may affect the extent to which the clients participate in the programme	Stakeholder mapping and engagement with key partners e.g., MESPT, AGRIFI for streamlined service delivery. Focus on service differentiation to clients. Participate in County stakeholders steering committees for appropriate coordination and communication of interventions
Failure of on lending by financial sectors to Youth and Women	Medium	Medium	Early-stage companies considered as high risk hence not attractive for lending by commercial financial service providers.	Partnership engagement with financial service providers. KCIC has already forged a partnership with the Kenya Bankers Association to increase financial literacy skills and offer fund raising support to clients. Advisory support to boost creation of financial systems and bankable business plans for the clients to enable them to attract investments.
Political interference	High	High	Political environment changing as the country heads to the 2022 general elections. Key actors may want to use the programme for political favours. Rising political tensions.	Communication and regular feedback to county officials on the progress made by the programme in the respective counties. Engagement with county government officials and programme partners in key decision-making processes. KCIC to participate in county stakeholder steering committees for proper coordination and communication of programme progress

COVID-19 pandemic	High	High	Ongoing global pandemic and restrictions on physical gatherings and interactions posed by the government and Ministry of Health.	Provision of virtual services to clients to enable them receive planned activities/services. Strict observance of ministry of health and government protocols at all BIH's. On client on boarding, due diligence phone calls were used instead of physical visits to verify that the businesses actually existed in line with the applications submitted. Once travel restrictions were lifted, physical visits were done for all cases that had been proposed for financing
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Lack of amenities and structures for the setting up of BIHs	Medium	Medium	Lack of infrastructure and neglect of existing Agricultural Training Centres.	County engagements to facilitate funding and maintenance of the ATC's. KCIC to invest in remodelling and revamping of the centres to ensure proper utilization of the centres. Alternative accessible government facilities to be considered in consultation with the county governments.
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Legal and environmental risks				
Lack of legal frameworks and enabling environment to support growth of Agribusiness	Medium	Medium	Poor coordination and enforcement of regulatory frameworks that favours the growth of agribusinesses.	KCIC advocacy and policy programme components to support county assemblies in partnership with stakeholders to develop sound legal policy frameworks for agribusiness growth. Facilitation of county assemblies to gain awareness on gaps and challenges faced by agribusinesses in respective counties in a bid to inform policy making processes.

Drought and locust invasion	Medium	High	Most of the cases supported by the program will be doing rainfed farming. Machakos, Isiolo, Kilifi and surrounding counties have suffered from locust invasions which have affected farming and other livelihoods activities	The BIH will promote access to crop and livestock insurance and other risk mitigation strategies for the supported businesses Partnership with national government and county government to boost early warning systems of communication on weather patterns in counties of operations
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