SPEECH BY H E SUSAN KIHIKA, NAKURU COUNTY GOVERNOR, DURING THE LAUNCH OF THE NAKURU COUNTY ENTERPRISE AND CO-OPERATIVE REVOLVING DEVELOPMENT FUNDS AT ATC SOILO HELD ON 29TH MAY, 2025

Hon Members of the County Assembly,

Mrs Anastacia Kimtai, managing Director, Kenya Commercial Bank

Leaders from Business and Cooperative Sectors,

Distinguished Guests,

Ladies and Gentlemen,

It is with profound pleasure and honour that I stand before you today during this momentous occasion of officially launching the Nakuru County Enterprise and Co-operative Revolving Development Funds conceptualized under the theme of Wezesha Funds.

I take this earliest opportunity to thank the boards of the respective funds for the noble work they have undertaken to make this occasion successful; Members of the County Assembly for passing the laws to initiated these funds and the subsequent regulations; Kenya Commercial Bank for the expert support and cushion for the funds; and leaders in the business and cooperative sectors for walking with us on this journey. I thank you all.

One of the key pledges during my campaigns for governorship of this County was to enhance access to finances by the Micro, Small and Medium Enterprises (MSME) and the cooperative sector to create the ground upon which we can anchor our development efforts in Nakuru County. Why MSMEs? Why access to finances? Recent studies indicate that for Kenya—and Nakuru as County—to tackle the challenges of poverty, unemployment and underdevelopment, we need transform the MSME sector into a robust vehicle of development. After all, MSMEs contribute to **40 per cent of Kenya's GDP**. Fundamentally, MSMEs require finance for expansion, productivity, and growth, yet the majorities self-finance their businesses.

Indeed, access to credit is crucial for the survival, growth, and development of MSMEs and cooperatives acting as a vital engine for economic growth. The ability to secure financing allows SMEs to invest in operations, expand into new markets, and create jobs, contributing significantly to both national and county economies. Limited access to credit can hinder MSME development, leading to missed opportunities and reduced economic output. It is for this reason that we in Nakuru initiated these funds to solve the challenge of accessing credit.

Ladies and gentlemen

We congregate here today to launch the Nakuru County Enterprise Fund and the Nakuru County Cooperative Revolving Development Fund which are clear demonstration of our bold commitment to strengthen the MSME and Co-operative sector to mobilize savings and capital, increase investments, enhance productivity, value addition, and marketing and create jobs for sustainable Community Development. We are in a sense giving financial legs to our boda bodas, matatu, transport SACCOS, Community Health Providers (CHPs), farmers – milk, coffee, tea, avocado, potatoes, tomatoes, pyrethrum—to stand up and walk the journey of enterprise development.

To entrench these two funds, we have ensured that theyare anchored on Funds Acts and Regulations that have been approved by the County Assembly of Nakuru. Oversight will be provided by a multi-stakeholder Fund Boards, supported by Department of Trade, Cooperative, Tourism and Culture. My government has so far allocated a total of **Kshs 100 million** towards these funds. We will be enhancing allocations to the Funds in the coming years.

To ensure the two funds are in line with the goal of deepening access to seed money by MSMEs and cooperatives, the County Enterprise Fund is accessible to groups at **an interest of 8 percent** per annum and currently we are issuing the affordable loans ranging between **Kshs50,000 to Kshs200,000**. On the other hand, the Cooperative Revolving Fund is accessible to Cooperatives at **an interest of 6 percent per annum** and Saccos can apply for loans ranging between **Kshs. 200,000 to Kshs 5 million**. As we launch these Funds today:

- Six (6) Cooperatives have so far qualified for disbursement **of Kshs 21 million**
- Ninety-five (95) groups have so far qualified for disbursement of **Kshs16 million**
- Many more applications are undergoing appraisal and the subsequent processing of the loans

For effective and professional management of the funds, we have partnered with KCB for proper appraising and disbursement of the loans. These are revolving funds and the loanees are expected to repay the whole amounts loaned to them so that others can benefit from the Funds.

Allow me now to address our farmers, boda bodas, CHPs, small scale traders, women and the youth. We as a County all upon you to either form Saccos or join groups for easier accessibility of funds and training opportunities. Through the Directorate of Cooperatives, we have and continue to register Saccos and groups. For instance, I am glad to announce that 2,762 CHPs our of 3,300 have registered with the Nakuru CHP Sacco. I now urge our MSMEs and cooperatives to seize this critical opportunity, initiate and grow their business as you seek to economically and socially transform your lives. More importantly, use these resources wisely. Invest strategically. Repay faithfully. Let the Fund revolve and touch more lives.

To our development partners—donors, financial institutions, private sector actors—we welcome your collaboration. The regulations allow for grants, endowments, and co-financing. Let us join hands to build stronger and self-reliant MSMEs and Cooperative on this journey or transforming the lives of the residents of this great County.

In conclusion, we have taken this bold initiative knowing very well the positive outcomes for our MSMEs and Saccos. It is an intervention whose time has come and we are confident that with cheap accessible loan facilities, we are creating a strong entrepreneurial wave that will go a long way to create employment, reduce poverty and engender development in our County. Let it serve as a beacon of what is possible when Government listens, plans, and acts in the interest of its people.

I therefore launch today Wezesha Funds deepen financial access to MSMEs and Cooperatives.

Thank you

H E SUSAN KIHIKA, EGH

GOVERNOR, NAKURU COUNTY