

**INFLUENCE OF UWEZO FUND ON PERFORMANCE OF  
YOUTH AGRICULTURAL PROJECTS IN CHUKA  
CONSTITUENCY, THARAKA-NITHI COUNTY KENYA**

**MICHENI MERIBA MWENDE**

**A Research Project Report Submitted in Partial Fulfilment of the Requirements for the  
Award of the Degree of Master of Arts in Project Planning and Management of the  
University of Nairobi.**

**2019**

**DECLARATION**

This research project is my original work and has not been presented for a degree or any award in any university.

Sign: .....Date: .....

**MICHENI MERIBA MWENDE**

**L50/79816/2015**

This research project has been submitted for examination with my approval as the university supervisor.

Sign: ..... Date: .....

**PROF. CHRISTOPHER GAKUU**

**School of Open and Distance Learning**

**University of Nairobi**

## **DEDICATION**

This Research project report is dedicated to my parents Mr. & Mrs. Micheni Muchiri for their encouragement and moral support. Thank you for your support and prayers.

A special dedication to my loving husband Obadiah Njoroge for constant enquiries concerning the project, encouragement and motivation. Indeed you made this journey a success.

## **ACKNOWLEDGEMENT**

I would like to express my appreciation to my supervisor Prof. Christopher Gakuu for his productive criticism and support throughout this project. Sincere gratitude to all my course work lecturers; Prof. Harriet J. Kidombo, Dr. John Mbugua, Professor Charles Rambo, Prof Macharia Peter Makokha and Bwibo Adieri for their immense support throughout the programme.

I wish to thank the defence panellists at the proposal and report levels. I shall forever be grateful for their support and guidance which improved this document and imparted me with practical research skills.

To my fellow postgraduate classmates Arthur, Lucy and Nelly, A big thank you for the moral support, discussions and consultations during this research project.

Lastly I acknowledge the support of Uwezo officers in particular Chris Mwenda and Paul Kimathi who were part of the interviewees. Your support during data collection is highly appreciated.

## TABLE OF CONTENT

<b>DECLARATION.....</b>	<b>ii</b>
<b>DEDICATION.....</b>	<b>iii</b>
<b>ACKNOWLEDGEMENT.....</b>	<b>iv</b>
<b>TABLE OF CONTENT.....</b>	<b>v</b>
<b>LIST OF TABLES.....</b>	<b>ix</b>
<b>LIST OF FIGURES.....</b>	<b>x</b>
<b>ACRONYMS AND ABBREVIATIONS.....</b>	<b>xi</b>
<b>ABSTRACT.....</b>	<b>xii</b>
<b>CHAPTER ONE: INTRODUCTION.....</b>	<b>1</b>
1.1 Background of the Study.....	1
1.2 Statement of the Problem.....	4
1.3 Purpose of the Study.....	5
1.4 Objectives of the Study.....	5
1.5 Research Questions.....	6
1.6 Significance of the study.....	6
1.7 Basic Assumption of the Study.....	7
1.8 Limitation of the Study.....	7
1.9 Delimitation of the Study.....	7
1.10 Definition of Significant Terms Used in the Study.....	8
1.11 Organization of the Study.....	9

<b>CHAPTER TWO: LITERATURE REVIEW .....</b>	<b>11</b>
2.1 Introduction .....	11
2.2 Performance of Youth Agricultural Projects.....	11
2.3 Application Requirements and Performance of Youth Agricultural Projects.....	13
2.4 Capacity Building of Youth and Performance of Youth Agricultural Projects .....	15
2.5 Cost of Loan Fund and Performance of Youth Agricultural Projects.....	17
2.6 Utilization of Fund and Performance of Youth Agricultural Projects .....	19
2.7 Theoretical Framework .....	21
2.8 Conceptual Framework .....	21
2.9 Knowledge Gap.....	23
2.10 Summary of Literature Reviewed .....	25
<b>CHAPTER THREE: RESEARCH METHODOLOGY .....</b>	<b>27</b>
3.1 Introduction .....	27
3.2 Research Design .....	27
3.3 Target Population .....	27
3.4 Sample Size and Sampling Procedure.....	28
3.5 Data Collection Instruments.....	29
3.5.1. Pilot Testing of the Instrument .....	30
3.5.2. Validity of the Instruments.....	31
3.5.3 Reliability of Instruments .....	31
3.6 Data Collection Procedure .....	32
3.7 Data Analysis Techniques.....	32
3.8 Ethical Considerations.....	32

3.9 Operationalization of Variable .....	32
<b>CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION ...</b>	<b>35</b>
4.1 Introduction .....	35
4.2 Background Information .....	35
4.2.1 Gender of the Respondents.....	35
4.2.2 Age of the Respondents.....	36
4.2.3 Highest Level of Education .....	37
4.2.4 Duration in Agricultural Project.....	37
4.2.5 Agricultural Activities .....	38
4.2.6 Members in Your Group .....	39
4.3 Application Requirements for Uwezo Fund and Performance of Youth Agricultural Projects.....	40
4.3.1 Application Requirements .....	40
4.3.2 Uwezo Requirements and Youth Agricultural Projects .....	41
4.4 Capacity Building of Uwezo Fund and Performance of Youth Agricultural Projects .....	41
4.4.1 Knowledge on Uwezo Fund .....	42
4.4.2 AGPO and Collaboration .....	42
4.4.3 Training by Uwezo Officials .....	43
4.4.4 Capacity Building and Youth Agricultural Projects.....	43
4.5 Cost of Uwezo fund and Performance of Youth Agricultural Projects.....	44
4.5.1 Number of Times Applied for Loan.....	44
4.5.2 Loan Repayment.....	46
4.5.3 Cost of Uwezo fund and Youth Agricultural Projects.....	46

4.6 Utilization of Uwezo Fund and Performance of Youth Agricultural Projects .....	47
4.6.1 Utilization of Uwezo Fund .....	48
4.6.2 Utilization of Uwezo Fund and Youth Agricultural Projects .....	48
<b>CHAPTER FIVE: SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND</b>	<b>50</b>
<b>RECOMMENDATIONS.....</b>	<b>50</b>
5.1 Introduction .....	50
5.2 Summary of the Findings .....	50
5.2.1 Requirements for Uwezo Fund and Performance of Youth Agricultural Projects.....	50
5.2.2 Capacity building of Uwezo Fund and Performance of Youth Agricultural Projects..	51
5.2.3 Cost of Uwezo Fund and Performance of Youth Agricultural Projects .....	51
5.2.4 Utilization of Uwezo fund and Performance of Youth Agricultural Projects .....	52
5.3 Discussion .....	52
5.4 Conclusions .....	55
5.5 Recommendations .....	56
5.6 Suggestions for Further Studies .....	56
<b>REFERENCES.....</b>	<b>57</b>
<b>APPENDICES .....</b>	<b>63</b>
APPENDIX I: TRANSMITTAL LETTER.....	63
APPENDIX II: QUESTIONNAIRES .....	64
APPENDIX III: KEY INFORMANT INTERVIEW FOR UWEZO OFFICERS .....	69
APPENDIX V: NACOSTI PERMIT .....	70



## LIST OF TABLES

Table 3.1: Target Population and Sample size for Uwezo fund Chuka constituency.....	29
Table 3.2: Operationalization of Variable .....	33
Table 4.1: Response Rate.....	35
Table 4.2: Gender of the Respondents .....	36
Table 4.3: Age of the respondents .....	36
Table 4.4: Highest Level of Education .....	37
Table 4.5: Duration in Agricultural Project .....	38
Table 4.6: Agricultural Activities .....	38
Table 4.7: Members in Your Group.....	39
Table 4.8: Application Requirements .....	40
Table 4.9: Uwezo Requirements and Youth Agricultural Projects.....	41
Table 4.10: Knowledge on Uwezo Fund .....	42
Table 4.11: AGPO and Collaboration.....	42
Table 4.12: Training by Uwezo Officials .....	43
Table 4.13: Capacity Building and Agricultural Projects .....	44
Table 4.14: Number of Times Applied for Loan .....	45
Table 4.15: Loan Repayment .....	46
Table 4.16: Cost of Uwezo fund and Youth Agricultural Projects.....	47
Table 4.17: Utilization of Uwezo Fund .....	48
Table 4.18: Utilization of Uwezo Fund and Youth Agricultural Projects .....	48

## LIST OF FIGURES

Figure 2.1: Conceptual Framework .....	22
----------------------------------------	----

## **ACRONYMS AND ABBREVIATIONS**

<b>AGRA</b>	Alliance for a Green Revolution in Africa
<b>ASDS</b>	Agriculture Sector Development Strategy
<b>GDP</b>	Gross Domestic Product
<b>GOK</b>	Government of Kenya
<b>ICT</b>	Information & Communication Technology
<b>ILO</b>	International Labour Organization
<b>KARI</b>	Kenya Agricultural Research Institute
<b>KII</b>	Key Informant Interview
<b>KNBS</b>	Kenya National Bureau of Statistics
<b>MOAL&amp;F</b>	Ministry of Agriculture Livestock and Fisheries
<b>PWD</b>	People with Disabilities
<b>SACCOs</b>	Savings and Credit Cooperatives
<b>SDGS</b>	Sustainable Development Goals
<b>SPSS</b>	Scientific Package for Social Sciences
<b>UN</b>	United Nations
<b>YEDF</b>	Youth Enterprise Development Fund
<b>UFOB</b>	Uwezo Fund oversight board
<b>UNFPA</b>	United Nations Fund for Population
<b>UNDP</b>	United Nations Development Programme
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>UNICEF</b>	United Nations International Children's Fund

## ABSTRACT

Agriculture is the backbone of the Kenyan economy and a major employer of the population. The youth are the majority in terms of population. In addition, they make up the majority of the literate quota as well as the unemployed population. There have been other affirmative action funds aimed at empowering the marginalized groups by providing interest free capital. An assortment of the affirmative funds have gone under analysis in regards to their determination forms and a discernment that there has been restricted execution because of democracy, the prerequisite of certain funds of group application process, which expects candidates to cooperate with others so as to be fit for loan program. This study aim was to access how Uwezo affirmative fund influences performance of youth agricultural projects in Chuka Kenya. The study focused on the following objectives. To assess how the requirements for affirmative fund influence the performance of youth agricultural projects in Chuka; to identify how capacity building of Youth fund influence youth agricultural performance in Chuka; to determine how cost of loan influence youth agricultural performance in Chuka and to establish in what ways utilization of funds influence youth agricultural performance in Chuka. The theoretical framework adapted for this study was derived from the theory of change. This research adopted a descriptive survey research design. There were 60 youth groups utilizing Uwezo funds for agricultural projects in Chuka. The Chairperson, treasurer and the secretary are the three group officials. The total target population comprised of 180 youths. The sample size was determined using Cochran (1963) formulae. Therefore the total sample size was 122 respondents. Data was collected using structured questionnaire to gather data from the respondents. Inferential and descriptive statistics was analysed using SPSS. The mean, standard deviation, frequencies and percentages from the respondent's data was used to establish the relative importance and weight of each variable as well as the deviation of the variables from their means. All sets of data were analysed in form of tables, frequency, percentages and mean. Findings show that agricultural projects involved a variety of projects such as poultry, goat keeping, fish rearing, pig rearing, farming and cattle keeping. Many groups had a bank account, group savings, age limits and all the groups had members hailing from Chuka constituency. From findings the many youths got to know about Uwezo fund through advertisement. The study concludes that many groups have not collaborated with any institutions or organizations. The study also concludes that many groups are in the process of repaying and very few have completed loan repayment. The study further concludes that the six months grace period is sufficient before starting to repay the loan. The fact that the loan is interest free fund encourages borrowing for agricultural projects though the loaned amount is not enough to run all their agricultural activities. The study finally concludes that the groups engage in the economic activities they indicated during loan application and Uwezo officials visited them. The study recommends that Uwezo officials should offer more training to the groups by either providing agricultural extension officers for more yields to be realized. Uwezo fund should increase the amount they loan the youth groups as the amount loaned was found not to be sufficient in accomplishing their projects.

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

Uwezo affirmative fund was initiated by Kenyan Government repayment under the Ministry of Devolution and Planning in 2013. The Fund was launched by His Excellency the President of the Republic of Kenya on September 8, 2013 and implemented and released on February 21, 2014, through Legal Notice No. 21 of the Public Finance Management Act. Uwezo Fund is an essential program for vision 2030 designed for enabling ladies, youngsters and disabled persons have access to finances to encourage enterprises and constituency-level projects. (Buyema, 2013).

According to Buyema 2013, Uwezo money is meant to increase admittance to monies to support young people and ladies economic undertakings at the constituency level development on the road to achievement of the goals of vision 2030, to produce profitable Youth and women's self-employment and to make an alternate funding framework public driven growth. Sources of funding for the Uwezo fund are, finances allocated by parliament, grant and donations income and income realized from the profits of Uwezo fund.

Chagani (2014) noticed that youth services (such as affirmed funds) offer essential help to youngsters, with various advantages for people in general –, for example, decreasing joblessness, refining the take-up of instruction, diminishing substance misuse, cutting wrongdoing and hostile to social conduct other than improving network union. Youngsters are undeniably bound to be jobless than those in more established age gatherings. In September-November 2013, 36% of 16-17 year olds and 18% of 18-24 year olds in the UK were jobless, Youth joblessness has risen

essentially lately, and this is especially valid among specific groups. For instance, by 2012, the greater part of black young men available for work were jobless, contrasted with around a quarter in 2008.

Beginning in the 2000s, many governments initiated special funds to support youth enterprises to curb high rates of youth joblessness. For example, the Kenya Youth Enterprise Development Fund, South Africa's Umsobumvu Youth Fund (now the National Youth Development Authority), the Botswana Youth Fund, the Namibia Youth Credit Scheme, and Uganda's Youth Venture Capital Fund (Ahaibwe and Kasirye, 2015).

Kararach et al., (2011) despite the fact that issues of youth employment are not new on both the universal and national arrangement plans, most motivation have concentrated on formal and non-horticultural segments as avenues of employment creation. In recent years, several African countries (including Malawi, Morocco, Tanzania, Kenya) have enacted policies to financially empower the youth for example in Malawi the Youth Enterprise Development Fund was brought about by the state President as a vehicle to address difficulties confronting youth furnishing them with information, fundamental abilities capabilities and chances to participate in smaller scale little and medium ventures as an independent work component, International Labour Organization (2002).

International organizations have supported of Moroccan youth policy financially. The Youth for Youth Programme is partially United Nations Fund for Population (UNFPA) financed. The Youth for Youth Program is halfway financed by United Nations Fund for Population (UNFPA). The Aid Fund for Youth (FIJ) works in a joint effort with the United Nations reserves, for example, the UNDP, UNESCO and UNICEF. Additionally, foreign embassies have put

resources into help to youth. In 2004, France, during a fourteen day show on government funded instruction, financed enormous ventures in numerous locales of the kingdom and proceeds through the Ministry of Foreign Affairs to advance improvement ventures. (Sylvie Floris, 2010).

According to Christina (2010), in Tanzania a youngsters growth rotating asset was started in 1994 with the goal of helping the youth in casual division to make formal business and cut youth joblessness. It was directed by the government that all government authorities must dispense 5% of their income for youth improvement significantly in work and income producing activities. The national youth revolving funds was built up to help exercises that create salary for the youth in composed financial generation units and little business people. Youth groups promote a similar reaction to the establishment of the youth run enterprises.

In Kenya there has been other youth affirmative fund like Youth Enterprise Development Fund under Vision 2030, focusing on youth who are not working. Propelled in 2006, the Youth Enterprise Development Fund (YEDF) is a loan advance facility with the objective of supporting the improvement of youth-possessed undertakings. Youthful business visionaries get the zero intrigue advances through the enrolled youth bunch in their constituency.

A research by AGRA in 2015 points out that Agriculture provides youth the prospect for better livings and jobs, for youth to be more engaged in agriculture, it should be profitable, viable and self-motivated. This can be done by including youths in decision-making procedures, particularly in areas around resolving policy restrictions concerning youth participation in farming. For agriculture to attract the younger population, great investments should be made in all levels of education levels, agrarian invention technologies ought to be maintained. Moreover,

Improvement of rural infrastructure and markets along with the commerce environment improved in income generating ways and develop agricultural value chains

## **1.2 Statement of the Problem**

Agriculture is the backbone of Kenya's economy, it presently contributes 24% the GDP directly, and 27% indirectly (MoAL&F, 2017). As per economic survey (2016), agriculture is still the major contributor of Kenya's economy and the main employer of the Kenyan youths (Hall, 2017). Agriculture provides a source of revenue of about 80% of the Kenyan population (MoA, 2010). Nevertheless, in spite of its significance, its potential is not completely reached and it's alleged to be unappealing to the youth (ASDS, 2010; Winters et al, 2010). 64% of jobless people in Kenya are between 18-35 years (KNBS, 2010; MoAL&F 2017). The unemployment problem in Kenya is to a large degree a youth problem (UNDP, 2013).

Agriculture has the greatest probability to engross the fast-growing youngsters labour force and immensely contribute to national economy. Kenya has approximately 13.7 million youths this accounts for 35.4% of the total population (World Bank, 2014). Only 11% of youth aspire to work in agriculture despite the sectors huge capacity for employment (Njeru and Gichimu, 2014; Awiti and Scott, 2016). Only 1.5% of the of employed youths have education above high school level (KNBS, 2010). In fact, 92% of Kenyan youth (those aged 15-35) have no vocational or professional training (MasterCard Foundation, 2017).

With about 1million youth entering the labour market every year, the agricultural sector presents an avenue for multiple source of income and employment opportunities (Njeru and Gichimu, 2014; MoAL&F 2017). The development strategy for the agricultural sector (2010-2020) recognizes young people's capacity to grow crops (MoAL&F 2017). The primary issues



influencing youth participation in agriculture include, but not restricted to, property entry, environmental and healthcare funding, expertise, data and expansion facilities, and the use of creative abilities and economies (MoAL&F 2017).

Several studies by international bodies, government agencies and scholars have always sought to seek the reasons of youth's lack of interest in agriculture. Numerous recommendations have been tabled for implementation. The government has set aside affirmative capital, made policies and laid down strategies to improve the agriculture sector to attract the highly educated, energetic and innovative youths. The government introduced Uwezo Fund hence youth can utilize it as a source of capital in agricultural projects. This project therefore sought to understand how the youth utilizing Uwezo Fund in agriculture are performing.

### **1.3 Purpose of the Study**

The aim of this research was to assess how Uwezo fund influences performance of youth agricultural projects in Chuka Kenya.

### **1.4 Objectives of the Study**

The study was guided by the following objectives;

- i. To assess how application requirements for Uwezo fund influence the performance of youth agricultural projects in Chuka
- ii. To identify how capacity building of youth on Uwezo fund influence the performance youth agricultural projects in Chuka
- iii. To determine how Cost of loan fund influence the performance youth agricultural projects in Chuka

- iv. To establish in what ways utilization of funds influence the performance youth agricultural projects in Chuka

### **1.5 Research Questions**

The study answered the following research questions;

- i. How does application requirements for Uwezo fund influence the performance of youth agricultural projects in Chuka?
- ii. How does capacity building of youth on Uwezo fund influence the performance of youth agricultural projects in Chuka?
- iii. How does cost of loan fund influence the performance of youth agricultural projects in Chuka?
- iv. How does utilization of funds influence the performance of youth agricultural projects in Chuka?

### **1.6 Significance of the study**

It is hopeful that the study may aid the Kenyan government to evaluate if the funds and training are worthwhile to its youths in Chuka constituency. County Government of Tharaka-Nithi may also use the results of the study to make decisions concerning their youth. The results of this research may also benefit researchers and scholars as it can shape the foundation for in depth research. Research on youth affirmative funds has been undertaken in the past and this study may be an additional resource to update the studies done by previous scholars. The study may also bring into light the various factors that youths need to focus on when forming groups, applying for the fund and utilizing the funds.

### **1.7 Basic Assumption of the Study**

The specialist expected that the respondents were straightforward and verifiable in their reaction to the exploration instruments. It was also assumed that the informants provided honest answers to provided questions and The Chuka Constituency Development Fund office gave information contained in their records. Lastly data collection instruments were valid and reliable based upon their previous use.

### **1.8 Limitation of the Study**

The respondents might be hesitant to share info because of fear that information shared might be used against them. This was moderated by assuring the informants of anonymity while reporting. There was time and financial limitation to carry out comprehensive study on influence of Uwezo fund on performance of youth agricultural projects in Tharaka-Nithi county. This was moderated by concentrating on Chuka constituency since it was capable of providing all the needed information for this research.

### **1.9 Delimitation of the Study**

Uwezo fund involve a range of policies categorized as, requirements, capacity building, cost and utilization. This study was delimited to youth group among the beneficiaries of the fund and to agricultural project because agriculture is the main economic activity in Chuka. Chuka is one of the known agricultural regions in Kenya. The community within Chuka is a known agricultural community. The researcher hails from the region therefore no language barrier during data collection.

## **1.10 Definition of Significant Terms Used in the Study**

Definitions of important terms used in this research:

### **Application Requirements**

These are legal obligations that need to be met before a group is qualified for the loan fund. They include, group formation and registration, whereby youth are expected to form groups of 10-15 members and register their group with the government social office to obtain a group certificate. Secondly, the groups should own a bank account registered under the groups' name. Lastly, the groups are expected to be based within the constituency in which they intend to request for funds.

### **Capacity building of youth**

A programme aimed at creating awareness on Uwezo fund, and impacting skills on Uwezo beneficiaries. It entails trainings, formation of projects, access to government procurement opportunities and linkages for collaboration and support. All these are aimed at strengthening the capability of the groups to favourably compete in the business world.

### **Cost of Loan fund**

Charges related to administration, distribution, interest and repayment of loan fund.

### **Utilization of funds**

The manner in which youth' groups and the constituency office use Uwezo funds. The constituency office is legally obligated to gazette and display the funded groups. Also, the officers are expected to carry regular monitoring and assessment to make sure the funds are used as indicated on the business plans. This lowers the risk of mismanagement of funds by the

groups. Lastly, youth groups engage in different economic ventures so as to use the loan fund to realize profits.

### **Performance of youth Agricultural projects**

The manner in which Uwezo fund affects growth of youth' agricultural projects. This can be indicated by the new agricultural initiatives through utilization of the Uwezo fund. Furthermore, Increase in production of animal and plant products can be measured to show progress of the agricultural activities. High production may lead to higher realization of higher profits.

### **1.11 Organization of the Study**

The research study is organized and arranged in the following main sections;

Chapter one provides background of the study, statement of the problem, purpose of the study, research objectives, research questions, significance of the study, basic assumptions, limitation of the study, delimitation of the study, definition of significant terms and organization of the study.

Chapter two reviews literature looking at performance of youth agricultural projects. It also incorporates the theme of first objective, second objective, third objective and fourth objective, theoretical frame work, conceptual frame work, gaps in literature review and summary of literature review.

Chapter three covers and looks at the method used, research design, target population, sample size and sampling technique, data collection instruments, pilot testing of the instrument, validity of instrument, reliability of instrument, data collection procedure, data analysis techniques, ethical consideration and operational definition of the variables.

Chapter four covers and deals with the findings from the study, processing, questionnaire return rate, characteristics of respondents as well as data analysis.

Chapter five presents and provides summary of findings, discussion of the findings, conclusion of the study, recommendations of the study and suggested area for further research

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

The reflection and collection of the literature review to this chapter endeavours to clearly bring into light a review of diverse previous studies that were conducted relating to youth affirmative funds. The review is aligned to the study objectives which are; performance of youth Agricultural projects, The concept of Uwezo Fund, Uwezo application requirements and Performance of Agricultural Projects, Capacity Building and Performance of youth agricultural projects, cost of Uwezo fund loan and Performance of Youth Agricultural projects and utilization of Uwezo fund and Performance of Youth Agricultural projects

#### **2.2 Performance of Youth Agricultural Projects**

According to World Bank, agriculture is Africa's major employer and has capacity to engross massive numbers of new people looking for jobs. Increased focus on agriculture could improve productivity, check food prices, improves living standards. Involvement of young people's in this process is critical. Despite the fact that farming is mostly carried out by the aged, the profession's need for energy, innovation and physical strength make it ideally well suited for the youth.

Agriculture is a vital contributor to GDP in Kenya. In this contribution, young people may play a leading role. However, inadequate access to finance slows down their productivity and growth (Odoemenem & Obinne, 2010). The formal banking sector considers farming highly risky hence little attention is given to this sector. According to financial institutions youth are a risky client category compared to the elderly. Access to finance and land are equally important, this is in

some areas youngsters have access to land but are lacking finances to invest in the land (McNulty and Natarajan, 2005).

In Kenya majority of youth cultivate the family Land which mainly is subsistence agriculture, therefore there is little income from this work. Cotula (2011). However, youths have taken the advantage of the chances that promote their involvement in the agricultural sector. The increasing demand for food and market opportunities provide youth with a chance to match the population growth rate with food availability. Plenty of energy, open-mindedness and risk taking are the qualities that youth bring into agriculture. Such characteristics are required in the agriculture sector for success to be realized. The youth are presented with an opportunity to meet agricultural and economic demands utilizing innovative methods and technologies which lack in demographic segments. Kenya Youth Agribusiness Strategy 2017-2021.

Youths are currently utilizing ICT in agriculture which has high potential for enabling information access to improve productivity, enabling development in agriculture and entry to financial services and economies. In Kenya some youths in agriculture are utilizing applications and platforms such as; Mkulima Young, a Social marketing extension and information platform, M-Farm a market data company ; a portable application that includes, among other things, cost data, cooperative plant marketing and agricultural outputs (Agriculture Status Report 2015). Some youths are also involved in WhatsApp and Facebook groups that discuss how to plant and grow some crops and rear animals as well as marketing their produce.

In Makueni county; a semi-arid region in south east Kenya, The Makueni Youth Agripreneurs (MYA) was started in 2015. Its major objective was to make agriculture attracting to the Kenyan young graduates. The group utilizes University of Nairobi's dry land facility found in Kibwezi,



Makueni County, Kenya. The group made up of seven young graduates, utilize 12 acres of farmland and facilities .They are utilizing the irrigation system and the green house to grow vegetables including capsicum, eggplant and cucumber. Furthermore, MYA does value addition to and market their products.

### **2.3 Application Requirements and Performance of Youth Agricultural Projects**

The fund has different set prerequisites that should be met before one is equipped for it. Initial, one must be in a registered group with the Department of Social Services or Registrar of Societies with enrollment of 5-15 individuals. The youngsters ought to be somewhere in the range of 18 and 35 years old, Preference is allowed to groups that have been in presence for six (6) months. The groups should have a bank account. Once more, the groups should direct a table banking (chama) structure where individuals contribute on a month to month premise according to bunches inner rules (proof of month to month commitments is a necessity). Groups should possess a bank account in its name. Moreover, bunches must be suggested by the area boss. At last, a marked certification structure executed by each gathering part self-rulingly ensuring to reimburse the advance mentioned by the gathering.

The procedures of accessing the fund by the youth include signing up for Capacity Building Programme launched in the constituency followed by ensuring that youth are eligible. Then fill the application form available at the constituency level. It can also be found on Uwezo Fund website. Thereafter, send the application form attached to the Uwezo Fund Management Committee within the constituency with the relevant documents.. Lastly, members should wait to be notified about their application by the Management Committee.

Long and tedious procedures for lending are proposed as a main setback for obtaining credit by women and young people (Manson & Mat 2010). Mostly, the prerequisite of certain funds of group application process, that expects candidates to join forces with others and have resources so as to meet all requirements for the advance program, was seen to be a constraint.

A heightened sense of accountability among small groups ensures they have more consistent task views and cultural cohesion hence are likely to share high-quality knowledge (Voelpel, Eckhoff & Forster, 2008), Again, small groups are having high collaboration rates for tasks needing concurrent tasks and activities coordination . However, in 2016 Nyanchama et al summarized that Group dynamics had a negative influence on access of Uwezo funds, because most respondents in their research had the feeling that conflicts and leadership of groups influenced access to Uwezo Fund.

According to Tharaka-Nithi county government (in which Chuka constituency is located) integrated development plan 2013-2017, The transition rate of primary to secondary school in the county is 70% on average therefore 30% of those who complete primary school do not go to secondary school. Majority of the youths in this group are adolescents aged between 14 to 17 years. The age requirement of Uwezo fund bars the whole of this group from accessing the funds. In addition, individuals interested to venture into agribusiness alone are limited by the group requirement, however being in a group acts as a security for the loan. Also the table banking requirement ensures a saving culture is nurtured among the youth. Lastly regional economic growth is enhanced by the requirement of youths coming from the same constituency. However it is critical to note that this limits diversity of group members.

## **2.4 Capacity Building of Youth and Performance of Youth Agricultural Projects**

Capacity building is not an autonomous practice mediation, but rather an intentionally structured exercise scheme targeted at enhancing individuals, meetings and organisations ' awareness, capacity and capacity for stronger execution and development. Nationally, Ksh 500 million was set aside for capacity building in 2013/2014 financial year. Uwezo capacity building covers four areas; General Information on Uwezo Fund, Business Development Services and Mentoring, Table banking concept, and Access to Government Procurement Opportunities (AGPO) for youngsters, ladies an disabled persons persons (UFOB, 2014). In 2014 the (GoK) sought for Uwezo fund trainers expecting them to have capacity to translate the training programs into local languages in the areas they expect to work besides capacity and willingness to meet the reporting, monitoring and evaluation requirements.

Knowledge is power; this acknowledges the need for training to all the beneficiaries of Uwezo fund. According to Ashiku, (2014) Training enhances effective fund utilization hence ought to be given priority before groups are funded. A Training Needs Assessment (TNA) conducted by a team of advisors in a chosen county in Kenya in February 2014 found that individuals with disabilities, females and adolescents do not lack the abilities and competencies necessary to guarantee their enterprise's identity, growth, development and sustainability. The guidelines provide abilities and abilities and expertise to foster entrepreneurial and investment culture among the specific organizations for economic empowerment.

Successfully screened groups performed by Constituency Uwezo fund committees throughout the nations are taken through a capacity building program before receiving funding. Inadequate extension services and support for the farmers have delayed the transformation of agriculture into a vibrant and economically competitive sector. On the other hand, capacity building and

support for expansion services were found to increase production by 30%. Anglican Development Services (ADS) has backed up attempts to foster youthful producers ' ability to generate sustainable agricultural products. This was accomplished through collaboration with government ministries and shareholders in the agrarian sector. Young farmers gained from free training and help from major organizations through the cooperation. The Kenya Agricultural Research Institute, Ministry of Agriculture and Kenya Plants Health Inspectorate Services have been working with ADS on capacity building for youthful producers. These activities are carried out through public open days, farmers field days, field demonstration plots and seminars organized by ADS. 152 farmers field days that reached 7094 youths with innovation (Nebe and Mang'eni, 2016).

According to Agena (2011) training on financial sustainability and management of membership-based organizations should be provided to the youth in efforts to promote the creation of efficient and sustainable young farmers' organizations.

A report by World Bank in 2009 and FAO (2011) Pointed out the requirement for government to help the formation of young farmers' associations ready to channel and guarantee reasonable access to money related and mechanical help from governments, givers and the private area. The legislature should work with ranchers' associations in money related help programs especially coordinated to youthful ranchers and to support the work, inventiveness and imaginative soul of youngsters; for instance arranging rivalries and remunerating best ventures (IFAD, 2009).

Uwezo fund capacity building programme therefore creates awareness among youths. The use of technology as a platform for communication has ensured high levels of awareness about the fund among the techno-savvy youths. In 2012, the former president Mwai Kibaki instructed that 10%

of all government contracts to be awarded to youths also in 2013 president Uhuru Kenyatta pledge to allow 30% of all government contracts to women, youngsters and disabled persons (AGPO, 2016). Access to Government Procurement Opportunities for youth under Uwezo capacity building is therefore helping implement these presidential directions. Youths in agricultural projects can therefore be assured of ready markets for their products.

Despite the efficiency and effectiveness of information communication technology in creating awareness, fraudsters have taken advantage and conned unsuspecting members of public. Corruption in the government tendering processes has been a hindrance for the youth to access the government tenders. In addition, several youth groups fail to meet the required high standards and demands of tendering.

### **2.5 Cost of Loan Fund and Performance of Youth Agricultural Projects**

UFOB (2014), Uwezo monies are payable just to a group, from at least Kshs 50,000 and not surpassing Kshs 500,000 at any given moment. The fund is conveyed first arrive, first served, contingent upon qualification of the application. In deciding the aggregate sum a gathering is qualified to get, the accompanying contemplations are made; the time allotment the gathering has been in presence, aggregate sum contributed by the gathering, current status of commitment and proposed plan for the advance.

UFOB further elaborates the following; Uwezo fund is an interest free fund, however a 3% administration fee is charged depending on the amount of loan given. The repayment period for Uwezo fund is determined by; amount of borrowed money, group size and plan proposed for the loan. A six months grace period is given before starting to refund the loan. All loans are refundable within two years from the end date of the extension.

However in 2010 Siakwah noted that among challenges to micro credit on repayment include: poor timing of credit, inadequate credit, weather failures which may affect farming projects. In the last few years there have been introduction of innovative economic products and services targeting agrarian communities, including youth, through a range of financial institutions. Some banks are showing interest in agricultural financing. Loaning to young people is seen as risky because of their weak financial foundation hence pushing away financiers because of the small amount requested in comparison to bank transaction costs. In addition, financial institutions consider lending to youth dangerous since they lack a saving culture, less financial history, and inadequate financial management know how.

Ndenge et al (2016) found out that that youths who had acquired YEDF funds in Maara constituency, the amount was between KShs 25,000 to KShs.125, 000. The research too revealed that majority of the groups received adequate funds they request for. Moreover, they revealed that that when group projects are well funded the success in terms of profits was high thus sustainable.

Youths lack assets required to set up a farm and may not have enough knowledge in agriculture. Lack of skill, in addition to their limited access to agricultural products value chains, also makes it hard for them to be involved in contract farming. This kind of farming can provide more security during loan appeals. The aspects make it a risk to lend loans to young people engaging in agriculture. These issues are well catered for by coming up with financial products targeting the needs of young agripreneurs by including them in agricultural business value chains, lastly, provision of critical non-financial services such as capacity building in finance, agriculture, agri-business and entrepreneurship.

Uwezo fund being interest free, cushions start up youth agribusiness projects from high interest and exorbitant penalties. Therefore its low cost attracts youths and encourages them to venture into the highly risky but profitable agriculture business. Despite being interest free, youths interested in capital intensive and long term projects like coffee and tea farming as well as livestock keeping are limited by the loan limit. The six months grace period may also limit the kind of projects youths can venture in because some agricultural projects require more payback period. Accessing agricultural credit improves productivity and raises living standards by reducing poverty among the youth.

## **2.6 Utilization of Fund and Performance of Youth Agricultural Projects**

According to the public finance management act *No. 18 of 2012*, Uwezo Fund Management Committee utilizes the funds firstly by making decisions on the groups that will receive funds. Secondly they carry out supervision of the activities which includes official impromptu visits to the beneficiary groups and institutions. Lastly, the committee manages and supervises the operation of the Fund at the constituency level.

For accountability purposes, forms are serialized in the constituency offices. The beneficiary groups are shown and gazetted in the CDF offices. Uwezo fund just as CDF and YEDF operates as a revolving fund that ensures continuity and sustainability. The beneficiaries to the fund need to utilize the fund as per their requests (Uwezo Fund Structure, 2014).

Ndenge et al (2016) found that financial organization monitoring and evaluation frequently increases the execution of funded projects. Lack of surveillance and assessment of YEDF-funded initiatives often resulted in a shift in use to other initiatives other than those financed for or

complete project failure. The youth may not use the cash as designed for inadequate surveillance and assessment of the financed initiatives.

Kamau (2013) success of youth projects call for frequent monitoring and assessment exercises , but there was laxity in monitoring groups in Meru by YEDF officials because majority of youth groups were not visited, hence monitoring was wanting. It was not a requirement for the groups to make any reports by the officials thus led to less monitoring exercises.

According to Sammy and Wanyoike (2015), very few youth projects in Nakuru deem it important recruiting the services of external monitoring and evaluation pprofessionals. A good number of the agribusiness projects in Nakuru are affected by political interference in monitoring their activities. This is because of the Youth Fund's political essence. The main source of this political interference is internal influences such as local governments.

Chemwa (2015) noted that as a result of inadequate monitoring, guidance, reliable communication and follow up of the groups by youth fund officials, most groups took advantage of the laxity not to repay the Youth Enterprise Development Fund loan on time leading to high default rate. Frequent visits to the youth agricultural projects therefore would ensure youths utilize Uwezo funds in their projects appropriately.

A study by Amanyia in 2013 identified the following utilization challenges associated with Women Enterprise Fund, insufficient WEF field personnel and fieldwork facilitation and delayed payments. At the lender level, high cost of loan administration, poor distribution of information, and misconception about the fund goal, high default rates, insufficient business monitoring and delayed disbursement of the funds from the central government.



## **2.7 Theoretical Framework**

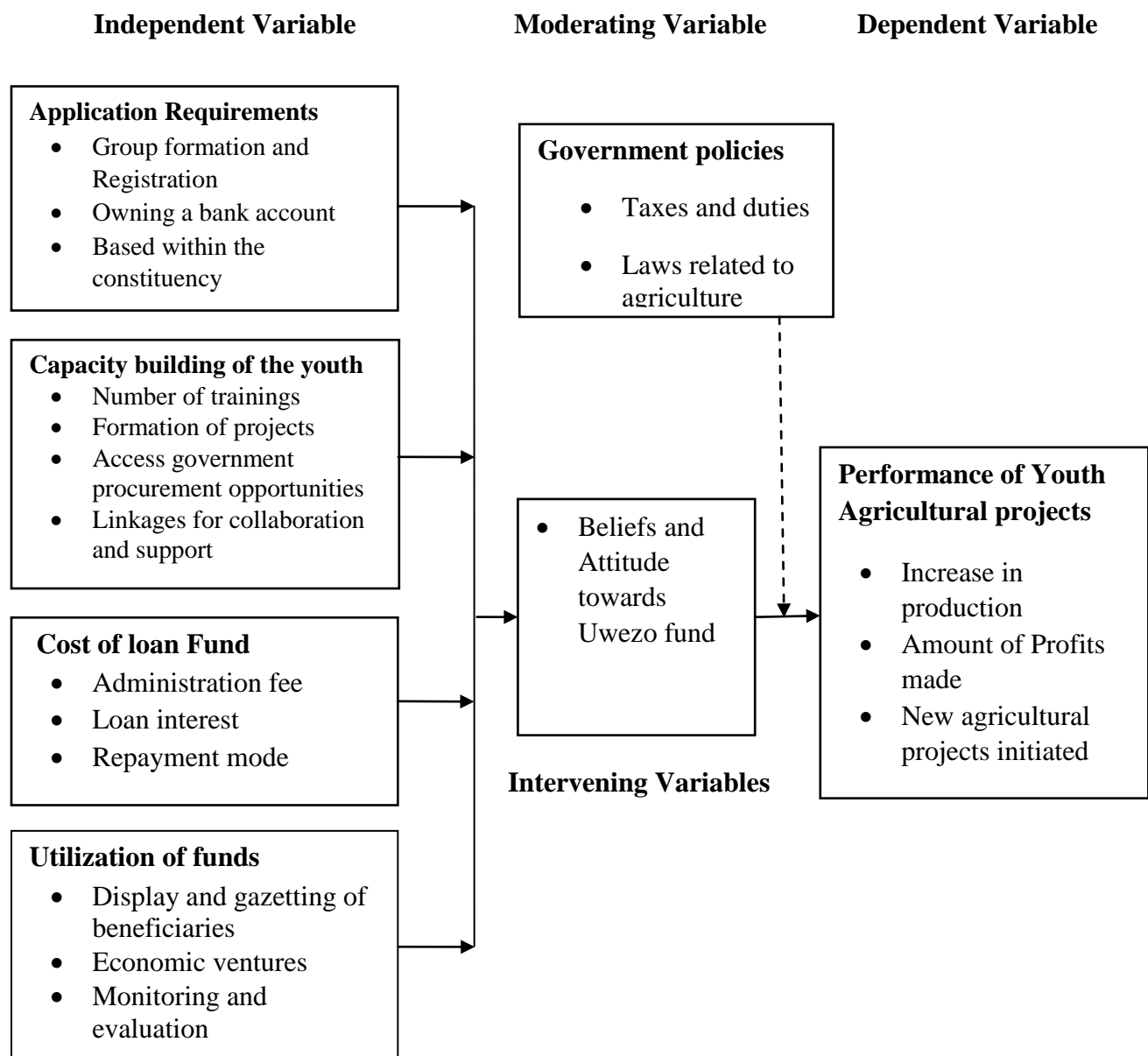
The research is based on theory of change. A theory of change is an instrument that creates responses to complex social problems. A gradually complete theory of change verbalizes doubts about the method by which shift will occur and determines how most of the necessary premature and intermediate path outcomes associated with achieving the optimal short distance shift will be accomplished and recorded as they occur (Anderson (2005).

The theory of change incorporates the four paradigms of Uwezo fund which in this study are identified as the Uwezo application requirements, capacity building, cost and utilization. The requirements and capacity building as interventions that are being employed to bring about the desired change among the youths using Uwezo fund. The research will be modelled on beliefs and assumptions that the legal requirements e.g. group formation and the capacity building are believed to be critical for producing change in the youth agricultural projects in Chuka.

In addition, in this study the theory of change is useful in the following ways: internal program development, the theory can help to refine and enhance the effectiveness of youth projects. Secondly, it is a useful tool in external communication to communicate what a project does and how it clearly and convincingly impacts. Finally, it is a first step in the design of an effective evaluation because it accurately identifies all the results that need to be measured (The Social Innovation Partnership).

## **2.8 Conceptual Framework**

According to Kothari (2009) the conceptual framework clarifies the association between the independent variables and the dependent variables. The independent variable is assumed to be the reason for changes on the dependent variable.



**Figure 2.1: Conceptual Framework**

In this study the independent variable being Uwezo affirmative fund whose indicators are application requirements, capacity building of the fund, cost of the fund and utilization of the fund. The dependent variable is performance of youth agricultural project whose indicators are number of new agricultural projects, number of expanded agricultural projects and profits made.

Moderating variables represent factors or process that may alter the impact of independent variables on dependent variable and include government policies. Intervening variable represent factors or process that might affect the relationship of the independent and dependent Variable but difficult to measure and include perceived attitudes towards Uwezo funds and beliefs.

## 2.9 Knowledge Gap

A number of studies on youth affirmative funds on projects have been conducted in different countries and by different researchers.

Variable	Indicator	Author	Title of the study	Findings	Knowledge Gap
<b>Application Requirements</b>	-Group formation and Registration -Owning a bank account  -Based within the constituency	Nyanchama et.al, (2016).	Factors Influencing Access to Uwezo Fund by Citizens in Kenya: A Case of Nyamira County, <i>International Journal of Social sciences and Communication</i>	Uwezo fund is faced with the challenge of accessibility of funds thus low achievement of its core objectives. Majority of the respondents felt that the government regulations and requirements for accessing Uwezo funds were difficult	Factors that cause challenge of accessibility of funds
<b>Capacity Building of youth</b>	-Number of trainings -Formation of projects -Access government procurement opportunities	Simiyu (2016)	Factors Influencing Implementation of Government Affirmative Action Projects: A Case of Uwezo	Level of funding, management and capacity building had an influence in the implementation of government	Specific concepts that youths are trained in before disbursement of funds

	-Linkages for collaboration and support		<i>Fund Projects in Embakasi East Sub-County, Kenya</i>	affirmative action projects of Uwezo beneficiaries. 78.4 % of the groups had received 31% and above of financial support from Uwezo and attributed success of their projects to the funds.	
<b>Cost of loan</b>	-Administrative fee -Loan interest -Repayment mode	FAO,IFAD, CTA (2014)	<i>Youth and agriculture: Key challenges and concrete solutions</i>	Inadequate access to financial services as challenge. Promoting financial products catered to youth, mentoring programmes and start-up funding opportunities can all help remedy this issue.	Youth awareness on the available financial services and their attitudes towards loans.
<b>Utilization of funds</b>	-Display and gazetting of beneficiaries -Economic ventures -Monitoring and	Ndenge et al (2016)	<i>Management Factors Influencing</i>	Monitoring and evaluation by lending organization often increases the success of	Monitoring and evaluation of the youth Agricultural ventures

	evaluation		<i>Financial Sustainability of Youth Group Projects Funded By Youth Enterprise Development Fund, In Maara Sub-County Of Tharaka Nithi County</i>	the funded projects. Lack of monitoring and evaluation of projects funded by YEDF often led to diversion of the funds to other projects other than those funded for or collapse of the funded projects .without proper monitoring and evaluation of the projects funded, the youths might not implement the projects which the funds were intended for to completion.	
--	------------	--	--------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

**2.10 Summary of Literature Reviewed**

From the reviewed literature, it is indicative that there is increasing effects of climate change on agriculture. Therefore, as a continent (Africa) we are required to increase the pace of adopting sustainable agricultural practices. This can be achieved by involving the well educated, energetic, and innovative but unemployed youths in all development stages from planning, decision making and implementation of agricultural policies and strategies.

For young people to successfully be engaged in agriculture, adequate finances and agricultural inputs are needed. Finances are a necessity to cover the costs of production, value addition, marketing and insurance.

Kenya and sub-Saharan Africa in general is considered food insecure. The operationalization of the regional trade blocks would ensure ready markets for their agricultural products. The high numbers of unemployed, energetic and educated youths provide the core of a reliable labour force which can be utilized in agriculture towards achievement of vision 2030 in Kenya and the sustainable development goals.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter focus on the methodology that was used in the study. It describes the research design, the target population, sample size and the sampling procedure, methods of data collection that includes; the pilot study, the validity and reliability of the instruments, data analysis and the operationalization of the variables.

#### **3.2 Research Design**

Kothari (2004) characterizes research design as the conceptual structure inside which research is conducted; it establishes the blue print for the measurement, analysis and collection of information. The study adopted a survey research design because it has potential for offering much info needed for this research. Descriptive survey design enabled the researcher acquire data that decided the impact of Uwezo Funds on youth groupings associated with agricultural activities.

A survey research design is a way of gathering info by cross-examining or managing a questionnaire to sampled persons. Major characteristic of survey research explaining specific features of a population, objects or institutions, through questionnaires (Orodho, 2003). Data was gathered utilizing questionnaires. The questionnaires were designed to have both open and close ended questions (structured and unstructured).

#### **3.3 Target Population**

There are 60 youth groups utilizing Uwezo funds for agricultural projects in Chuka. The chairperson, treasurer and the secretary are the three group officials. The total target population

comprised of 180 youths. The researcher therefore sampled the target groups and administered questionnaires to the sampled Youth agricultural groups.

<b>Category</b>	<b>Target Population</b>
Mariani ward	30
Kariangani Ward	48
Magumoni Ward	42
Mugwe ward	27
Igambang'ombe ward	33
<b>Total</b>	<b>180</b>

Source: Chuka sub-county, Uwezo Fund report (2017)

### **3.4 Sample Size and Sampling Procedure**

As opined by Ogula (2005) sampling is a methodology, procedure or system of choosing a sub-group from a populace to participate in the study. It is the procedure of picking various persons for a study so that the persons picked may represent the enormous group from which they were picked.

The sample size was determined using Cochran (1963) formulae.

$$n = \frac{Z^2 pqN}{e^2 (N - 1) + Z^2 pq}$$

#### **Where**

n = sample size

N= entire Population

Z= level of significance (1.96)

E= Expected Error (0.07)



p = estimated proportion of an attribute (0.5)

q = 1-p.

$$n = \frac{1.96^2 * 0.5 * 0.5 * 180}{0.05^2 (180 - 1) + 1.96^2 * 0.5 * 0.5}$$

$$n = \frac{172.9}{1.4} = 122$$

The total sample size will then be 122 respondents.

Purposive sampling was used in this research. Purposive sampling, also known as judgement sampling was used to collect data. Purposive sampling is helpful in policy analysis as it includes distinguishing who are the significant partners engaged with planning, giving, getting or administering the program or service and may be generally influenced by it.

**Table 3.1: Target Population and Sample size for Uwezo fund Chuka constituency**

<b>Category</b>	<b>Sample Size</b>
Mariani ward	20
Kariangani Ward	33
Magumoni Ward	29
Mugwe ward	18
Igambang'ombe ward	22
<b>Total</b>	<b>122</b>

### **3.5 Data Collection Instruments**

Data was gathered by use of structured questionnaire and interview guide to get information from the respondents. The questionnaires contained both open and close-ended questions

intended to evaluate the objectives of the study. The researcher administered the questionnaires to the project managers/chairpersons of agricultural projects in Chuka constituency.

The questionnaires were designed to have five sections. Section A: the demographic, Section B: Uwezo application Requirements, Section C: Capacity building, Section D: Cost of Uwezo funds and Section E: Utilization of Uwezo funds. The questionnaire was utilized for its potential to cover massive respondents in a short time, offers a sense of security to the respondent and it is objective method since no bias resulting from the personal characteristics.

The key informant interview targeted the Uwezo officials in Chuka constituency. This study only sampled 3 officers who were to respond to the questions on how Uwezo affirmative fund influences performance of youth agricultural projects in Chuka, Kenya. The researcher personally visited the officers and conducted a one on one interview and recorded their response through writing.

### **3.5.1. Pilot Testing of the Instrument**

In order to minimize errors in the questionnaire, a pilot testing was done by collecting data from Maara constituency one week prior to the main study. Maara constituency is in the same geographical region with Chuka and agriculture is their main economic activity. Findings were expected to be similar to what was obtained in Maara constituency. The pilot test involved 1% of the sample.

The test determined the relevance and appropriateness of the test questions. Pilot testing also aided in ensuring the precision and suitability of the wording. Corrections and modifications were then undertaken to correct abnormalities noted on the instrument before it was administered in Chuka. Validity and reliability was constructed after pilot-testing of the research tools.

### **3.5.2. Validity of the Instruments**

Mugenda and Mugenda (1999) describe validity as the accuracy and significance of inferences dependent on the results of the research. It is the degree to which the data analysis results represent the variables of the study.

Validity of the questionnaire was ensured by assessing content of the questionnaire to determine whether it addressed all relevant aspects of variable and whether the results correlated sufficiently. This dealt with how the questions in the questionnaire answer research questions or achieve the objectives. To establish validity of the data collection instruments the study sought the views of professionals in this field of study. Results were compared from different questionnaires to help assess their accuracy. The researcher ensured validity by checking the construct of the questionnaire.

### **3.5.3 Reliability of Instruments**

Reliability is a research instrument's ability to constantly determine interest characteristics over time. It is the degree to which a research instrument after repeated testing produces reliable results or data. If a researcher tests a subject twice and obtains the same results as the first test on the subsequent administration, then the instrument is reliable. (Mugenda and Mugenda, 1999). To ensure the reliability of the questionnaire, a pre-test of the questionnaire and adjustments was made to questions that were found unsuitable. Feedback from the pilot study was also of help in deciding the questions to leave out, restructure or modify so as to collect valid data. The research instrument was discussed with the supervisor for his input on its appropriateness in content, clarity and adequacy for capturing the data required.

### **3.6 Data Collection Procedure**

Primary and secondary data were collected for purposes of making conclusions and recommendations. Key informant interviews and structured questionnaires were employed to gather primary data. Secondary data was gathered in journals, reports, books, papers, government press releases among other sources.

### **3.7 Data Analysis Techniques**

Both quantitative and qualitative methodologies were used to analyze data. Inferential and descriptive statistics were analysed utilizing SPSS while Chi square test and regression were used to derive relationships that may exist between the independent and dependent variables. The mean, standard deviation, frequencies and percentages from the respondent's data were used to determine the relative importance and weight of each variable as well as the deviation of the variables from their means. This involved frequencies and cross tabulations among the chosen variables. All sets of data were analysed in form of tables, percentages, frequencies and mean.

### **3.8 Ethical Considerations**

The researcher informed the respondents about the study and that the study was only meant for academic purposes. All requirements and procedures were also elaborated to the respondents. Again the researcher assured the respondents of anonymity and no names were written on the questionnaires.

### **3.9 Operationalization of Variable**

The researcher measured the variables at nominal and ordinal scales.

**Table 3.2: Operationalization of Variable**

<b>Objectives</b>	<b>Variables</b>	<b>Indicators</b>	<b>Measurement Scale</b>	<b>Method of data collection</b>	<b>Data collection tools</b>	<b>Data analysis techniques</b>
To assess how the requirement for Uwezo fund influence the performance of youth agricultural project in Chuka	Requirements (Independent)	Number of youth groups	Nominal	Survey	Questionnaire	Descriptive
To identify how capacity building of Uwezo fund influence the performance of youth agricultural project in Chuka	Capacity Building (Independent)	Number of trained groups  Number of groups linked to mentors	Nominal  Nominal	Survey	Questionnaire	Descriptive
To determine how cost of funding influence agricultural performance in Chuka	Cost (Independent)	Maximum amount loaned  Minimum amount loaned	Ordinal	Survey	Questionnaire	Regression
To establish in what ways utilization of funds influence agricultural performance in Chuka	Utilization (Independent)	Number of impromptu visits made	Ordinal	Survey	Questionnaire	Descriptive

Performance of youth agricultural project in Chuka-Kenya	Agricultural project (Dependent)	Number of new agricultural projects  Number of expanded agricultural projects  Amount of profits made.	Nominal  Ordinal  Nominal	Survey	Questionnaire	Regression
----------------------------------------------------------	-------------------------------------	--------------------------------------------------------------------------------------------------------------------	---------------------------------------	--------	---------------	------------

## CHAPTER FOUR

### DATA ANALYSIS, PRESENTATION AND INTERPRETATION

#### 4.1 Introduction

Chapter four presents the data analysis, presentation and interpretation based on data collected from the field by use of questionnaires and interview guides. The purpose of the study was to access how Uwezo fund influences performance youth agricultural project in Chuka, Tharaka-Nithi County, Kenya. The response rate is as shown in Table 4.1 below.

**Table 4.1: Response Rate**

<b>Response rate</b>	<b>Frequency</b>	<b>Percent</b>
Response	106	86.9
Non response	16	13.1
Total	122	100.0

Out of 122 questionnaires issued, a total of 106 were fully filled and qualified for analysis thus resulting to 86.9% response rate. According to Mugenda and Mugenda (2003) a response rate of over 70% is considered excellent for data analysis to take place. The high response rate can be attributed to the researcher continued persistence in paying frequent visits to the respondents reminding them to fill the questionnaires and assisting in areas of difficulties.

#### 4.2 Background Information

The study carried out a background check to determine the respondents' gender, age category, education level, type of activities carried and the number of members in the projects.

##### 4.2.1 Gender of the Respondents

The respondents were requested to specify their respective gender that is whether male or female. Their response is shown in Table 4.2.

**Table 4.2: Gender of the Respondents**

<b>Gender of the respondents</b>	<b>Frequency</b>	<b>Percent</b>
Female	63	59.6
Male	43	40.4
Total	106	100.0

As indicated in table 4.2, majority of the respondents were female at 59.6% while male were 40.4%. This indicates that many female youth engage in agricultural projects in Chuka Sub-County as compared to male youths. This was confirmed by one of the Uwezo officials who said that in most cases women have already set structure e.g. they have already established Chamas making it easy for them to access funds.

#### **4.2.2 Age of the Respondents**

The respondents were required to indicate their age category whether between 18-25 years, 26-30 years, 31-35 years or above 35 years.

**Table 4.3: Age of the respondents**

<b>Age of the respondents</b>	<b>Frequency</b>	<b>Percent</b>
18-25 years	15	14.2
26-30 years	41	38.7
31-35 years	23	21.7
Above 35 years	27	25.5
Total	106	100.0

The response in Table 4.3 demonstrates that majority of the respondents (38.7%) were in the range of 26-30 years followed by 25.5% above 35 years, 21.7% between 31-35 years and the remaining 14.2% were between 18-25 years. This therefore implies that majority of the youth in



agricultural projects are between 26-30 years thus energetic and focused in realizing their set goals.

#### 4.2.3 Highest Level of Education

The study further required the respondents to specify their highest level of education. Their response is summarized in Table 4.4.

**Table 4.4: Highest Level of Education**

Highest level of education	Frequency	Percent
Primary	7	6.6
Secondary	78	73.6
Certificate	11	10.4
Diploma	7	6.6
Bachelors	3	2.8
Total	106	100.0

Many respondents (73.6%) had secondary level of education, 10.4% and 6.6% had primary level education and diploma respectively while 2.8% had bachelors. This is an indication that many people in agricultural projects in Chuka constituency have average education. This shows that with such kind of education they are capable of tackling their agricultural projects and accomplish their targets.

#### 4.2.4 Duration in Agricultural Project

The respondents were asked to show how long they were in their agricultural projects. The response is shown in Table 4.5.

**Table 4.5: Duration in Agricultural Project**

<b>Duration in agricultural project</b>	<b>Frequency</b>	<b>Percent</b>
Below 1 year	3	2.8
1-2 years	20	18.9
3-4 years	38	35.8
4 years and above	45	42.5
Total	106	100.0

Many respondents (42.5%) were in their particular agricultural projects for more than 4 years. Quite a number (35.8%) were in their projects for between 3-4 years, 18.9% for between 1-2 years and the remaining 2.8% were in their project for less than a year. This is an sign that many agricultural projects in chukka sub-county have been in operation for a substantial time.

#### **4.2.5 Agricultural Activities**

Furthermore, the study required the respondents to specify the activity their respective agricultural projects engaged in. Table 4.6. shows results as below

**Table 4.6: Agricultural Activities**

<b>Agricultural Activities</b>	<b>Frequency</b>	<b>Percent</b>
Pig rearing	18	17
Poultry	25	23.6
Goat	25	23.6
Fish	20	18.9
Cattle	7	6.6
Crop Farming	11	10.4
Total	106	100.0

The main agricultural activity according to the respondents was poultry and goat keeping with 23.6% each, followed by fish rearing (18.9%), pig rearing (17%), crop farming (10.4%) and finally cattle keeping (6.6%). This implies that agricultural projects in Chuka Sub-County involved a variety of projects. Furthermore, Poultry and goat keeping are not labour and capital intensive and have ready market.

#### **4.2.6 Members in Your Group**

The respondents were asked to specify the group population in their agricultural projects. Table 4.7. indicates the results

**Table 4.7: Members in Your Group**

<b>No of members</b>	<b>Frequency</b>	<b>Percent</b>
Less than 10	5	4.7
Between 11-20	53	50
Between 21-30	23	21.7
Between 31-40	23	21.7
Between 41-50	2	1.9
Total	106	100.0

Many groups had between 11-20 members (50%) followed by groups with members between 21-30 members and between 31-40 members with 21.7% each while groups with between 41-50 members were 1.9%. This shows that most groups had an average number of between 11-20 members.

### 4.3 Application Requirements for Uwezo Fund and Performance of Youth Agricultural Projects

The first objective aimed at accessing how application requirements for Uwezo fund influenced the performance of youth agricultural projects in Chuka.

#### 4.3.1 Application Requirements

The informants were requested to indicate the group application requirements in terms of bank account, savings, age limit and location of members.

**Table 4.8: Application Requirements**

Application Requirements	Yes		No	
	F	%	F	%
Do you have group bank account?	101	95.3	5	4.7
Any group savings	101	95.3	5	4.7
Age limit for group members	77	72.6	29	27.4
Do all members come from Chuka constituency?	106	100.0	0	0.0

The findings in Table 4.8 show that many groups had a bank account and group savings (95.3% each). A total of 72.6% of the groups had age limits while 27.4% did not. All the groups' members hailed from Chuka constituency.

The Uwezo officials through the KII indicated that the requirements were:

- i. Member must be in a group and registered and in operation for at least six months
- ii. Must have a bank account and doing table banking
- iii. Must prepare a business plan
- iv. Based in the constituency they are seeking funding

### 4.3.2 Uwezo Requirements and Youth Agricultural Projects

The respondents were requested to indicate their agreement levels with the given statements about Uwezo fund requirements utilizing a scale of 1-5 where 1=strongly agree, 2= agree, 3=neutral, 4=disagree and 5=strongly disagree

**Table 4.9: Uwezo Requirements and Youth Agricultural Projects**

<b>Requirements</b>	<b>Mean</b>	<b>Std. Dev</b>
Formation of a group means youths have to be funded	1.96	1.021
I find loan application forms complicated to fill	4.06	1.030
Owning a bank account and having savings guarantees Uwezo loan funding	1.96	.779
Being based in the same constituency ensures success in agricultural projects	1.36	.919

The respondents strongly agreed that being based in the same constituency ensured success in agricultural projects (mean=1.36, SD=0.919). They agreed that owning a bank account and having savings guaranteed Uwezo loan funding (mean=1.96, SD=0.779) and formation of a group meant youths have to be funded (mean=1.96, SD=1.021). They disagreed that they found loan application forms complicated to fill (mean=4.06, SD=1.030).

### 4.4 Capacity Building of Uwezo Fund and Performance of Youth Agricultural Projects

The second objective aimed at identifying how capacity building of Uwezo fund influenced the performance of youth agricultural projects in Chuka.

#### 4.4.1 Knowledge on Uwezo Fund

The respondents were asked to indicate how they got to know about Uwezo fund. Their response is shown in Table 4.10.

**Table 4.10: Knowledge on Uwezo Fund**

<b>Knowledge on Uwezo Fund</b>	<b>Frequency</b>	<b>Percent</b>
Advertisement	50	47.2
Government Meetings	38	35.8
Through A Friend	14	13.2
Other	4	3.8
Total	106	100.0

Majority of the respondents as shown in Table 4.10 got to know about Uwezo fund through advertisement (47.2%). Quite a number got to know about Uwezo fund through government meetings (35.8%), 13.2% through friends and 3.8% through other means which were mentioned to be churches and informal gatherings.

#### 4.4.2 AGPO and Collaboration

The study required the respondents to indicate whether they had tried other avenues other than Uwezo fund. Their response is as indicated in Table 4.11.

**Table 4.11: AGPO and Collaboration**

<b>Knowledge on AGPO and collaboration</b>	<b>Yes</b>		<b>No</b>	
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>
Ever tried applying for any government tender?	32	30.2	74	69.8
Have you collaborated with any institutions or organizations?	9	8.5	97	91.5

When asked whether they had ever tried applying for any government tender, majority (69.8%) indicated no while only 30.2% had tried. The respondents were further asked whether they had collaborated with any institutions or organizations and only a mere 8.5% had while the majority 91.5% had not.

#### **4.4.3 Training by Uwezo Officials**

When asked the number of times they received training from Uwezo officials they replied as shown in Table 4.12.

**Table 4.12: Training by Uwezo Officials**

<b>Number of trainings</b>	<b>Frequency</b>	<b>Percent</b>
1-3 times	92	86.8
4-6 times	14	13.2
Total	106	100.0

Majority of the respondents (86.8%) indicated that they received training from Uwezo officials 1-3 times while 13.2% received trainings 4-6 times.

According to the KII, training was generally done before funding. They indicated that the ward representative in the committee step up as trainee because they have undergone through training.

#### **4.4.4 Capacity Building and Youth Agricultural Projects**

The respondents were asked to indicate their level of agreement with the given statements on capacity building of Uwezo fund using a scale of 1-5 where 1=strongly agree, 2= agree, 3=neutral, 4=disagree and 5=strongly disagree

**Table 4.13: Capacity Building and Agricultural Projects**

<b>Capacity building</b>	<b>Mean</b>	<b>Std. Dev</b>
The training made me know more about Uwezo funds	1.34	.700
The training equipped us with entrepreneurial and agricultural skills	2.19	.876
Capacity building helped the group access AGPO	1.85	1.021
Uwezo linked us to organizations	1.87	1.055

The respondents strongly agreed that the training made them know more about Uwezo funds (mean=1.34, SD=0.700). They agreed that capacity building helped the group access AGPO (mean=1.85, SD=1.021), Uwezo linked them to organizations (mean=1.87, SD=1.055) and the training equipped them with entrepreneurial and agricultural skills (mean=2.19, SD=0.876).

From interviews the Uwezo officials were asked how they helped youths in agriculture access government procurement opportunities. One official said that they gave them information and linked them with relevant authorities. Another said that they gave them AGPO trainings for awareness and funded LPOs. They further indicated that they shared their youth database and physical addresses to the institutions for possible collaborations.

#### **4.5 Cost of Uwezo fund and Performance of Youth Agricultural Projects**

The third objective aimed at determining how Cost of Uwezo fund loan influenced the performance youth agricultural projects in Chuka.

##### **4.5.1 Number of Times Applied for Loan**

The respondents were requested to indicate how often they had applied for a loan. They responded as indicated in Table 4.14.



**Table 4.14: Number of Times Applied for Loan**

<b>Number of times applied for loan</b>	<b>Frequency</b>	<b>Percent</b>
1 time	72	67.9
2 times	34	32.1
Total	106	100.0

Many respondents indicated that they had applied for the loan just once (67.9%) while 32.1% had applied only twice.

Many groups (40.43%) received 100,000 shillings while quite a number (17.02%) received 200,000 shillings. A total of 8.5% each received 500,000 and 150,000, 6.3% received 300,000. This is an indication that many projects receive 100,000 Kenya shillings for their agricultural projects in Chuka constituency.

The findings show that majority of the respondents (38.3%) had requested Kshs. 500,000. A total of 10.64% had requested for 100,000, 8.51% each had requested for 250,000, 300,000 and 1,000,000. A further 6.4% asked for 400,000 while 4.3% each requested for 850,000 and 200,000. Those who had requested for 450,000 and 800,000 amounted to 2.1% each while the remaining 6.4% had requested no amount. This shows that majority of the agricultural projects in Chuka Constituency had requested for 500,000.

Through the KII the Uwezo officials indicated that the minimum amount loaned was Kshs 50,000 and the maximum was Kshs 150,000 for the first loaning.

### 4.5.2 Loan Repayment

The study sought to understand the status of loan repayment for the respondents who had borrowed money. The response is as shown in Table 4.15.

**Table 4.15: Loan Repayment**

<b>Loan repayment</b>	<b>Frequency</b>	<b>Percent</b>
Repaying	72	67.9
Partially paid	18	17
Fully repaid	16	15.1
Total	106	100.0

Many respondents indicated that they were repaying (67.9%), 17% had partially paid and only 15.1% had fully repaid. This shows that many projects were making effort in their loan repayment of the Uwezo fund.

The Uwezo officials said that some groups had failed to repay their loans. One of the reasons given was that the Uwezo funds didn't have clear cut policies on credit management. Another reason was failure of groups by the members.

### 4.5.3 Cost of Uwezo fund and Youth Agricultural Projects

The respondents were asked to mention their level of agreement with the given statements on cost of Uwezo fund utilizing a scale of 1-5 where 1=strongly agree, 2= agree, 3=neutral, 4=disagree and 5=strongly disagree

**Table 4.16: Cost of Uwezo fund and Youth Agricultural Projects**

<b>Cost of Uwezo fund and Youth Agricultural Projects</b>	<b>Mean</b>	<b>Std. Dev</b>
The six months grace period is sufficient before starting to repay the loan	1.23	.560
Being an interest free fund, it encourages borrowing for agricultural projects	1.57	.773
Administration fees scares away youths from borrowing	4.53	.881
The loaned amount is enough to run all our agricultural activities	4.45	1.119

The respondents strongly agreed that the six months grace period was sufficient before starting to repay the loan (mean=1.23, SD=0.560). They agreed that being an interest free fund, it encouraged borrowing for agricultural projects (mean=1.57, SD=0.773). They disagreed that the loaned amount was enough to run all their agricultural activities (mean=4.45, SD=1.119). They strongly disagreed that administration fees scared away youths from borrowing (mean=4.53, SD=0.881).

When asked through KII whether the six months period was sufficient to start paying, one Uwezo officer said “yes, because in six months most of business should have started recouping the investment.” Another said “yes, six months grace period helps youths to start projects and also start commercializing the projects.

#### **4.6 Utilization of Uwezo Fund and Performance of Youth Agricultural Projects**

The fourth objective aimed at establishing in what ways utilization of funds influenced the performance youth agricultural projects in Chuka.

#### 4.6.1 Utilization of Uwezo Fund

Different questions were asked to the respondents to determine their utilization of Uwezo fund. Their response is as summarized in Table 4.17.

**Table 4.17: Utilization of Uwezo Fund**

	Yes		No	
	F	%	F	%
Is your group engaged in the economic activities you indicated during loan application?	106	100	0	0%
Have Uwezo officials ever visited you?	106	100	0	0%

All the respondents agreed that their groups engaged in the economic activities they indicated during loan application. Further, all the respondents agreed that Uwezo officials have visited them.

#### 4.6.2 Utilization of Uwezo Fund and Youth Agricultural Projects

The respondents were requested to specify their level of agreement with the given statements on utilization of Uwezo fund utilizing a range of 1-5 where 1=strongly agree, 2= agree, 3=neutral, 4=disagree and 5=strongly disagree.

**Table 4.18: Utilization of Uwezo Fund and Youth Agricultural Projects**

	Mean	Std. Dev
We have only engaged in the economic activity we indicated in our application	1.40	.798
Uwezo officials regularly visits	2.30	.858
Visits by Uwezo officials makes us stick to our agricultural projects	1.66	1.089

The respondents strongly agreed that they had only engaged in the economic activity they indicated in their application (mean=1.40, SD=0.798). They agreed that visits by Uwezo officials made them stick to their agricultural projects (mean=1.66, SD=1.089) and that Uwezo officials regularly visited (mean=2.30, SD=0.858).

Through the KII the respondents were also asked how they ensured that the youths used their loans as stated during borrowing. One official said that they made follow-ups to avoid diversion of funds. Another indicated that they close monitored to see if any group changed project from what was in writing. To justify the need for follow-ups they indicated that in many instances after the groups got the funds they divided it among themselves making it impossible to do individual agricultural projects.

**CHAPTER FIVE**  
**SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND**  
**RECOMMENDATIONS**

**5.1 Introduction**

The chapter is a presentation of the summary, discussions conclusions and recommendations of the study based on the study findings. The purpose of the study was to establish how Uwezo fund influences performance of youth agricultural projects in Chuka constituency, Tharaka-Nithi County, Kenya.

**5.2 Summary of the Findings**

Findings show that more women than men are involved in agricultural projects in Chuka Sub-County. Majority of the youth in agricultural projects are between 26-30 years and with secondary school education level. Many youths were in their particular agricultural projects for more than 4 years thus the agricultural projects in Chuka constituency have been in operation for a substantial time. The agricultural projects involved a variety of projects such as poultry, goat keeping, fish rearing, pig rearing, farming and cattle keeping. Further the groups had an average number of between 11-20 members.

**5.2.1 Requirements for Uwezo Fund and Performance of Youth Agricultural Projects**

Many groups had a bank account, group savings and age limits. All the groups had members hailing from Chuka constituency. Findings also indicate that being based in the same constituency ensured success in agricultural projects. Owning a bank account and having savings guaranteed Uwezo loan funding while formation of a group meant youths have to be funded. They did not find loan application forms complicated to fill.

### **5.2.2 Capacity building of Uwezo Fund and Performance of Youth Agricultural Projects**

From findings the many youths knew about Uwezo fund through advertisement while quite a number knew about Uwezo fund through government meetings while few from friends.

Many groups had never tried applying for any government tender and majority had not collaborated with any institutions or organizations. Many groups received training from Uwezo officials 1-2 times.

Findings also indicate that training made them know more about Uwezo funds and capacity building helped the group assess AGPO while Uwezo linked them to organizations. The training equipped them with entrepreneurial and agricultural skills.

### **5.2.3 Cost of Uwezo Fund and Performance of Youth Agricultural Projects**

Many groups had applied for the loan just once while majority received 100,000 Kenya shillings for their agricultural projects. However, majority of the groups had requested for 500,000 Kenya shillings. Of the groups that had received loans many were repaying and very few had completed repayment.

Findings indicate that the six months grace period was sufficient before starting to repay the loan and being an interest free fund, it encouraged borrowing for agricultural projects. The loaned amount was not enough to run all their agricultural activities. The administration fees did not scare away youths from borrowing.

#### **5.2.4 Utilization of Uwezo fund and Performance of Youth Agricultural Projects**

Findings indicate that the groups engaged in the economic activities they indicated during loan application and Uwezo officials visited them. Findings further reveal that visits by Uwezo officials made them stick to their agricultural projects and that Uwezo officials regularly visited.

#### **5.3 Discussion**

According to Buyema (2013), the primary objectives of the Uwezo Fund are to enhance connections to finance to promote youths and women's businesses at constituency stage in order to achieve the 2030 vision objectives. From the study more women than men are involved in agricultural projects in Chuka Sub-County, between 26-30 years and with secondary level education. Many youths were in their particular agricultural projects for more than 4 years. The agricultural projects involved a variety of projects such as poultry, goat keeping, fish rearing, pig rearing, farming and cattle keeping. According to Odoemenem & Obinne (2010) agriculture is a major contributor to GDP, and youth could play a significant role in this contribution. The groups had an average number of between 11-20 members. PFM ACT, (2014) recommends a membership of 5-15 members. According to Voelpel et al., (2008) small groups have a more articulate understanding of roles and social cohesion, which is why they are likely to share high-quality knowledge due to increased accountability between members.

Many groups had a bank account and group savings and age limits. According to PFM ACT, (2014) the group members ages should be in the range of 18 and 35 years of age, priority is given to groups that have been operating for the last six (6) months. All the groups had members hailing from Chuka constituency. Findings show that the groups had complied with the PFM ACT, (2014) that the groups must also be located and working at the Constituency it seeks to make a request for consideration. Findings also indicate that being based in the same



constituency ensured success in agricultural projects. Owning a bank account and having savings guaranteed Uwezo loan funding while formation of a group meant youths have to be funded. This agrees with Sievers & Vandenberg (2007) that access to financial and Business Development Services (BDS) may help the development of micro enterprises. The groups did not find loan application forms complicated to fill. According to Oduol, et al. (2013) youth need for sensitization on group formation and registration for maximum gain from the fund.

Many youths get to know about Uwezo fund through advertisement while quite a number get to know about Uwezo fund through government meetings and few from friends. This shows that the Uwezo campaign have reached most people in the rural areas. Many groups have never tried applying for any government tender and majority have not collaborated with any institutions or organizations. This shows that many groups in Chuka constituency have fully relied on Uwezo fund and forgotten of other sources of fund. This concurs with Ahiawodzi and Adade (2012) that high lending costs and interest rate rigidities are one obstacle to MSE development. According to Okpara (2011) inefficient management skills and knowledge is a major short-coming for enterprises. Many groups received training from Uwezo officials 1-2 times. Machael et al (2009), study indicated the requirement for training in areas relating to enterprises undertaken. Trainings make them know more about Uwezo funds and capacity building helped the group assess AGPO while Uwezo linked them to organizations. The training equipped them with entrepreneurial and agricultural skills. As per Kanyari & Namusonge (2013) creating awareness on entrepreneurship skills is crucial in recognizing emerging business talents. Ashiku, (2014) indicates that training enhances effective fund utilization hence ought to be given priority before groups are funded.

McNulty and Natarajan, (2005) states that access to finance and land are important because in some places youths have access to land but lack the finance to invest in the land. Many groups

had applied for the loan just once while majority received 100,000 Kenya shillings. However, majority of the groups had requested for 500,000 Kenya shillings. This is line with UFOB (2014) that Uwezo monies are disbursed only to groups, from a minimum of Ksh 50,000 to a maximum of Kshs 500,000 at a time. Of the groups that had received many were repaying. This differs with CMF Team, (2010) who argue that microfinance clients frequently face difficulties repaying their loans as a result of poor management. The period of repayment for Uwezo fund is influenced by the amount of money loaned, group size and proposed plan for the loan. There is a six months grace period before initiation of loan repayment. After the grace period loans are payable within two years (UFOB, 2014). The six months grace period was found to be sufficient before starting to repay the loan and being an interest free fund, it encourages borrowing for agricultural projects. The loaned amount was not enough to run all their agricultural activities. The findings differ with Ndenge et al (2016) who recognized that most groups in Maara constituency received sufficient funds for the projects. The administration fees did not scare away youths from borrowing.

Uwezo Fund Structure, (2014) stipulates that beneficiaries to the fund need to utilize the fund as per their requests. Chemwa (2015) noted that as a result of inadequate monitoring, guidance, reliable communication and follow up of the groups by youth fund officials, most groups took advantage of the laxity not to repay the YEDF loan on time leading to high default rate. The groups were found to engage in the economic activities they indicated during loan application and Uwezo officials visited them. According to Kamau (2013) M&E is a crucial exercise for the prosperity of youth projects. Visits by Uwezo officials make them stick to their agricultural projects and that Uwezo officials regularly visited. Ndenge et al in (2016) found out that

Monitoring and assessment by the lending agency often increases the success of the financed projects.

#### **5.4 Conclusions**

The study concludes that many groups have bank accounts, group savings and age limits. All the groups have members hailing from Chuka constituency. The study also concludes that being based in the same constituency ensured success in agricultural projects. Owning a bank account and having savings guarantees Uwezo loan funding. Youth groups have no difficulties in filling application forms.

The study also concludes that the many youths get to know about Uwezo fund through advertisement, government meetings and from friends. Many groups have never tried applying for any government tender. Many groups have not collaborated with any institutions or organizations. The groups received training from Uwezo officials 1-2 times. These training make them know more about Uwezo funds. Capacity building helps the group access AGPO while Uwezo linked them to organizations. The training equips them with entrepreneurial and agricultural skills.

Further conclusion is that many groups have applied for the loan just once while majority received 100,000 Kenya shillings for their agricultural projects though majority of the groups had requested for 500,000 Kenya shillings. Many groups are in the process of repaying and very few have completed repayment. The study also concludes that the six months grace period is sufficient before starting to repay the loan. The fact that the loan is interest free fund encourages borrowing for agricultural projects though the loaned amount is not enough to run all their agricultural activities.

The study finally concludes that the groups engage in the economic activities they indicated during loan application and Uwezo officials visited them. Visits by Uwezo officials make the groups stick to their agricultural projects. Uwezo officials make regular visits to the groups.

### **5.5 Recommendations**

From the study findings on influence of Uwezo fund on performance of youth agricultural projects, the following recommendations are made;

- i. There should be strict rules for the maximum number of people a group should have. Many groups had exceeded the requirement of having an average of 15 people in the group. Having many people in a group at times would hinder realization of their goals as conflicts are inevitable.
- ii. The Uwezo officials should offer more training to the groups by providing agricultural extension officers for more yields to be realized.
- iii. Uwezo fund should increase the amount they loan the youth groups as the amount loaned was found not to be sufficient in accomplishing their projects.
- iv. The Uwezo officials should increase the number of times they visited the groups. This would ensure that the groups stuck to their specified project in addition to meeting o

### **5.6 Suggestions for Further Studies**

The study offers the following proposals for further research ;

- i. Further studies should be conducted in other counties in Kenya to assess the influence of Uwezo fund on youth agricultural projects.
- ii. Since Uwezo funds is meant for a wide range of projects, further studies should be conducted on the influence it has on other youth projects.
- iii. More studies should be carried out on influence of Uwezo fund on projects of other special groups funded by Uwezo fund e.g. Women and PWD.

## REFERENCES

- Ahaibwe G. and Kasirye, I. (2015) *Creating Youth Employment through Entrepreneurship Financing*. Kampala Economic Policy Research Centre.
- Ahiawodzi, A. K. & Adade, T. C. (2012). Access to credit and growth of Small and Medium Scale Enterprises in the Ho Municipality of Ghana. *British Journal of Economics*.
- Alliance for a Green Revolution in Africa (AGRA), (2015). *Africa Agriculture Status Report: Youth in Agriculture in Sub-Saharan Africa*. Nairobi, Kenya. Issue No. 3
- Amanya W. C. (2014). *Poverty Alleviation in Rural Kenya: A case Study on Women Enterprise Fund in Kanduyi, Bungoma County*. (Unpublished Thesis) Moi University, Kenya.
- Anderson A, (2005). The community builders approach to the theory of change; *A practical Guide to theory and development*, New York; the aspen institute roundtable on community change.
- Awiti, A.O. and Scott, B. (2016): *The Kenya Youth Survey Report- Executive Summary*, Nairobi; The Aga Khan University.
- Buyema W., (2013). *Background of Uwezo fund: All you need to know about Uwezo Fund*.
- Buyema W., (2013). Uwezo Oversight Board. *About Uwezo Fund and how to apply*,
- Chagani, A. et al. (2014). *Investigating the Potential for Digital Job Creation in Kenya's Information and Communication Technology Innovation Landscape*, iHub Research, Nairobi Kenya.

- Chemwa J, (2015). *Factors Influencing Repayment of Youth Enterprise Development Fund Loans by Youth Groups in Chepalungu Constituency, Bomet County, Kenya* M.A Project (Published), Department of Extra Mural Studies, Nairobi University
- Christina Dahl Jensen, (2010) .Final), *Uganda Youth Fund is a useful start Report of the Danish Council*
- CMFT Team (2010).*Does Business Training help microfinance clients*.Microfinance Researchers Alliance Program (MRAP) Workshop. October 18th – 19th 2010
- Daily Nation (25th August, 2015). *5,000 miss loans due to Uwezo cash crunch*.
- Faith N .S, (2016). *Factors Influencing Implementation of Government Affirmative Action Projects: A Case of Uwezo Fund Projects in Embakasi East Sub-County, Kenya* M.A Project (Published), Department of Extra Mural Studies, Nairobi University
- FAO (2012). Decent rural employment for food security: A case for action. *Journal of Culture, Society and Development* ISSN 2422-8400 An International Peer-reviewed Journal Vol.7
- FAO (2014).*Youth and agriculture: Key challenges and concrete solutions* Published by the Food and Agriculture Organization of the United Nations (FAO)
- FAO. (2009). *the state of food and agriculture: Livestock in the balance*. Food and agricultural Organization of the United Nations, Rome 2009
- FAO. (2011). *Future framers: Exploring youth aspirations of African agriculture*. Future Agriculture Consortium Policy brief 037.

Government of Kenya (2014) *Selection of Uwezo Fund Capacity Building Programme Service Providers*. Government of Kenya hapakenya.com.

Government of Kenya (2014). *Youth enterprise development fund (YEDF)*. Status report 2014.

Kamau, J. (2013). *Influence of the (YEDF) on Youth Empowerment in Imenti North District, Meru County-Kenya*. M.A Project, Department of Extra Mural Studies. University of Nairobi

Kanyari, J. W. & Namusonge, G. S. (2013). Factors that influence the Kenya youth entrepreneurs toward Youth Enterprise Development Fund: A case study of Gatundu South District, Kenya. *International Journal of Education and Research*. Vol.1 No. 5

Kararach G., T. H. Kobena & A.L Frannie (2011), *Regional integration policies to support Job creation for Africa's burgeoning youth population*, The African Capacity Building Foundation (ACBF) Working Paper.

Kothari, C. R. (2004). *Research Methodology-methods and techniques*. New Delhi: New Age

Kothari, C. R. (2009). *Research Methodology; Methods and Techniques (2nd edn)*. New Age International Publishers, London

Kunateh, M. A. (2009). *Demand for collateral security by Financial Institutions stifles Growth of SMEs*.

Machael, B. et al. (2009). Management of Business Challenges among Small and microenterprises in Nairobi, Kenya. *KCA Journal of Business Management*. Vol. 2, Issue 1

- Makanda, J.J. (2012). *Factors that Influence Small Enterprise Development among Youth Groups in Bomachoge Constituency*. M.A Project (Published), Department of Extra Mural Studies, Nairobi University
- Mugenda, O. M. and Mugenda, A. G. (1999). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts Press.
- Ministry of Agriculture Livestock and Fisheries (2017). Kenya youth agribusiness strategy 2017-2021 *Positioning the Youth at the Forefront of Agricultural Growth and Transformation*, Nairobi, Government of Kenya Press
- Ndege E, et al (2016) Management Factors Influencing Financial Sustainability Of Youth Group Projects Funded By Youth Enterprise Development Fund, In Maara Sub-County Of Tharaka Nithi County *International Journal Of Advanced Research in Engineering & Management (IJAREM)* Vol. 02, No 04 , PP. 21-43
- Nebe J.M and Mang'eni J.W, (2010). The Youth Question- Creativity as a driving force For Development; in Danner H. et al (Eds) *Youth Unemployment in Kenya- A Ticking time bomb*, Nairobi, Longhorn Publishers
- Njonjo, (2014). *The Youth Situation Analysis 2014*. Nairobi, The Youth Agenda
- Nyanchama et.al, (2016). Factors Influencing Access to Uwezo Fund by Citizens in Kenya: A Case of Nyamira County, *International Journal of Social sciences and Communication Technology* Vol II Issue VIII, 2016 ISSN 2412-0294



- Oduol, S. et al (2013).Effect of Youth Enterprise Development Fund on youth enterprises in Kenya. *International Journal of Advances in Management and Economics*.Jan – Feb 2013 vol. 2 Issue 1 pp. 1112-1116.
- Ogula, P. A. (2005). *Research Methods*. Nairobi: CUEA Publications.
- Okpara, J.O. (2011).Factors constraining the growth and survival of SMEs in Nigeria: Implications for poverty alleviation. *Management Research Review* vol. 34 No.2, pp 156-171
- Orodho, A. J. (2003). *Essentials of Educational and Social Sciences Research Method*. Nairobi: Masola Publishers.
- Public Financial Management (PFM) Act, 2014. *Legal notice number 21*(21st February, 2014).
- Sammy, L.W & Daniel, M.Wanyoike. (2015). Influence of Project Monitoring and Evaluation On Performance Of Youth Funded Agribusiness Projects In Bahati Sub-County, Nakuru, Kenya *International Journal of Economics, Commerce and Management United Kingdom Vol. III, p 389-392*
- Sekaran, U. (2000). *Research methods for business: A skill-building approach*. New York, J. Wiley The Social Innovation Partnership, guidance for developing a theory of change. Retrieved from. <https://www.nesta.org.uk>
- Sievers, M. & Vandenberg, P. (2007).Synergies through Linkages: Who benefits from linking Micro-finance and Business Development Services? *World Development* Volume 35 Issue 8 August 2007, pages 1341-1358

UFOB. (2014). *Capacity Training Material*, Uwezo Fund profile .Retrieved from [https://www.uwezo .go.ke](https://www.uwezo.go.ke).

United Nations, (2004).*World Youth Report 2003: the global Situation of Young People*. New York, United Nations.

United Nations, (2016).*World Youth Report 2003: the global Situation of Young People*. New York, United Nations.

UNDP (2013). *Kenya's Youth Employment Challenge: Discussion paper*, January 2013. New York: United Nations development programme.

Uwezo fund service charter. (2015). Uwezo fund profile 2015. Retrieved from <https://www.uwezo.go.ke>

Uwezo Oversight Board (2014). The Presidency, Ministry of Devolution and Planning, [wordpress.com](http://wordpress.com) [www.uwezofund.go.ke](http://www.uwezofund.go.ke)

Voelpel, S.C., Eckhoff, R.A., and Forster, J. (2008). *David against Goliath? Group size and bystander effects in virtual knowledge sharing*. *Human Relations*, 61(2), 271-295

Wheelan, S.A. (2009). *Group Size Group, Development and Group Productivity*. *Small Group Research* Vol 40 (2), 247-262

World Bank (2013) *Agriculture as a Sector of Opportunity for Young People in Africa*

## APPENDICES

### APPENDIX I: TRANSMITTAL LETTER

Micheni Meriba Mwende,  
P.O. BOX 35-60401,  
Chogoria.

Dear Respondent,

**RE: INFLUENCE OF UWEZO FUNDS ON YOUTH AGRICULTURAL PROJECT IN  
CHUKA-KENYA**

My name is Meriba Micheni. I am student at the University of Nairobi, pursuing a Masters of Arts Degree in project planning and management. I am conducting an academic research on the influence of Uwezo fund on youth agricultural project in Chuka.

The purpose of this study is to access how Uwezo affirmative fund influences performance of youth agricultural project in Chuka Kenya. I am therefore requesting you to fill this questionnaire. Kindly do it honestly and completely. The feedback you give will be treated with utmost confidentiality and will only be used for academic purposes.

Thank you for your co-operation.

Yours Faithfully,  
Meriba Micheni  
[mweshmicheni@gmail.com](mailto:mweshmicheni@gmail.com)  
Reg. No. L50/79816/2015.



(5) Above Bachelor's Degree [ ]

4. How long have you been in Agricultural project?

(1) Below 1 year [ ]

(2) 1- 2 years [ ]

(3) 3-4 years [ ]

(4) 4 years and above [ ]

5. What is your position in this group?

.....

6. What Agricultural activities do you engage in?

.....

.....

.....

7. How Many Members are in your group?

Male [ ] Female [ ]

## SECTION 2:

### Part A: Requirements

The following questions refer to the Uwezo application Requirements. Kindly tick within the box.

1. Do you have a group bank account? Yes [ ] No [ ]

2. Do you have any savings as a group? Yes [ ] No [ ]

3. Do you have age limit for group members? Yes [ ] No [ ]

4. Do all the group members come from Chuka constituency?  
Yes [ ] No [ ]

Please indicate the level of your agreement with the following statement about Uwezo fund where 1 stands for strongly agree, 2= agree, 3=neutral, 4=disagree and 5=strongly disagree

<b>Uwezo requirements and youth agricultural projects</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Formation of a group means youth have to be funded					
I find loan application forms complicated to fill					
Owning a bank account and having savings guarantees Uwezo loan funding					
Being based in the same constituency ensures success in agricultural project.					

**PART B: Capacity building**

1. How did you know about Uwezo fund?

.....  
 .....  
 .....

2. Have you ever heard about AGPO? Yes [ ] No [ ]

If yes, has the group ever tried applying for any government tender?

Yes [ ] No [ ]

3. Have you collaborated with any institution/ organization? Yes [ ] No [ ]

If yes how do you benefit?

.....  
 .....  
 .....

4. How many times have you been trained by Uwezo officials?

1-3 [ ]

4-6 [ ]

7-9 [ ]

10 and above [ ]

Please indicate the level of your agreement with the following statement about Uwezo fund where 1 stands for strongly agree, 2= agree, 3=neutral, 4=disagree and 5=strongly disagree

<b>Capacity building and agricultural projects</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
The training made me know about Uwezo funds					
The training equipped us with entrepreneurial and agricultural skills					
Capacity building helped the group access government procurement opportunities					
Uwezo linked us to organisations					

**Part C: Cost of Uwezo fund**

1. How many times have you applied for Uwezo loan?

.....

2. How much loan did your group get?

.....

.....

3. How much had you requested?

.....

.....

4. Has your group repaid the loan?

Repaying [ ]

Partially paid [ ]

Fully repaid [ ]

Not paid [ ]

Please indicate the level of your agreement with the following statement about Uwezo fund where 1 stands for strongly agree, 2= agree, 3=neutral, 4=disagree and 5=strongly disagree

<b>Cost of Uwezo fund and agricultural projects</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
The six months grace period is sufficient for before starting to repay the loan					

Being an interest free fund it encourages borrowing for agricultural projects					
The administration fee scares away youths from borrowing					
The loaned amount is enough to run all our agricultural activities					

**Part D : Utilization of Uwezo fund**

1. Is your group engaged in the economic activity you indicated during loan application?

Yes [ ] No [ ]

(b) If no what are your reasons?

.....  
.....  
.....

2. Have Uwezo officials visited you? Yes [ ] No [ ]

(b)If yes indicate the number of times.....

Please indicate the level of your agreement with the following statement about Uwezo fund where 1 stands for strongly agree, 2= agree, 3=neutral, 4=disagree and 5=strongly disagree

<b>Utilization of Uwezo fund and agricultural projects</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
We have only engaged in the economic activity we indicated in our application					
Uwezo officials regularly visit					
Visiting of Uwezo officials makes s stick to agricultural project					



### **APPENDIX III: KEY INFORMANT INTERVIEW FOR UWEZO OFFICERS**

1. How many groups have you funded since inception of Uwezo fund? Of the above youth groups how many are in agricultural projects?
2. Please give your reasons for the above differences
3. What are the requirements for Uwezo fund qualification?
4. How do the requirements impact on youth agriculture project?
5. How many training officers do you have?
6. How many groups have you trained on agriculture?
7. How do you help youths in agriculture access government procurement opportunities?
8. How do you link youth to other organizations/institutions to form collaborations?
9. What is the maximum and minimum amount you have ever loaned to an agricultural youth group?
10. Are there any charges related to the loan process? Yes [  ] No [  ]. If your answer above is yes please indicate the amount.
11. Is the six months grace period enough for youths to start repaying? Yes [  ] No [  ]. Explain your answer above
12. Has a group in agriculture failed to repay their loan? Yes [  ] No [  ]. If yes, please state the reason they gave?
13. How do you ensure that youths use their loan as they stated during borrowing?
14. As an Uwezo officer, is the implementation of Uwezo successful on agricultural projects in Chuka? Yes [  ] No [  ]. Give reasons for the above answer
15. What do you think should be done to make Uwezo fund more effective to youth agricultural projects?

## APPENDIX V: NACOSTI PERMIT



### NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471,  
2241349, 3310571, 2219420  
Fax: +254-20-318245, 318249  
Email: dg@nacosti.go.ke  
Website: www.nacosti.go.ke  
When replying please quote

9<sup>th</sup> Floor, Utalii House  
Uhuru Highway  
P.O. Box 30623-00100  
NAIROBI-KENYA

Ref. No: **NACOSTI/P/17/62041/17961**

Date: **18<sup>th</sup> July, 2017**

Meriba Mwendu Micheni  
University of Nairobi  
P.O. Box 30197-00100  
**NAIROBI.**

#### **RE: RESEARCH AUTHORIZATION**

Following your application for authority to carry out research on *“Influence of Uwezo affirmative fund on performance of youth agricultural projects in Chuka Constituency, Tharaka-Nithi County Kenya,”* I am pleased to inform you that you have been authorized to undertake research in **Tharaka-Nithi County** for the period ending **18<sup>th</sup> July, 2018.**

You are advised to report to **the County Commissioner and the County Director of Education, Tharaka-Nithi County** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit **a copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.

  
**GODFREY P. KALERWA MSc., MBA, MKIM**  
**FOR: DIRECTOR-GENERAL/CEO**

Copy to:

The County Commissioner  
Tharaka-Nithi County.

The County Director of Education  
Tharaka-Nithi County.