ABSTRACT
The Women's Enterprise Fund (WEF) was created by the Government to assist women entrepreneurs with micro credit to boost their enterprises and also create more opportunities for self-employment in the informal sector. WEF was launched by the Kenya Government in 2007 with the principal objective of economic empowerment of women. Although women contribute considerably to rural economic activities, they gain neither recognition nor status from their work (Kabir et al, 2012). Women lag behind men in access to land, credit and decent employment even though a growing body of research shows those enhancing women's economic options boosts national economies. This study sought to establish the effectiveness of WEF in improving the livelihoods of women groups in Kiambaa constituency. Specific Objectives of the study were: To establish the number of women groups that have accessed WEF loans in Kiambaa constituency between 2007 and 2012 and how were they selected. To identify the businesses into which WEF loans were put and the subsequent results. To establish the extent to which businesses supported by WEF loans have helped in improving the livelihoods of women groups in Kiambaa constituency. To analyse the challenges in access to and use of WEF loans in Kiambaa constituency. The site of the study was Kiambaa Constituency in Kiambu County. A total sample size of 70 made up of 63 respondents and 7 key informants filled structured questionnaires and an unstructured questionnaire respectively. The study found that there were 90 registered women groups that had accessed WEF in the constituency between 2007 and 2012 totaling to Ksh. 5,500,000. All the respondents indicated that their groups did not pay any interest on the WEF loan that they took, only a 5% administration fee that was paid up front. The types of business activities undertaken by the women groups were livestock farming (chosen by 33.3%), soft loans commonly referred to as table banking (23.8%), horticultural farming (17.5%) and salon business (6.3%) among others. The monthly income of most women groups (44.4%) was above Ksh. 10,000 followed by below Ksh. 5,000 (33.3%) while the incomes of most individual members in women groups increased by between Ksh. 10,000 and Ksh. 30,000 (68.3%). The living standards for most respondents improved as a result of the micro credit they received from WEF as realized in improved savings, housing, furniture, health, clothing, food, finances, education, socio-cultural relations and self-esteem. The most notable challenge faced in accessing and using loans by individuals in women groups is the long duration for accessing loans and little or no business training. Reducing duration for accessing loans (chosen by 65.1 %) is the most preferred strategy to mitigate the challenges faced in access to loans. For the government to administer the funds to reach more recipients, the study recommends that loan amounts be increased, while business training, WEF awareness and product marketing should be undertaken. Further studies are recommended in other constituencies and counties in the country.