

The Youth Enterprise Development Fund was established in year 2006 with the sole purpose of reducing unemployment among the youth who account for over 61% of the unemployed in the country. The target of the fund is young people within the age bracket of 18 to 35 years who number 13 million. The Fund was gazetted on 8th December 2006 and then transformed into a State Corporation on 11th May 2007.

The Fund's strategic focus is on enterprise development as a key strategy that will increase economic opportunities for, and participation by Kenyan youth in nation building. The government has so far released Ksh. 3.8 billion to the Fund.

In 2008 the Fund developed a 3 year strategic plan to address varied needs and aspirations of the youth, and to address the challenges it has faced in the past. The Fund is currently working on a 5 year strategic plan in line with the Medium Term Plan (MTP) of the Vision 2030. It is the Fund's intention to evolve and be able to meet the dynamic needs of the youth, who are its *raison d'être*. The fund is constantly reviewing its operational mechanisms from time to time in order to make it responsive to needs and expectations of the target clients.

## **BACKGROUND**

Unemployment is one of the most daunting economic challenges facing Kenya. The government has consequently placed job creation at the top of its policy agenda. The Youth account for 61% of the unemployed. Many of the unemployed Youth have no job training other than formal schooling. Hence, unemployment is not just a lack of jobs, but also a lack of job skills due to inadequacy of the training infrastructure as well as the means to acquire skills, due to poverty.

It is in recognition of the above facts that the government conceived the idea of institutional financing as a way of addressing unemployment which essentially is a youth problem. The concept is based on the premise that micro, small, and medium enterprise development initiatives are likely to have the biggest impact on job creation. Young people who constitute the largest segment of our society, is the future of any economy and a key driver of employment growth and economic activities.

Youth Enterprise Development Fund was established in December 2006 by the government as an initiative that is hoped to address the unemployment rate among the youth. The twin strategic pillars of this initiative are enterprise development and externally focused employment creation through Youth Employment Scheme Abroad (YESA).

The government's resolve in ensuring sustainability and professional management was evident on 11th May 2007 when the Fund was transformed into a State Corporation so as to respond to the changing needs of the youth.

## **OBJECTIVES**

The Fund was established in order to:

1. Provide loans for on-lend to youth enterprise
2. Attract and facilitate investment in micro, small and medium enterprises oriented commercial infrastructure that will be beneficial to youth enterprises<sup>3</sup>
3. Support youth oriented micro, small and medium enterprises to develop linkages with large enterprises<sup>4</sup>
4. Facilitate marketing of products and services of youth enterprises both in the domestic and the international markets<sup>5</sup>
5. Provide business development services to youth enterprises<sup>6</sup>
6. Facilitate employment of youth in the international labor market

**VISION:**

A sustainable and growing fund, economically empowering Kenyan Youth

**MISSION:**

To increase economic opportunities for, and participation by Kenyan youth in nation building through enterprise development and strategic partnerships

**CORE VALUES:**

- a) *Integrity*: uncompromising adherence to moral and ethical principles.
- b) *Professionalism*: working with prescribed ethical principles and moral standards
- c) *Creativity and innovativeness*: to be open and pro-active in providing quality services to clients.
- d) *Equity and fairness*: providing services to clients fairly without favoritism
- e) *Responsiveness*: performing duties devotedly and dealing with customers without unnecessary delays
- f) *Accountability and transparency*: performing duties justly and with openness.