

Obama offers over Ksh100bn to SMEs at GES 2015

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Small and medium enterprises are set to benefit from more than US\$1bn (Ksh100.72bn) that has been committed by investors to spur investments around the globe...

This was revealed by United States President Barack Obama during the opening of the 2015 Global Entrepreneurship Summit on July 25.

"Right now I can announce that we have surpassed our goal by sparking more than \$1bn in new commitments from banks, foundations, philanthropists, and the US Government, with half of that money going to support youth and women entrepreneurs," he said.

The sixth GES, co-hosted by the US and the Government of Kenya in Nairobi, is the first summit held in sub-Saharan Africa.



The summit brought together over 1,000 entrepreneurs and investors from across the world, who participated in outcome oriented sessions, mentoring programmes, and had opportunities to showcase their work.

Details sourced from the US Department of State show the Overseas Private Investment Corporation (OPIC) will support Equity Bank Group with up to US\$200m (Ksh20.14bn).

Equity Bank will then top up the amount to US\$450m (Ksh45.32bn) for lending in foreign currency to youth, women, and small and medium enterprises over the next five years.

USAID will provide a US\$25m (Ksh2.51bn) Loan Portfolio Guarantee to support Deutsche Bank's newly launched US\$50m (Ksh5.03bn) Essential Capital Consortium (ECC) Fund.

ECC is a debt fund focused on lending to the financial services, energy, and health sectors in sub-Saharan Africa and the rest of the world.

Chase Bank Kenya will, over the next three years, lend over US\$580m (Ksh58.41bn) to SMEs, and ensure that formal credit lines are extended to those that do not have access to formal financing.

Village Capital is expected to inject US\$13.2m (Ksh1.32bn) to support entrepreneurs at the critical seed funding stage who are solving major problems in society.

ViCap anticipates that 25 entrepreneurs in Kenya will receive the critical seed stage support.

The Coca-Cola Africa Foundation will pledge US\$4.5m (Ksh453.24m) towards a new youth empowerment initiative that will provide life skills training, business skills training, and access to employment and mentoring for 25,000 young Africans.

The Global Entrepreneurship Network (GEN) is launching GEN Kenya and commits US\$100m (Ksh10.07bn) for programs to support entrepreneurs and the development of their local ecosystems.

The Mara Foundation pledged to empower one million youth and women entrepreneurs in East Africa with free courses, mentoring, e-learning, business financing through Mara Ad-Venture Investments, networking, and internship opportunities.

The Global Innovation through Science and Technology (GIST) initiative will launch Africa-focused GIST TechConnect, GIST Startup Boot Camps, and GIST STEM Women's Village Workshops to train, mentor, and connect more than 10,000 young African science and technology entrepreneurs by July 2016.

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