

*“But how will I make ends meet if COVID-19 does not end soon?”— Female client, Client Care Survey, April 2020, Kenya*



Credit: Susan Otieno

With 95% of our Kenyan microfinance clients reporting reduced income due to COVID-19, Kenya quickly became a focus area for VisionFund International. Though blessed that cases of the virus have been comparatively few at just over 1,400 (the effect of a widespread lockdown), the secondary impacts on the livelihoods, health and education of Kenya’s poorest have been severe. With their businesses forced by the government to close, or customers unable to afford the goods and services they provide, many of the farms and businesses which make up the rural economy have come to a standstill.

“This has been an extremely tough time for our clients,” says Brenda, Communications Officer at VisionFund Kenya. “One of the things we all appreciate is if a client makes a repayment at the moment. We do not take it for granted - things are not easy for them. Tailoring, manufacturing, hospitality – every business is finding it tough. Our hearts are with all our clients who have a desire to continue growing as before, but are now afraid that their business will fail for lack of customers.”

The impact of this reduction in livelihoods is far reaching. VisionFund Kenya is particularly concerned by our Client Survey reports indicating a 49% average reduction in spending on education for children, as well as a 32% reduction in purchasing healthcare and medicines and an average 55% reduction in the quality and quantity of food. VisionFund Kenya has taken swift action in ensuring their clients do not suffer further economic shocks as a result of COVID-19. In particular, the President of Kenya has safeguarded food production, so VisionFund Kenya has stepped up to ensure agricultural businesses are protected and provided for. VisionFund Kenya’s Agribusiness Loan product enables smallholder farmers to access good quality inputs through the loan bundle, which includes certified seeds, fertilizer, agrochemicals, crop insurance and life insurance. This allows the farmer to plant on time in the agricultural calendar, leading to increased yield and better farming results for the farmer, and better food security for Kenya overall. As restrictions ease, more Recovery Lending products will be released at the right time.

“Kenyans love supporting each other,” says Brenda. “We are always looking into the welfare of those in need and ensuring that no Kenyan sleeps hungry or alone – we witness so much humanity. My colleagues and I see John the Baptist principles at work in every one of our communities: ‘Anyone who has two shirts should share with the one who has none, and anyone who has food should do the same.’”