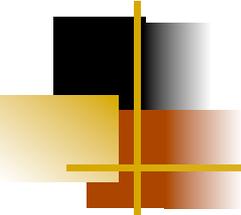


EQUITY BANK PRESENTATION



USING AGRICULTURE INSURANCE TO EXPAND RURAL CREDIT AND SAVINGS SERVICES



EQUITY BANK

Our purpose

We exist to transform the lives and livelihoods of our people socially and economically by availing to them modern, inclusive financial services .

Our Vision

To be the champion of the social-economic prosperity of the people of
Africa

Our mission

We offer inclusive, customer focused financial services that socially and economically empower our clients and other stakeholders

Agriculture case for Equity Bank



- Constitutes a Large “unbanked” market
- To promote economic empowerment by redistribution of wealth through access to financial resources
- Enabling micro enterprises (farmers, pastoral communities, processors, transporters etc) to contribute to the economy and be part of the financial system
- A Social responsibility to avail financial services to the lower segment majority of our rural community

Major challenges facing farming as a business



- In Kenya agriculture is basically rain fed
- lack of collateral to access agricultural credit
- Lack of market information
- Poor infrastructure

Example of our initiatives in agriculture



- Kilimo Biashara – a 50million USD partnership between Equity Bank, AGRA and IFAD through the Ministry of Agriculture with a 10% credit guarantee
- Partnership objective is to increase food security and household incomes for small scale farmers

Our experience



- In the agriculture credit administration, dependency on rain has been a major impediment both to savings and credit
- With the effect of climate change, rain has been very unpredictable- Kenya has experienced 2years of dry spell that has made many families very vulnerable. The current rains are too heavy

What is the intervention?



- Agriculture insurance becomes among the most important solutions to expanding financial services to the rural communities.
- Working with partners (Equity bank, ILRI and UAP) brings in synergies that support a win-win situation for all

Expected benefits

- The community is able to accumulate wealth in form of livestock or compensation in a sustainable manner
- The community can access finances from Fis and they become bankable
- Reducing the vulnerability will attract other investments in the region

ESSENCE OF SAVINGS

- It is an absent culture that need to be developed and nurtured
- Saving is as a function of earnings
- It is the basis of investment
- Wealth is created by investments
- supported by non punitive savings products

CHALLENGES OF IBLI TARGET CLIENTS

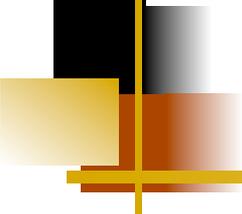


- Generally unfamiliar with the concept of insurance
- Situated in a remote and infrastructure deficient areas
- Mostly illiterate community
- Pastoralists community who constantly keep moving in search of pasture for their livestock

Interventions required

- Intensive awareness creation of IBLI and existing opportunities through collaboration
- Access to credit- flexible and affordable financial services
- Access to markets- to sustainably support commercialization

THANK YOU



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