FINANCIAL INCLUSION FOR RURAL MICROENTERPRISES (FIRM)

QUARTERLY REPORT:

JANUARY 1 – MARCH 31, 2012

CONTRACT: AID-623-BC-11-00001

MARCH 2012

This publication was produced by Development Alternatives, Inc. for review by the United States Agency for International Development.

FINANCIAL INCLUSTION FOR RURAL MICROENTERPRISES

QUARTERLY REPORT: JANUARY 1 – MARCH 31, 2012

Program Title:	Financial Inclusion for Rural Microenterprises
Sponsoring USAID Office:	USAID Kenya
Contract Number:	SOL-623-KE-10-028
Contractor:	DAI
Date of Publication:	MARCH 2012
Author:	Mark Rostal

CONTENTS

SECTION I

INTRODUCTION

The fifth quarterly report on USAID Kenya's Financial Inclusion for Rural Microenterprises (FIRM) activity, hereafter referred to as the "Program," summarizes achievements for the first period of the new calendar year, including an ongoing discussion that will soon affect reporting as USAID Kenya transitions to Feed-the-Future. Other topics covered in this report are related to implementation processes, performance issues and budget expenditures.

During the reporting period from January through March 2012, FIRM made significant gains toward the realization of important program indicators. To highlight, the Program:

- Delivered a training to Pension Fund Managers under the Kenyan Pension Fund Initiative on Private Equity as an asset class to assist in securing buy-in from their clientele (local pension fund managers).
- Continued to support the National Economic and Social Council (NESC) on its credit guarantee scheme for the Government of Kenya that offers a strategy and plan to underpin economic growth and development as articulated under Vision 2030.
- Continued to support the Kenyan Credit Information Sharing Initiative (KCSISI) to expand beyond commercial banks and include DTMs, MFIs and SACCOs in the new Credit Reference Bureau.
- Expanded partnerships with financial institutions in agriculture, clean/renewable energy and ICT.
- Began preparing for two new Development Credit Loan guarantee facilities – one with KCB in agriculture and water; the other one split between three MFIs (KWFT, SMEP and Micro Africa) in agriculture and energy.
- Secured financing to fund a portion a KCB's upcoming water DCA loan guarantee from DFID's MAP (Market Access Program). FIRM and MAP also agreed to partner in the analysis of the cotton value chain in HR1 and SA2

FIRM began working to reconfigure its workplan and PMP to support new objectives under Feed-the-Future. FIRM's PMP will undergo significant alterations and, as such, the Program will not report on numeric indicators in this quarterly report as defined in an earlier approved PMP. FIRM anticipates that it will report on quantitative targets in the September and Year End quarterly reports.

In this report, FIRM will discuss major process achievements that will significantly and positively contribute to performance results. Potential changes will be highlighted with analysis as appropriate.

SECTION II

ACHIEVEMENTS

The Kenyan Pension Fund Initiative

The absence of Kenyan and African pension fund experience with and exposure to private equity investment limits their potential to achieve attractive returns in this important sector. Without the tools necessary to identify opportunities and manage risks, pension funds have not yet participated in this market by and large. For this reason, Kenya's Retirement Benefits Authority (RBA) has partnered with USAID through FIRM and the African Venture Capital Association (AVCA) to offer Kenyan pension fund trustees and investment managers an introduction to this asset class in order to facilitate knowledgeable and profitable entry into this asset class.

Private equity has a history of superior returns and its collateral advantages include economic growth, job creation and broad-based development. Moreover, investment by African pension funds will be viewed by the international institutional investment community – and national governments – as a favourable financial and economic indicator and it is very likely to stimulate further investment. This trend will create the conditions for on-going success and further build the region's private equity community and therefore promote the continued development of businesses and improved investment returns.

It is against this backdrop that USAID Kenya's Financial Inclusion for Rural Microenterprises (FIRM) program hired JM Mantle to enlighten the relevant stakeholders on this high value asset class. A first step in carrying out this mandate was to conduct a training specifically for investment managers.

The Private Equity as an Asset Class Training was developed for the member firms of the Fund Managers Association (FMA) and was delivered on 27th February, 2012. It was designed and delivered by JM Mantle in partnership with USAID.

New DCA Loan Guarantees

FIRM worked closely with USAID Washington and Kenya to structure three new loan guarantee facilities described below. Both guarantees are expected to close this fiscal year.

Multiparty Facilities

The first facility is a USD 13 million, 7-year, competitive/multi-party loan portfolio guarantee (LPG), co-guaranteed by the Swedish International Development Agency (Sida), was designed to encourage the three proposed partner financial institutions to lend to the agriculture and energy sectors in Kenya. Partners are expected to lend at least 10% of their facilities to the clean energy sector. The three institutions (Kenya Women's Finance Trust, Micro Africa and SMEP) will enter into one multi-party agreement that lists the two guarantors specific guarantee percentages (USAID: 20%, Sida: 30%), and the initial maximum cumulative disbursements (MCD) designated to each partner institution. The partner that first fully utilizes its MCD will be rewarded with access to an additional USD 2 million (kept in reserve) in MCD ceiling.

Institution	**Initial MCD**
KWFT	USD 5 million
MALK	USD 2 million
SMEP	USD 4 million
Subtotal	**USD 11 million**
Additional Reserve	USD 2 million
Total	**USD 13 million**

Expected Results

- Outputs: The competitive USAD-Sida co-guaranteed LPG with KWFT, MALK, and SMEP will facilitate the flow of up to $13 million to borrowers operating projects in the agriculture and energy sectors. The guarantee will increase the partners' related lending measured by client base and loan portfolio, and allow it to reduce collateral requirements.

- Outcomes: Due to the guarantee, KWFT, MALK, and SMEP will have a larger lending portfolio to borrowers engaged in the agriculture and energy sector. The guarantee will also establish and/or deepen the credit histories of targeted borrowers. After the guarantee, the partners will likely continue to lend to those borrowers with which they had a positive lending experience.

- Impacts: USAID anticipates that the increased number of borrowers with positive credit histories may strengthen the interest of other MFIs in lending to the agriculture and energy sectors. The success of this guarantee may also incent more MFIs to institute agriculture and energy lending programs, characterized by longer loan tenors.

Borrowers

Qualifying borrowers will be defined as "Individuals and non-sovereign enterprises operating in or supporting the agricultural and clean energy sectors in Kenya. For the avoidance of doubt, Qualifying Borrowers shall include those engaged in the development, production, sale, operation, or marketing of cookstoves." Qualifying borrowers must operate Qualifying Projects, which will be defined as "Investments in the agriculture and clean energy value chains, defined broadly to include production, processing, storage, transportation, and distribution." At least 10% of the Qualifying Loans made by each Guaranteed Party shall be to Qualifying Borrowers operating in the clean energy sector.

Financial Intermediaries

There are three institutions participating in this competitive guarantee. Of them, MALK is a credit-only microfinance institution, while KWFT and SMEP are deposit-taking microfinance institutions (DTMs). None of the proposed partners has partnered with USAID for a DCA before.

KWFT: Formed in 1980, KWFT is the undisputed leader among microfinance institutions (MFIs) in Kenya, with the largest network (221 branches and lending units) providing deep penetration into rural and urban areas. KWFT operated a credit only program for its first 30 years, but in 2010 it received a license from Central Bank of Kenya (CBK) to transform into a deposit-taking institution, in accordance with Kenya's Microfinance Act and CBK regulations. With a USD 130.7 million net loan portfolio, USD 82.5 million in customer deposits, 279,850 active borrowers, and approximately 440,000 total clients, KWFT is the largest of deposit-taking microfinance institutions; in fact it is larger than many banks operating in Kenya.

MALK: MALK is a small, relatively new, and growing MFI based in Nairobi. Originally a 100% payroll lender in Kenya, it has expanded both its product offerings (it now uses both individual and group lending methodologies on ten loan products tailored to the needs of different client segments and sectors. MALK currently serves 9,540 borrowing clients through nine branches in mainly urban areas, and maintains a ~USD 5.1 million loan portfolio. Smaller than its peers, MALK's strategy is to serve the niche financial needs of the economically active poor, meaning that its clients are slightly higher-end micro clients than those of its peers (i.e., higher average loan size, generally based in more urban areas).

SMEP: SMEP began operating in 1975 and focused on provision of loans to enable residents to initiate or expand small-scale businesses as well as providing food assistance. Operating as a credit only institution for its first 35 years, SMEP was licensed as a deposit taking microfinance institution in January 2011. SMEP's operations cover the whole country, with 42 business outlets, of which six are deposit-taking branches (SMEP is working with the CBK to transition more of its marketing units to deposit taking branches in the near future). SMEP currently serves 125,000 borrowers with its USD 16.9 million loan portfolio; to date it has mobilized USD 9.5 million in customer deposits.

Related Existing or Planned Technical Assistance

Financial Inclusion for Rural Microenterprises (FIRM) is USAID/Kenya's technical assistance program charged with expanding financial services outreach to underserved rural and agricultural areas, including women, the very poor, and youth. The project focuses on agriculture, clean/renewable energy, ICT, and policy initiatives. Operated by DAI, FIRM employees maintain good relationships each of the lending institutions in this guarantee, and will continue to support them with TA as needed.

Collaboration with Other Parties

As described above, this project is co-guaranteed by Sida – with Sida assuming 30% risk coverage, and USAID assuming 20% coverage – on a pari passu basis. Sida played a crucial role in the project development and risk assessment processes for this project.

The second guarantee is a seven year, USD 15,000,000 50% co-guarantee (with the Swedish International Development Agency – Sida – assuming 30% of risk and USAID assuming 20% of risk) loan portfolio guarantee (LPG) that will help strengthen Kenya Commercial Bank's (KCB) ability to extend loans to borrowers engaged along select agricultural value chains. The guarantee is designed to support USAID/Kenya's Feed the Future strategy and Sida/Government of Kenya's Agricultural Sector Development Support Program (ASDSP). It is structured with flexible terms to ensure that viable World Food Program Purchase for Progress (WFP-P4P) smallholder farmers' organization contract holders will be among qualifying borrowers, which are defined as "non-sovereign Kenyan individuals, businesses, and organizations (e.g., Savings and Credit Cooperatives), including those smallholder farmer organizations with forward delivery or direct contracts from WFP-P4P." Qualifying projects are defined as "investments along the dairy, drought-resistant crops (e.g., millet, sorghum), horticulture, beans (excluding French/green beans), and maize value chains – defined broadly to include inputs and production (e.g., seeds, fertilizer, water/irrigation, etc.), capital investments (e.g., tractors, tools), aggregation, storage, processing, handling, and transportation (e.g., trucks)." At least 40% of all Qualifying Loans should be for Qualifying Projects in the Coast, Eastern, Nyanza, Rift Valley, and Western Regions of Kenya.

Expected Results

- Outputs: The DCA LPG with KCB will facilitate the flow of up to USD 15,000,000 to borrowers operating projects in the agriculture sector. The guarantee will increase KCB's related lending measured by client base and loan portfolio, and allow it to reduce collateral requirements.

- Outcomes: Due to the guarantee, KCB will have a larger lending portfolio to borrowers engaged in the agriculture sector. The guarantee will also establish and/or deepen the credit histories of targeted borrowers. After the guarantee, KCB will likely continue to lend to those borrowers with which they had a positive lending experience.

- Impacts: USAID anticipates that the increased number of borrowers with positive credit histories may strengthen the interest of other commercial banks in lending to the target sectors. The success of this guarantee may also incent more commercial banks to institute lending programs, characterized by longer loan tenors that support agriculture projects.

Borrowers

Qualifying borrowers are defined as non-sovereign Kenyan individuals, businesses, and organizations (*e.g.*, Savings and Credit Cooperatives), including those smallholder farmer organizations with forward delivery or direct contracts from WFP-P4P and those supported by Sida/Government of Kenya's Agricultural Sector Development Support Program (ASDSP). Qualifying projects are defined as investments along the dairy, drought-resistant crops (e.g., millet, sorghum), horticulture, beans (excluding French/green beans) and maize value chains. Qualifying Projects shall be defined broadly to include inputs and production (e.g., seeds, fertilizer, water/irrigation, etc.), capital investments (e.g., tractors, tools), aggregation, storage, processing, handling, and transportation (e.g., trucks). At least 40% of all Qualifying Loans should be for Qualifying Projects in the Coast, Eastern, Nyanza, Rift Valley, and Western Regions of Kenya.

Financial Intermediary

KCB is one of Kenya's largest and most reputable banks, with over 160 branches and a wide variety of savings and loan products. Its multi-branch subsidiaries operate in Rwanda, Southern Sudan, Tanzania and Uganda. KCB's low non-performing loans, strong management, and experience working with USAID make it a strong partner for this guarantee.

KCB has successfully implemented two DCA guarantees. The first was a $7.9 million LPG approved by the CRB in 2006 to encourage lending to SMEs (especially those operated by women) and microfinance institutions (MFIs). Of this facility, KCB utilized $7,823,579 (99.03%).

KCB also successfully implemented a $5.75 million LPG approved by the CRB in 2010 to encourage lending to micro-, small-, and medium-sized enterprises (MSMEs), MFIs, and Savings and Credit Cooperatives (SACCOs) for projects that supported the development of the agriculture, clean energy, commerce, Constituency Development Fund projects, construction, and manufacturing sectors. Of this facility, KCB utilized $5.75 million (100%).

KCB is uniquely positioned to successfully implement this new guarantee, which – unlike predecessor guarantees – focuses exclusively on agricultural lending and is intentionally linked to KCB's agriculture expansion strategy, which USAID helped develop. KCB was also specifically listed by WFP-P4P producer groups as one of three institutions seen as able to implement this project. DCA explored guarantees with all three institutions and selected KCB on the basis of its appetite and strategic alignment.

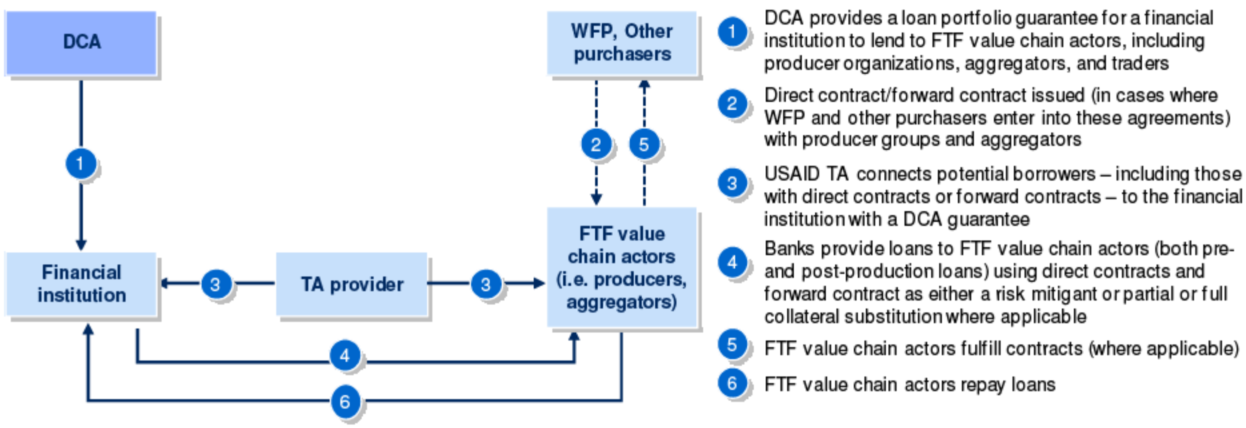
Related Existing or Planned Technical Assistance

USAID/Kenya plans to support its DCA guarantees through its Financial Inclusion for Rural Microenterprises (FIRM) technical assistance program. On the borrower side, FIRM is working closely with WFP-P4P to identify and support smallholder farmer organizations that have forward delivery and/or direct contracts. Assistance will be targeted to the needs of the borrower group, and may include developing cash-flow statements, business plans, and financial documents; introducing appropriate governance structures and ensuring official registration; offering training on general business development services such as basic bookkeeping/accounting; and connecting the groups to KCB for consideration of their loan applications. On the lender side, FIRM is helping KCB develop and roll out its agriculture lending strategy, including supporting its physical expansion into rural areas and increasing the quantity of loan products designed specifically to support agriculture value chains.

Collaboration with Other Parties

As described above, this project is co-guaranteed by Sida – with Sida assuming 30% risk coverage and USAID assuming 20% risk coverage on a pari passu basis. Sida played a crucial role in the project development and risk assessment processes for this project.

Additionally, this project is part of a broader partnership with WFP-P4P to increase access to finance for smallholder farmer organizations in East Africa (Ethiopia, Kenya, South Sudan, and Tanzania). The partnership intentionally links USAID technical assistance with WFP-P4P producer groups, and ensures that the groups are eligible to draw on the guarantee facility.



The third facility is a ten year, $5.5 million, 60% guarantee is designed to strengthen KCB's ability to finance loans to non-sovereign enterprises in the water sector in Kenya. The subsidy cost of the transaction will be co-funded by USAID and DFID. Qualifying Borrowers will be defined as "Creditworthy non-sovereign and sub-sovereign enterprises, established under Kenyan law, which work in the water sector, and whose debt is not backed by the sovereign government of Kenya. Qualifying Borrowers may include municipal utilities and water service providers that operate on a commercial basis." Qualifying Borrowers must be engaged in Qualifying Projects, defined as "Investments in the water sector in Kenya, including sanitation projects." USAID's Sustainable Water and Sanitation in Africa Water (SUWASA) technical assistance program, a Nairobi-based regional project funded by USAID/Washington, is able to support with project design services.

Rationale for Guaranteeing More Than 50%

KCB is a current DCA partner for lending to small- and medium-sized enterprises (SMEs) and the agriculture sector. Both previous guarantees feature 50% risk coverage and have been highly successful. While KCB is satisfied with 50% coverage for SME and agriculture lending, the 60% risk coverage for this transaction is deemed necessary for several reasons:

- Lending to the water sector in Kenya is generally untested and the perceived risks of lending to the water sector are higher than those other sectors. While there has been one DCA guarantee supporting the water sector in Kenya (with K-Rep Bank), that project's revenue streams are linked to funds from the Global Partnership for Output Based Aid, while the proposed project's revenue streams are from private sources.

- KCB has never lent to the water sector. Its lack of experience and data for water sector lending make KCB highly risk averse.

- In the process of developing this guarantee, DCA and USAID/Kenya iterated on multiple project structures with multiple financial institutions, all of which stated that entering into the water sector would require more than 50% risk coverage. Of the potential financial institution partners, only KCB was willing to enter into the guarantee with 60% risk coverage. All other partners demanded at least 75% risk coverage.

Expected Results

- Outputs: A DCA LPG with KCB will facilitate the flow of up to $5.5 million to borrowers operating projects in the water sector. The guarantee will increase KCB's related lending measured by client base and loan portfolio, and allow it to extend loan tenors.

- Outcomes: Due to the guarantee, KCB will, for the first time, develop a lending portfolio to borrowers engaged in the water sector. The guarantee will establish and/or deepen the credit histories of targeted borrowers. After the guarantee, KCB will likely continue to lend to those borrowers with which it had a positive lending experience.

- Impacts: USAID anticipates that the increased number of borrowers with positive credit histories may strengthen the interest of other commercial banks in lending to the water sector. The success of this guarantee may also incent more commercial banks to institute lending programs, characterized by longer loan tenors that support water projects.

Borrowers

Qualifying Borrowers will be defined as "Creditworthy non-sovereign and sub-sovereign enterprises, established under Kenyan law, which work in the water sector, and whose debt is not backed by the sovereign government of Kenya. Qualifying Borrowers may include municipal utilities and water service providers that operate on a commercial basis." Qualifying Borrowers must be engaged in Qualifying Projects, defined as "Investments in the water sector in Kenya, including sanitation projects."

Financial Intermediary

KCB is one of Kenya's largest and most reputable banks, with over 160 branches and a wide variety of savings and loan products. Its multi-branch subsidiaries operate in Rwanda, Southern Sudan, Tanzania and Uganda. KCB's low non-performing loans, strong management, and experience working with USAID make it a strong partner for this guarantee.

KCB has successfully implemented two DCA guarantees. The first was a $7.9 million LPG approved by the CRB in 2006 to encourage lending to SMEs (especially those operated by women) and microfinance institutions (MFIs). Of this facility, KCB utilized $7,823,579 (99.03%).

KCB also successfully implemented a $5.75 million LPG approved by the CRB in 2010 to encourage lending to micro-, small-, and medium-sized enterprises (MSMEs), MFIs, and Savings and Credit Cooperatives (SACCOs) for projects that supported the development of the agriculture, clean energy, commerce, Constituency Development Fund projects, construction, and manufacturing sectors. Of this facility, KCB utilized $5.75 million (100%).

KCB is uniquely positioned to successfully implement this new guarantee, which – unlike predecessor guarantees – focuses exclusively on water lending. In selecting a partner, DCA explored guarantees with multiple institutions and selected KCB on the basis of its appetite and strategic alignment.

Related Existing or Planned Technical Assistance

Sustainable Water and Sanitation in Africa Water (SUWASA) is a Nairobi-based regional project funded by USAID/Washington and implemented by ARD Inc. SUWASA's goal is to promote innovative reforms and sustainable financing for safe water and sanitation in Africa. In Kenya, SUWASA aims to increase private sector financing of water through designing and rolling out specialized water and sanitation finance products, promoting innovative and financially sound partnerships, and ensuring high performing water-related loan portfolios. It is currently working with Family Bank and K-Rep Bank to encourage loans of $200,000-$300,000 in Nakuru and Kisumu, respectively, with five-year repayment periods and one year grace periods. SUWASA ends September 2015, with SUWASA/Kenya currently scheduled for phase-out September 2013.

Collaboration with Other Parties

The subsidy cost of the transaction will be co-funded by USAID and the UK's Department for International Development (DFID). DFID, through its Market Access Programme (MAP) operated by Adam Smith International (ASI) is transferring $200,000 in its funds to the USAID Gift Account, which will further transferred to the DCA subsidy account for this project. DFID-MAP-ASI has been a part of the project development process for this transaction.

This project may benefit from the support of the World Bank's Water and Sanitation Program, which is setting up a water financing and technical assistance facility in Kenya. Under this program the World Bank plans to lend approximately $5 million to several Kenyan banks for on-lending to the water sector; each participating bank will match this contribution with at least $5 million of its own risk capital. Additionally, the World Bank will provide technical assistance for financial feasibility studies. KCB is interested in participating in this project and has been short-listed by the World Bank. Regardless of its participation, the DCA legal agreement explicitly states, and KCB understands, that USAID will only guarantee private funds, and therefore will not guarantee any of the World Bank's funds.

Partnership with DFID's MAP (Market Access Program)

FIRM held a series of exploratory meetings with MAP in order to determine whether both programs could work together by marrying FIRM's financial services and MAP's market access approach. Opportunities will take shape during the first quarter of the calendar year; however, FIRM and MAP agree to pursue mutually beneficial activities in water and agriculture across commodities and throughout geographic zones identified as essential to the success of Feed the Future.

SECTION III

UPCOMING QUARTERLY PLAN AND PROPOSED DEVIATIONS

In a key mission-wide performance monitoring and performance (PMP) evaluation, FIRM and other USAID Kenya programs began working with external consultants to reconfigure their PMPs to support new objectives under Feed-the-Future. In December, the Program received an updated PMP reporting framework from USAID Kenya that completely reconfigures FIRM's reporting indicators.

The Program began making changes to its PMP and workplan for fiscal 2012 and the remainder of the life-of-project years.

The proposed PMP changes are listed in the annex to this Quarterly Report but have not yet been finalized or submitted to USAID Kenya. FIRM will submit its revised when asked by USAID (after they have finalized their realignment internally).

GENDER ISSUES AND OTHER DYNAMICS

FIRM works to ensure that entrepreneurs, businesses and individuals have access and choices, not only to credit but also to savings, secure transfer services, etc. To this end, the Program is focused on strengthening the overall financial system at multiple levels so that it becomes more inclusive. FIRM's focus is not strictly on credit and that it alone will transform entrepreneurs, businesses and individuals. Without a developed financial sector, growth and opportunities are seriously constrained since a financial sector will always undershoot its potential if it is unable to commercially serve a majority of the population. Therefore, as part of FIRM's approach, it works to improve the overall system that facilitates products tailored to the low-income market segment that includes, but is not exclusive to, women and the youth. FIRM's approach and partnership with financial/non-financial institutions and the government of Kenya helps some poor people and not others but it offers choices for everyone. Overtime, it will draw unbanked cash into the financial where it hopefully be intermediated and bring down borrowing costs across the board.

ENVIRONMENTAL ISSUES AND ACTIONS

No environmental issues were encountered during the reporting period and therefore no corrective or other actions were taken.

PROBLEMS ENCOUNTERED AND CORRECTIVE ACTIONS

No technical problems were encountered during the reporting period. FIRM will make adjustments to its PMP and workplan as noted in the section, "Upcoming Quarterly Plan and Proposed Deviations" when prompted by USAID Kenya.

EVALUATIONS AND ASSESSMENTS

No evaluations or assessments were performed.

SECTION IV

Annex: Report Index

Documentation Produced by FIRM (Cumulative)

USAID Contractual

- FIRM Year One and Life of Project Workplan
- FIRM Year One and Life of Project PMP
- Quarterly Report: January 1 – March 31, 2011
- Quarterly Report: April 1 – June 30, 2011
- Quarterly Report: July 1 – September 31, 2011
- Annual Report: December 1 – September 31, 2011
- Quarterly Report: October 1 – December 31, 2011
- Quarterly Report: January 1 – March 31, 2012

Institutional

- Milango Financial Services: Rapid Institutional Assessment
- Milango Financial Services: Strategic Business Plan
- Milango Financial Services: Detailed Implementation Plan and Budget

Agriculture

- Value Chain Finance Center Business Plan
- KCB: Agriculture Strategy Paper
- KCB: Agriculture Strategy – Financial Model & Projections
- KCB: Agriculture Strategy – Implementation Plan
- KCB: Corporate Documentation: Board Paper
- KCB: Corporate Documentation: Executive Committee Presentation
- KCB: Terms of Reference Pilot and Memo of Understanding with FIRM
- KCB: Detailed Dairy Rollout and Implementation Plan
- KCB: Dairy Loan Product Training Manual and Presentation
- KCB, Embedded Technical Assistance Phase I: Detailed Implementation Plan
- KCB, Embedded Technical Assistance Phase I: Monthly Progress Report #1
- KCB, Embedded Technical Assistance Phase I: Monthly Progress Report #2
- KCB, Embedded Technical Assistance Phase I: Monthly Progress Report #3
- KCB, Embedded Technical Assistance Phase I: Monthly Progress Report #4
- Earthoil Kenya LTD: Product and Pricing Model (Product Prototypes)
- Earthoil Kenya LTD: Price Review Model
- Milango Financial Services, Central Region Support Activity (Earthoil Kenya LTD, Tea Tree Financing): Branch Progress Reports 1, 2 & 3
- Technoserve Kenya: Baseline Survey for Dairy Financial Service Associations (FSAs)
- Imperial Bank: Mango Value Chain Analysis – Inception Report

- iCow/Green: Business Model
- iCow/Green: Project Summary
- iCow/Green: Project Pitch
- iCow/Green: Project Proposal/Business Plan

Clean/Renewable Energy

- USAID FIRM Clean Energy Assessment and Recommendations
- Trip/Field Reports to Assess Opportunities in the Clean/Renewable Energy Sector in Rift Valley, Mt. Kenya, Nyanza and Eastern Province
- Kenya Women's Finance Trust: Consolidated FGDs on Opportunities in the Clean/Renewable Energy Sector
- Kenya Women's Finance Trust: Assessment of Opportunities in the Clean/Renewable Energy Sector

Kenya Credit Information Sharing Initiative

- Regional Credit Information Sharing Report (unabridged)
- Regional Credit Information Sharing Report (abridged)

Central Bank of Kenya

- Central Bank of Kenya: School of Applied Microfinance Training Report
- Guideline on the Appointment and Operations of Third Party Agents by DTMs

National Economic and Social Council

- Presentation on the Study to Establish a Well-Structured Guarantee Scheme in Kenya
- Credit Guarantee Schemes in Kenya: A Study to Establish a Well-Structured Guarantee Scheme in Kenya (Draft)

Kenya Pension Fund Initiative

- Making the Case for Private Equity in Sub-Saharan Africa
- Pan-African Fund of Funds: "Building a Diversified Portfolio of Sustainable Private Equity Investments in Africa"

Environment

- Environmental Mitigation & Monitoring Plan (EMMP)

FINANCIAL INCLUSION FOR RURAL MICROENTERPRISES (FIRM)

CONTRACT: AID-623-BC-11-00001

PRIVATE EQUITY AS AN ASSET CLASS
Workshop Report

The publication was produced by JM Mantle for review by USAID/Kenya's Financial Inclusion for Rural Microenterprises project.

FINANCIAL INCLUSION FOR RURAL MICROENTERPRISES

PRIVATE EQUITY AS AN ASSET CLASS

Program Title:	Financial Inclusion for Rural Microenterprises
Sponsoring USAID Office:	USAID Kenya
Contract Number:	SOL-623-KE-10-028
Contractor:	DAI
Date of Publication:	February 27, 2012
Author:	JM Mantle.

Table of Contents

Introduction

The absence of Kenyan and African pension fund experience with and exposure to private equity investment limits their potential to achieve attractive returns in this important sector. Without the tools necessary to identify opportunities and manage risks, pension funds have not yet participated in this market by and large. For this reason, Kenya's Retirement Benefits Authority (RBA) has partnered with USAID through FIRM and the African Venture Capital Association (AVCA) to offer Kenyan pension fund trustees and investment managers an introduction to this asset class in order to facilitate knowledgeable and profitable entry into this asset class.

Private equity has a history of superior returns and its collateral advantages include economic growth, job creation and broad-based development. Moreover, investment by African pension funds will be viewed by the international institutional investment community – and national governments – as a favourable financial and economic indicator and it is very likely to stimulate further investment. This trend will create the conditions for on-going success and further build the region's private equity community and therefore promote the continued development of businesses and improved investment returns.

It is against this backdrop that USAID Kenya's Financial Inclusion for Rural Microenterprises (FIRM) program hired JM Mantle to enlighten the relevant stakeholders on this high value asset class. A first step in carrying out this mandate was to conduct a training specifically for investment managers.

The Private Equity as an Asset Class Training was developed for the member firms of the Fund Managers Association (FMA) and was delivered on 27th February, 2012. It was designed and delivered by JM Mantle in partnership with USAID

JM Mantle & Co. Ltd.
JM Mantle is an independent financial services consulting & advisory firm based in Kenya serving a broad spectrum of clients that include financial institutions, small growing businesses and development agencies. Its principle areas of practice are: Financial Access (microfinance), Business Advisory Services, Deal Sourcing and Corporate Finance & Merchant Banking.

FIRM
FIRM is a USAID program designed to facilitate the expansion and innovation of financial services in five key areas key to the development of Kenya's economic growth and prosperity: agriculture, renewable/clean energy, information & communication technology, gender/youth and policy reform. To achieve this, FIRM works with and supports a wide variety of commercial actors in the financial services industry, government of Kenya agencies and stakeholders, associations, donors, business service providers and consultants.

Fund Managers Association (FMA)
The FMA consists of 7 investment management firms: Co-op Trust, Pine Bridge Investments East Africa, Sanlam Investment Management Kenya, Old Mutual Asset Management, ICEA Lion, Stanbic Investment Management Services, Genesis Kenya Investment Management and British American Asset Management. It was founded in 2010.

Its objective is to make representations to Government on various matters including Legislation, regulation, policy and taxation which affect the business and professional interest of members. Thus, FMA may make representations to Government ministries, statutory bodies such as the Retirement Benefits Authority (RBA) and the Capital Markets Authority (CMA), Stock Exchanges and international institutions on matters affecting business or professional interests of members.

The Workshop

The Sessions

The workshop was delivered over a 1 day period and was broken down into 5 main sessions:

i) **The African Opportunity** – this session focused on making the case for private equity as a high value asset class in Africa.

ii) **Introduction to Private Equity –** this provided an introduction to the asset class. The areas covered included how PE funds work, PE life cycle, governance & management of PE funds, classification of PE funds etc.

iii) **PE Returns – the basics of how value is created** – this session provided insights into how PE funds make money, how they measure returns and also covered an analysis of the historical performance of the asset class in comparison to other asset class. As part of this session, the Managing Director of Deacons Kenya and a partner from Aureos Capital made a presentation. Deacons Kenya is part of Aureos Capital's investment portfolio.

iv) **PE within an Investment Program –** this session explored PE as an allocation within a portfolio, a fund of funds approach versus direct investment into a PE fund and how to plan a PE investment program.

v) **Panel Discussion and Q & A –** this session provided the participants an opportunity to field questions to a panel of experienced PE professionals. The panel consisted of lawyers and PE fund managers. The panellists' profiles can be viewed in the annex.

A series of exercises were carried out and hand-outs were given during the sessions to enhance learning of various concepts.

Pre – training Activities

i) **Branding –** all the participants' name tags and files were branded with the USAID, DAI and JM Mantle logos. These materials had to be carefully designed to comply with USAID branding rules.

ii) **Material preparation –** this involved intensive research and preparation of PowerPoint slides, handouts and exercises. These materials were then printed, filed and handed out to all the participants.

iii) **Participant invitation & registration –** JM Mantle coordinated with the Fund Managers Association (FMA) to invite their members to attend the training.

On the day of the training, all the participants including the trainers were required to sign an attendance list after which they were given a name tag and a file that contained all the training materials.

The Trainers

The workshop was facilitated by 2 trainers; **Michael Mithika** and **Sarah Kanaiya**. Below are their profiles:

Michael Mithika

Michael Mithika has more than 15 years' experience as an independent financial services consultant, entrepreneur and investor. He co-founded the firm of JM Mantle that provides specialist financial advisory services and management consulting to both private and development-oriented clients in Sub-Saharan Africa. For the past ten years he has focused on working with suppliers of capital and donors, to increase access to finance amongst low income groups and also deepen financial markets. He founded and is a Director of FrontFin Training, a finance training company, and the Course Director of the School of African Microfinance which has trained more than 900 professionals from 40 countries.

Prior to co-founding JM Mantle, Mr Mithika was an Associate with Loita Capital Partners, in Nairobi and Johannesburg where he worked on structured finance and corporate transactions in the region

Michael is a member of the board of Vision Fund International, a $420mn microfinance fund with investments in 40 countries, also sits on the board of Fanisi Business Advisory Services Ltd the technical facility that provides support to investee companies of the fund.

He graduated magna cum laude with a BSc. Business- Finance and accounting from the United States International University - Africa

Sarah Kanaiya

Sarah is the Lead Consultant of Integral Solutions, which she founded in August 2009 to provide advisory, training and research services to entrepreneurs and their financiers. Sarah has over twenty years working experience spanning over ten countries in sub-Saharan Africa.

Her previous work experience includes corporate finance and M&A advisory with KPMG East Africa and the First Africa Group (Johannesburg and Nairobi). Whilst at KPMG Sarah conceptualised the KPMG/Business Daily Top 100 mid -sized companies' survey and was Project Manager for the inaugural survey. One of the purposes of that survey is to generate deal flow for SME investment funds. Between 2002 and 2006, she worked as an independent consultant. During that time, in addition to providing financial advisory services, she conceptualized and was project manager for the first independent survey of the Insurance Industry in Kenya (a joint initiative of KPMG and the Insurance Institute of Kenya). She was also contracted by KPMG to carry out a survey of the pensions industry in Kenya. This survey revealed the need for the adoption of a uniform performance measurement standard by pension schemes. The survey also shed light on the education needs of trustees.

Sarah is a member of the Board of the UAP Trust Corporation, a Corporate Trustee established to manage UAP's individual pension plan. She is also a member of the Investment Committee of the Africa Agricultural Capital Fund. She is a member of the Institute of Certified Public Accountants (Kenya) and holds the Investment Management Certificate of the UK Society of Investment Professionals.

She graduated from the University of Nairobi with a Bachelor of Commerce (Hons) and is currently a finalist in the Executive MBA program at Strathmore Business School. Sarah is also a member of the Advisory Board of Training Solutions Ltd.

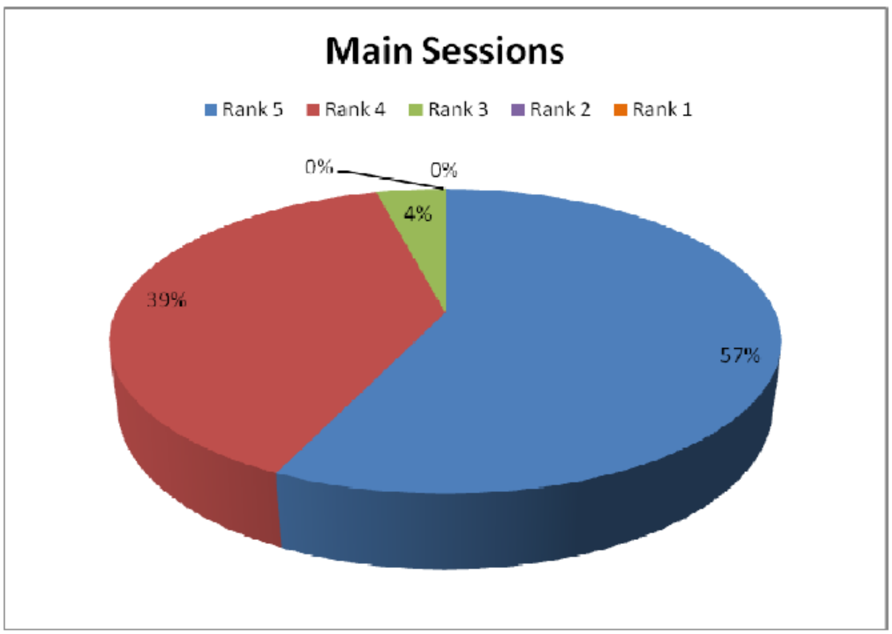
The Participants

The participants were drawn from the constituent members of the Fund Managers Association; in total there were 35. The list of participants has been annexed to this report.

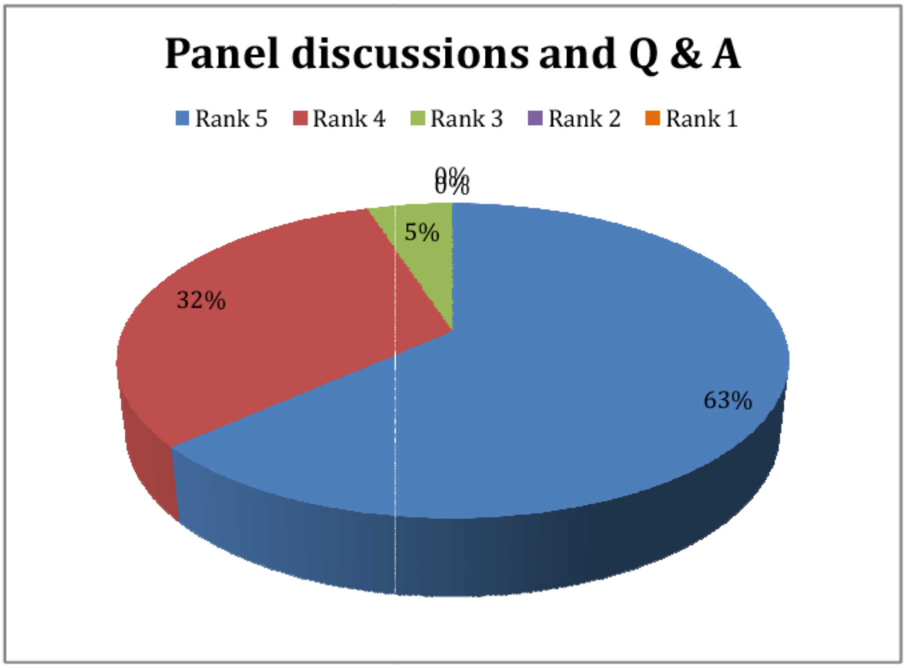
Evaluation

At the end of the workshop, the participants filled out an evaluation form (annexed). Below are some of their responses:

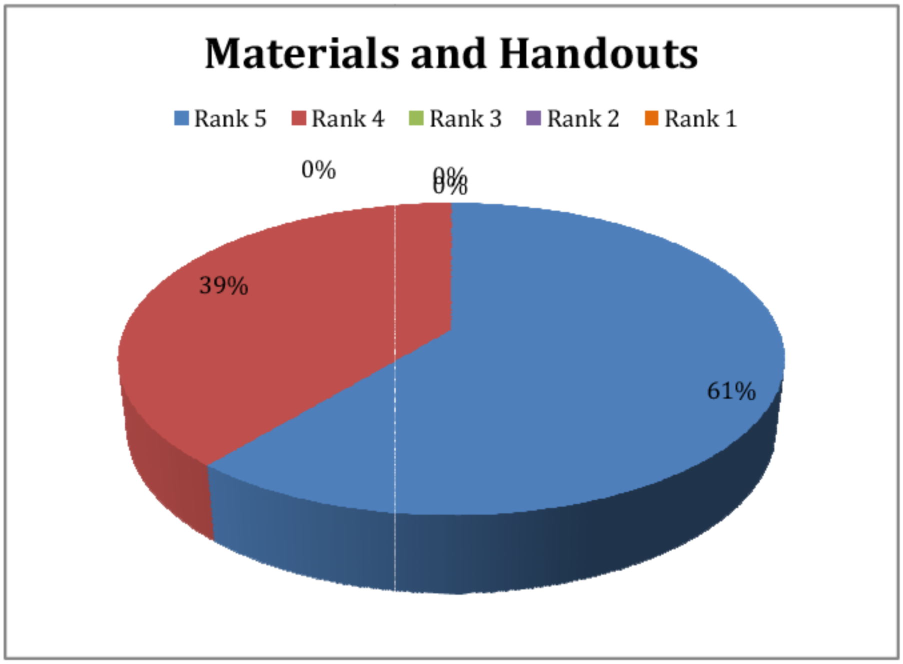
How would you rate the training? Comments
Main Sessions
Good! Great
Very informative and interactive
Really eye opening
Well thought out.
Time constraint made it a bit too brief.
Very good. Not enough time so not covered to detail.
Very Good.



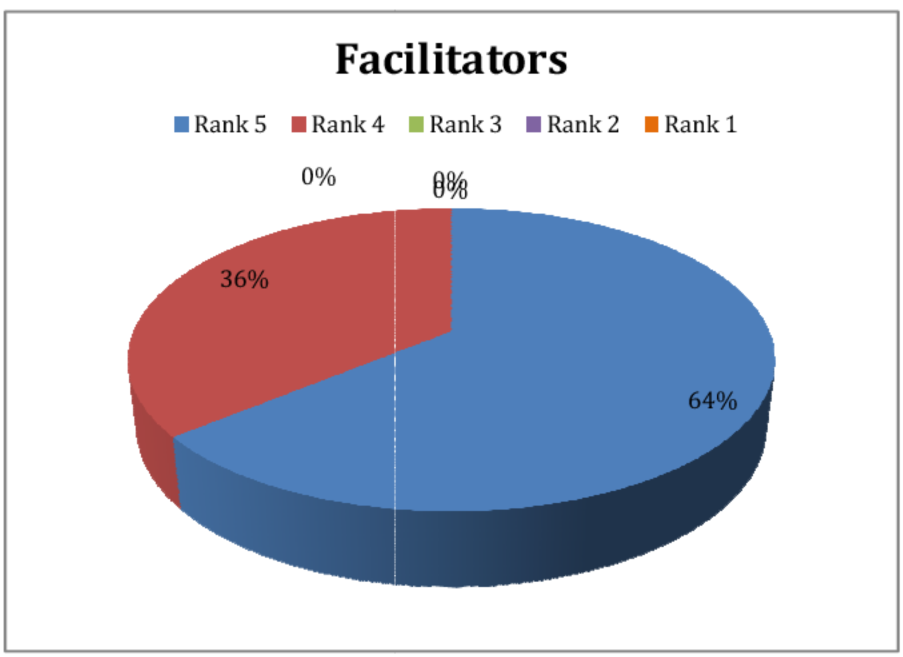
Panel discussion and Q & A
Depth of experience and well articulated panel
Well answered questions
Interactive, questions well answered.
Very good. More experience from panel on what went wrong would have been good.
Very good.



Materials and Hand-outs
Good and depth disenable and illustrative
Really well detailed
A unique addition to the seminars.
Please send the hand-outs for the last presentation i.e. PE within an investment program by email.
Adequate and informative.
Great material. Not enough to cover it though.
Very good.



Facilitators
Well-articulated
Good
Very good. Forced to rush through due to time.
Very good.
Mithika was very good.



What other areas would you like to be included in the training?
None - very comprehensive
None - the training was quite specific / focussed and comprehensively covered the subject matter.
Practical examples of Africa PE successes.
Legal Structures of a PE investment
Pitching by organization offering FOF, PE Firms
How to structure the PE Fund and whether we can get our own local PE solutions domiciled in Kenya.
Regulations and reporting requirements for the same. More details on this.
Good coverage
More case studies of investments in the PE for Africa.
Growing capacity of GP.
Site of PE in East Africa and other data/information.
Industry knowledge on SSA. There is need to lobby the GoK to improve pension fund assets.
Disclosures that GP give.
A more detailed review of a PE deal. Full disclosure.
Structuring of a PE deal.
Examples of PE in Kenya.
More local experience.
Hedge funds.
Will the resources and materials be available in soft?

Do you think you will now consider a PE allocation?
I have and will continue to consider.
Yes - (5 responses)
Yes , but also need to address insurance regulators which are very problematic.
Definitely address my thoughts on that possibility with time
It has been long overdue. It would most certainly add value and also a diversification play.
Yes. With time and more training.
Yes. Will play an important role in driving fund risk return characteristic and has a part on the realization of economic growth in Africa.
Maybe, because it proposes a good value proposition.
Yes. A good diversification opportunity.
Maybe, in the next three years.
Have been seeking ways. Now will fast track.
Yes. At least a 5% Asset Allocation in a FOF as a start.
It's likely.
Yes, I am convinced networks are better, more stable.
Yes, but the legislation and goodwill should be at the highest level of government as well.
Yes I will, whether through direct or indirect.
Yes, but trustees need to be sensitized for them to understand this asset class.
Subject to review with colleagues.

What areas would you have wanted to spend more time?
Panel discussions and Q & A. (3 participants)
Possibly enabling vehicles for PE Investments
Understanding the blend of vintages existing in Africa for potential FOF.
Country experiences of pension investment in PE.
Case studies
Operations of GPs and the selection of both FOF and GPs.
Deal flow.
Valuation.
Value creation mechanisms of the GP
Legal. For structuring of deals.
Structure of the funds.
DD process.
PE - how it is set up.
Valuation of a PE company.
Risk mitigation.
Value creation.
Practical exercises.
Program should have taken two days.
Performance / Distribution
Comfortable with allocation.

Annex

Annex 1: Program Outline

Private Equity as an Asset Class

Program Outline

8:00 – 8:30 AM	Arrival and Registration
8:30 – 8:40 AM	Welcome and Opening Remarks by Chair, Fund Managers Association
8:40 – 9:15 AM	**The African Opportunity** The Case for Africa and how Private Equity can respond
9:15 – 10:30 AM	**Introduction to Private Equity** - The PE life cycle; How PE firms work ; Key participants in PE; - Different types of funds; - PE terminology; - Private Equity Principles – as per ILPA.
10:30 – 10:50 AM	***Refreshment Break***
10:50 – 12:45 PM	**PE Returns – the Basics, How Value is Created** - Performance from an investor perspective, performance measurement standards. - Performance experience in the region; Performance experience in emerging markets and key issues. - The PE Value Principles - ***Case Study****:* Deacons Kenya Limited Peter Njoka, AUREOS and Wahome Muchiri, DEACONS
12:45 – 1:45 PM	***Lunch***
2:00 – 3:45PM	**PE within an Investment Program** - Planning a PE Investment Program; - Fund Documentation; - PE Fund of Funds strategy; FOF Term Sheet
3:45 – 4:00PM	***Refreshment Break***
4:00 – 5:00PM	**Panel Discussion and Q&A** The purpose of the panel discussion and Q&A session is to shed further light on a range of issues related to investing in PE. ***Panelists***: Davinder Sikand AUREOS, Nzomo Mutuku RBA, Suzanne Muthaura MMAN Advocates, Imtiaz Khan CASSIA CAPITAL, Richard Harney COULSON HARNEY, Kristoffer Beer Urheim, NORFUND.
5:00 PM	**Closing** followed by a **Cocktail Reception**

Annex 2: Participant List

	Name	Company	Designation
1	Fred Mburu	Apollo Asset Management Company	Chief Executive Officer
2	Bonice Misoka	British American Asset Management	Investment Associate
3	Andrew Kasaine	British American Asset Management	Portfolio Manager
4	Christian Mwirigi	Co-op Trust Investments	Investments
5	Reuben Koech	Co-op Trust Investments	Senior Portfolio Manager
6	Titus Kiranja	Co-op Trust Investments	Head Merchants' Investment Banking
7	Wangui Maranga	Genesis Kenya Investment Management Ltd	Investment Manager
8	Florence Kinyua	Genesis Kenya Investment Management Ltd	Replacement
9	Elizabeth Mkuku	Genesis Kenya Investment Management Ltd	Fund Manager
10	Steven Biko	Genesis Kenya Investment Management Ltd	Investment Manger
11	Einstein Kihanda	ICEA Lion	Chief Investment Officer
12	George Kamau	ICEA Lion	Portfolio Manger
13	Susan Mbatia	ICEA Lion	Senior Portfolio Manager
14	Alice Wambugu	Old Mutual Asset Management	Portfolio Manager
15	Carolyne Kiragu	Old Mutual Asset Management	Investment Analyst
16	James Mose	Old Mutual Asset Management	Portfolio Manager
17	Karumba Kinyua	Old Mutual Asset Management	Risk
18	Nicholas Ithondeka	Old Mutual Asset Management	Portfolio Manager
19	Peter Anderson	Old Mutual Asset Management	Chief Investment Officer
20	Richard Muriithi	Old Mutual Asset Management	Chief Investment Officer
21	Dan Gathogo	Pine Bridge Investments	Investment Analyst
22	David Achungo	Pine Bridge Investments	Investment Manager
23	Joel Warutere	Pine Bridge Investments	Portfolio Manager
24	Jonathan Stichbury	Pine Bridge Investments	Managing Director & Chief Executive
25	Nicholas Malaki	Pine Bridge Investments	Senior Investment Manager
26	Patricia Kiwanuka	Pine Bridge Investments	Business Development
27	Peter Wachira	Pine Bridge Investments	Senior Investment Manager
28	Ephraim Munene	Sanlam Investment Management	Investment Analyst
29	Eric Kibe	Sanlam Investment Management	Chief Executive Officer
30	Abdi Khalid	Sanlam Investment Management	Investment Analyst
31	James Muratha	Sanlam Investment Management	Regional Director
32	John Kihara	Sanlam Investment Management	Assistant Investment Manager
33	John Ndegwa	Sanlam Investment Management	Research Analyst
34	Kenneth Kaniu	Sanlam Investment Management	Senior Investment Manager
35	Steven Maleche	Sanlam Investment Management	Assistant Investment Manager

Annex 3: Panelists' & Presenters' Profiles

1. Davinder Sikand

Davinder is the Regional Managing Partner- Africa of Aureos Capital. He has been with the company since 1996. His role is to oversee all investments within the Aureos East Africa and broader Africa Funds. He is responsible for ensuring that the investments undertaken by Aureos meet the company's criteria and that there is value addition in all investments. Davinder is also involved in fundraising for Aureos by looking for potential investors in our funds. He represents the Funds on the Board of investee companies and he is also a Board member of Aureos Capital Ltd.

He has 24 years' experience in private equity and investment banking gained in the United States, Europe and East Africa, having worked at various leading firms including Drexel Burnham Lambert, Financial Security Assurance and PricewaterhouseCoopers.

Davinder holds an MBA from Kellogg School of Business, North Western University, USA.

2. Nzomo Mutuku

Nzomo Mutuku is the Manager, Research & Development at the Retirement Benefits Authority in Kenya. He has worked at the company since 2000 having previously worked in the Research Department of the Central Bank of Kenya. Nzomo is responsible for development of research based policy prescriptions for the retirement benefits industry in Kenya and for Authority's strategic planning and quality management system which is certified ISO 9001:2008.

He has undertaken training in pensions and financial markets including at Harvard University and the Wharton Business School in the United States and in various countries. He was the founder Chairman of the Technical Committee on Collaboration between Financial Sector Regulators in Kenya. He is a Member, Kenya Financial Services Industry Standards Committee, East African Community High Level Task Force on Monetary Union and the Central Bank of Kenya Market Leaders Forum.

Nzomo has written a number of papers and made several presentations at international forums on issues relating to the retirement benefits industry on topics such as training of trustees, consolidation of financial sector regulation, the impact of the global financial crisis, risk based supervision and pension scheme investment in private equity.

Nzomo holds a Masters of Arts degree in Economics as well as a first class honours Bachelor of Arts (Economics).

3. Suzanne Muthaura

Suzanne Muthaura is an Advocate of the High Court of Kenya (admitted 1999), with wide experience in commercial and corporate law including aircraft leasing and financing, capital markets transactions, corporate finance, project finance, mergers and acquisitions, for both local and international clients. Suzanne is a member of the Law Society of Kenya and the Institute of Certified Public Secretaries.

She holds an LLM in Corporate and Commercial Law from the London School of Economics, an LL.B (Hons) degree from the University of Warwick and a Postgraduate Diploma from the Kenya School of Law.

4. Imtiaz Khan

Imtiaz Khan is a co-founding director of Cassia Capital Partners, based in Nairobi, Kenya. He is also an independent non-executive director on the board of Centum Investment Company Limited, the largest listed investment company in East and Central Africa.

Prior to founding Cassia Capital Partners, Imtiaz worked with the International Finance Corporation for 9 years focusing on financial markets investments in emerging markets across the world, including Russia, India and China, three of the four BRIC countries. Imtiaz started his professional career with PricewaterhouseCoopers as an auditor in Nairobi, Kenya and went on to join PwC's corporate finance practice in London, UK.

He is a qualified accountant and holds an MBA with distinction from London Business School, as well as a BCom (hons) from the University of Nairobi.

5. Kristoffer Beer Urheim

Kristoffer is based in Norfund's Nairobi office. He has 6 years of experience in the financial services, mergers & acquisitions industries including 2 years of private equity management experience as a representative of Norfund on several boards and advisory committees for African and Latin American private equity funds.

He holds MSc Industrial Relations from London School of Economics & Politics (LSE) and an MSc Economics & Business Administration from the Norwegian School of Economics & Business Administration.

6. Richard Harney

Richard Harney is an experienced lawyer who qualified in the UK (1985) and worked as an English Solicitor at **Clifford Chance LLP** and **Baker & McKenzie LLP** for seven years. He then spent 14 years in Kenya with **Kaplan & Stratton**, one of Kenya's leading firms. He is a member of the **International Bar Association**, **Law Society of England & Wales** and the **Law Society of Kenya.**

His practice areas include company and commercial law, privatization, banking, finance, capital markets, acquisitions, public offerings, take-overs, joint ventures, investments, corporate restructuring and general commercial contracts.

Richard Harney has numerous citations as one of the leading lawyers in Kenya from Chambers Global Guide to the Worlds' Leading Lawyers (equal first place in 2009 & 2010), Legal 500 and IFLR.

7. Peter Njoka

Peter is a Partner at Aureos Kenya Managers Ltd. (AKML). He has 14 years' private equity and corporate finance experience in East Africa. Since joining AKML in 1999, he has been responsible for recommending investments, monitoring and working on exits for a number of companies, across various sectors, in which Aureos Africa Fund (AAF), Aureos East Africa Fund (AEAF) and ACACIA Fund have participated. He is a board member on a number of the Fund's investee companies. Peter is also a director of Seven Seas Technologies Ltd, Proctor & Allan (EA) Ltd and Micro Africa Ltd and some other private companies.

Prior to joining AKML, Peter was responsible for preparing corporate and industry research reports, as well as valuation and forecast models at Corporate Capital Advisors in Nairobi.

He holds a B.Sc. in Mathematics and Physics from the University of Nairobi.

8. Wahome Muchiri

Muchiri is the Chief Executive Officer of Deacons Kenya Limited. He has over 20 years of retail experience. Prior to this, he served in various capacities as Operations Manager and Operations Supervisor in Deacons. He is a Non-Executive Director of Scan group, a listed company and the leading marketing and advertising agency in the region. He is also Chairman of the Board of Governors of Moi Equator Girls Secondary School, Distributive and Allied Workers Association and a board member of Federation of Kenya Employers and member of the Archdiocese of Nyeri Education Advisory Board.

In 2005 he was awarded the Head of State commendation medal for implementing performance contracts with public bodies on behalf of the Government of Kenya.

Muchiri is a holder of a Bachelor of Arts (Economics) degree from the University of Nairobi and obtained an Advanced Diploma in Management from the Strathmore Business School in 2006.In 2009 he qualified as a Fellow of the Aspen Leadership Forum.

Annex 4: Team Profile

Ruth Njeremani

Ruth Njeremani is the Client Fulfillment Leader at Frontfin Training.

During the Private Equity for Pension Fund Trustees workshop, she was the liaison between JM Mantle and Serena hotel and also sourced for ideal training venues. In addition, Ruth played a supportive role in participant registration and course material preparation.

Ruth holds a Master of Arts Degree in International Studies from the University of Nairobi and Bachelor of Education Degree in French and Secretarial Studies from Kenyatta University.

Mary Mshai

Mary is currently an Executive Assistant at JM Mantle & Co. Limited. Her role involves providing strategic and administrative support, research and business development as well as managing the CEO's diary.

During the preparation of the Private Equity for Pension Fund Trustees Workshop, she was the liaison between JM Mantle and the Panelists. She was also involved in venue sourcing, registration process preparation, course material preparation as well as the preparation of the workshop report.

Mary holds a BA degree in Sociology with Information Technology from Maseno University, Kenya.

Eric Wanyama

Eric is a Senior Analyst at JM Mantle & Co. Ltd. His primary role is to provide analytical support on various client engagements. This includes conducting research, performing financial analysis and writing reports.

He supported the preparation of training materials in the just concluded Private Equity for Pension Fund Trustees workshop.

Eric is currently a candidate in the CFA (Chartered Financial Analyst) program. He also holds a BCom degree in Finance and Business Information Systems from the Curtin University of Technology, Malaysia.

Janet Kwamboka

Janet Kwamboka is the Chief Marketing Officer at Frontfin training. She is charged with the responsibility of ensuring all marketing; communication and design initiatives support the brand promise, brand vision and achieve overall business goals for the Frontfin brand.

During the Private Equity for Pension Fund Trustees workshop, she was in charge of the branding which included the design and preparation of the name tags and file inserts.

Janet holds a Bachelor's degree in Communication and Sociology from the University of Nairobi and a certificate of French from Alliance Française.

Annex 5: Evaluation Form

Private Equity as an Asset Class

Fund Managers Association
Serena Hotel, Nairobi
27th February 2012

EVALUATION FORM

We would like to get feedback from you as to how we can improve this training workshop. Kindly complete this form and drop it off at the registration desk before you leave.

FULL NAME (optional)		**TELEPHONE**	
ORGANISATION		**EMAIL**	

HOW WOULD YOU RATE THE TRAINING?

Rate on a scale of 1-5 with 1= Very poor 5= Excellent

	Mark/5	Comments
Main Sessions		
Panel discussion and Q&A		
Materials & Handouts		
Facilitators		

WHAT OTHER AREAS WOULD YOU LIKE TO BE INCLUDED IN THE TRAINING?

Comment

DO YOU THINK YOU WILL NOW CONSIDER A PE ALLOCATION?

Comment

WHAT AREA/SESSION WOULD YOU HAVE WANTED TO SPEND

I: **More Time:**	II: **Less Time:**