



A microloan institution for combating poverty in rural Kenya

Phase I: Yehu Microfinance



Combating poverty in rural Kenya

BYU CENTER for ECONOMIC
Self·Reliance

ESR Conference 06

Provo, Utah

March 9-10, 2006



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Yehu Quick Facts

- established 1999
- Over 7000 members (clients of bank) in 100 villages
- over 94% historical repayment rate
- 11,000 loans given to date
- over \$250,000 USD saved by poor members, \$.30 at a time!
- over \$500,000 USD loaned to date
- 40 full time employees of the bank, all Kenyans
- 92% retention rate of bank members
- 2005 operating budget \$150,000

6/25/2008



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Mission Statement



The mission of Yehu is to **combat poverty** by **empowering the very poor** women of rural Kenya to help themselves by giving them **access to very small loans**, which can be used to start or expand their small businesses, along with other needed financial services and business training



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weekly centre meetings



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Phase II:



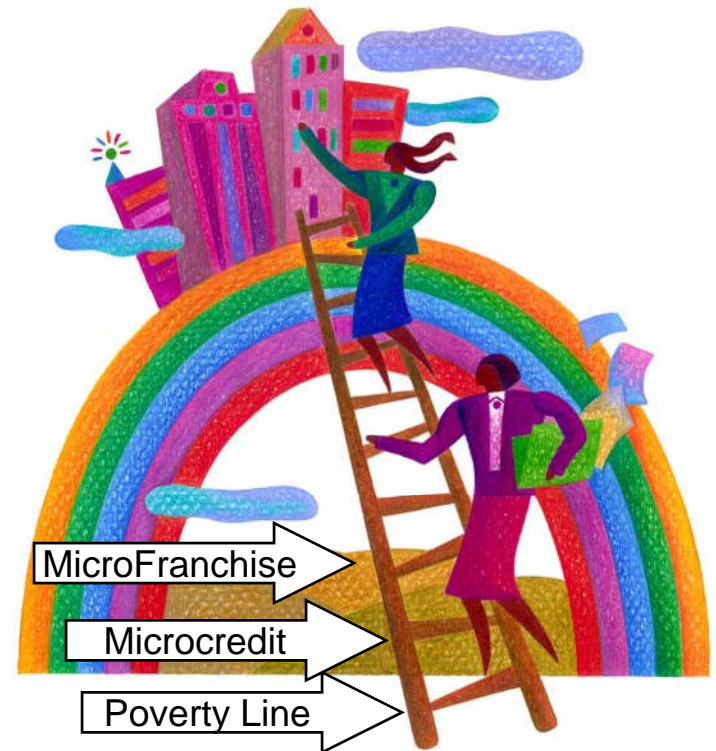
Yehu MicroFranchising



The Problem

- Typical Microenterprises in Microcredit limit one's ability to climb up the ladder
- Lack of business skills
- Lack of support networks
- Lack of exposure to new opportunities leads to copycat businesses, high competition

Economic Ladder





Our Solution: MicroFranchising





Why MicroFranchising?

- Creates a complete operating system that is easy to follow, simple to manage
- Creates a support and training system with infrastructure that increases chance of success
- Scalable
- Offers opportunity for entrepreneurs to own a larger enterprise and creates jobs for those more inclined to be employees



Coconut Oil Press

- 95% of the World's coconut palms are in the hands of smallholder farmers and in family gardens
- It is relatively difficult for such farmers to enter “cash crop” markets by themselves
- Coconut oil has many uses including healthy cooking oil, soap, body oil, and biofuel and has traditional healing properties
- Our method produces virgin, organic oil with a manual press within one hour of opening the nut





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- Project begun July 2005
- Facility officially dedicated on Jan. 22, 2006
- Currently employs 10
- Producing 60 litres/day in 2 shifts
- Potential to generate \$600 in revenue/day



COASTCOCONUT
F A R M S





COASTCOCONUT : Direct Micro-Expelling System

F A R M S

A totally new way to extract coconut oil

- **Direct** — quick (oil produced within 1 hour of opening the nut) and efficient (OEE 85%)
- **Micro** — small scale (family farm size)
- **Expelling** — extraction of virgin oil and meal
- The DME Process concentrates on small, manageable, daily batches
- The DME process depends upon simple, easily learned skills, rather than sophisticated equipment
- Families really enjoy working together on DME Oil production





COASTCOCONUT
F A R M S

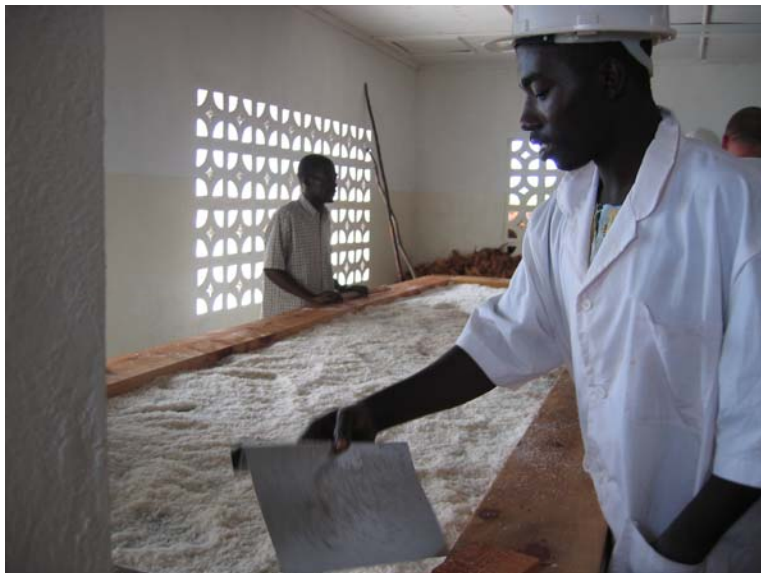
- Step 1: Grate the fresh coconut meat
 - By hand or with electric grater





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- Step 2: Dry the shredded coconut meat
 - Solar dry or with low-heat oven





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- Step 3: Hand-press dried coconut meat to extract pure coconut oil





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COASTCOCONUT : MicroFranchise System F A R M S

- Our first plant will act as the model facility and master franchisor
- We will provide economies of scale to franchisees
 - Operational training and MicroFranchise set-up
 - Lease-to-own financing
 - Quality control
 - Sourcing help
 - Site selection help
 - Marketing services
 - Coast Coconut Farms will purchase all oil that meets our standard for a set price
 - Each MicroFranchise will cost from \$7 to \$10,000 to set up and operate
 - Payback in six months



- Potential Markets

- Cooking Oil

- Stir-fry, butter or shortening replacement in baked goods, popcorn fryers, cookies, cakes, breads etc.

- Skin Care Products

- Soap, lotions, massage oil, shampoos etc.

- Tourist markets in Kenya

- Food Storage Oil

- Anti-Retro Viral Immune support (Africa)

- Nutritional Supplement

- Weight loss, thyroid support, cholesterol, anti-wrinkle, digestion, skin care, virus, chronic fatigue, etc.



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Thank you!!

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