

News

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MOODY'S ANALYTICS GIVES KENYAN MICROFINANCE LENDER JUHUDI KILIMO AN SP3 SOCIAL PERFORMANCE ASSESSMENT

NEW YORK, September 12, 2013 – Juhudi Kilimo has received a Social Performance Assessment (SPA) grade of SP3, according to an assessment done by Moody's Analytics.

Moody's Analytics assigned Juhudi an SPA grade of SP3 following on-site due diligence of the organization's operations and interviews with customers and staff. The grade signifies that Juhudi's infrastructure and processes are consistent with a good likelihood of operating in the best interests of its customers, and that this is among its high priorities.

"Juhudi has made significant progress in the delivery of its social goals and objectives," says Jody Rasch, Senior Vice President, Social Performance Group at Moody's Analytics. "It has begun to implement the systems and infrastructure that will be needed to monitor and enhance its social performance into the future."

Established in 2009, Juhudi Kilimo, a subsidiary of the K-Rep Group, offers microfinance loans, insurance products and training services to smallholder farmers and rural enterprises in Kenya.

In addition to its facilitation of self-help groups, Juhudi provides pre-loan training to help ensure the success of its customers' businesses, Rasch says. Such training includes financial literacy, enterprise skills, leadership skills and group management, as well as orientation to the Kenyan agricultural sector.

According to Juhudi, its loans are provided for the purchase of productive assets such as dairy cows, farming implements and irrigation equipment, while technical assistance is provided to increase productivity. In addition, livestock and agri-insurance products linked to loans reduce borrower risk, and are cheaper than those that can be obtained on the open market.

Juhudi is an unregulated, private company established in 2009. It currently has eight branches in eastern, western and central Kenya. According to Juhudi, as of June 2013, it had a borrower base of 12,241 and a loan portfolio of approximately US\$5 million, with an average loan size of US\$405. It reports that, in line with its mission, 100% of its customers live in rural areas, while close to half are women.

Moody's Analytics SPA report on Juhudi is based on Moody's Analytics' previously published Social Performance Methodology . SPAs measure social performance on a five-point scale, in which SP1 is the highest grade and SP5, the lowest. The [Juhudi Assessment](#) and [Moody's Analytics Social Performance Methodology](#) are available on the [Moody's Analytics Social Performance Assessment](#) site.

About Moody Analytics' Social Performance Assessments

Moody Analytics' SPA is an independent analysis of the operations of a microfinance institution that helps stakeholders better understand how effective it is at translating its social mission into practice. Moody's Analytics SPA has been recognized by the Clinton Global Initiative for contributing to the development of the microfinance industry through the creation of a comprehensive, global standard to measure social performance. Further information is available at www.moodyanalytics.com/microfinance.

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