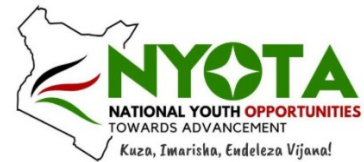




MINISTRY OF CO-OPERATIVES AND MICRO,
SMALL AND MEDIUM ENTERPRISES (MSMEs)
DEVELOPMENT
State Department for Micro, Small and Medium
Enterprises (MSMEs) Development

REPUBLIC OF KENYA



PRESS RELEASE

Tuesday June 2, 2026

NYOTA PROJECT: BUSINESS SUPPORT UPDATE

1. The Government of Kenya through the partnership with the World Bank, rolled out the National youth Opportunities Towards Advancement (NYOTA) Project, a job creation pipeline targeting to empower the most marginalized and vulnerable youth from across the country through skilling, recognition of prior learning, on job experience placement, apprenticeship, business training, mentorship, business start-up grants, promotion of a saving culture, and market linkages through Access to Government Procurement Opportunities (AGPO) training. The projects also aim to benefit the youth in the gazetted refugee camps of Kakuma and Dadaab, as well as their host communities.
2. The NYOTA project is implemented through a multi-agency approach including the Ministry of Youth and Sports, the Ministry of Cooperatives and MSMEs Development and the Ministry of Labour and Social Protection through their various agencies: NITA, MSEA, NEA and NSSF.
3. The 5-year project rolled out its implementation in March 2025, through the Business Support Component intake that saw about 2 million applicants, demonstrating a high entrepreneurial intent among the Kenyan youth.
4. Though the Business Support Component was initially designed to be implemented through a phased-out approach of three lots, the overwhelming response from the youth during application, occasioned the review of the design following the intervention of H.E the President of Republic of Kenya Dr. William Ruto and the leadership of the World

Bank Kenya, the component was now rolled out as a one-off intake across the country to avoid pending the prospective youth beneficiaries for long and create room for potential scale up in the next financial year.

5. To date a total of **122, 147** youth drawn across all the 1450 wards in Kenya are benefiting from the project, having been successfully selected, following the Entrepreneurial Aptitude Test (EAT), taken through Business Development support that includes class room training on business skills, mentorship and most of them have already accessed the **first business start-up grant of Kshs 25,000** (With Kshs. 3,000 retained as savings under the NSSF Haba Haba Scheme).
6. The outcome of the first mentorship nationwide handholding sessions and the second Business Development Support classroom training showed that over 99% of beneficiaries of the startup grants had already established their businesses, demonstrating an impressive entrepreneurial spirit among the Kenyan youth and the level of readiness that has been achieved through the classroom training and dedicated mentorship programme.
7. The NYOTA project also engaged 46 business development firms across the country, engaging over 3,600 trainers and over 5,500 mentors, mostly graduate-level youth, to train and support the youth entrepreneurs to launch and grow their businesses. With the successful completion of the second BDS training in April, the beneficiaries are now due for the second tranche of start-up capital disbursement and the second mentorship session.
8. The government acknowledges the increasing inquiries and the concerns from the beneficiaries on the disbursement of the second tranche and regrets the delay, which inadvertently is caused by the compression of the project and concentration of the attendant budgetary requirements in one fiscal year, necessitating budgetary enhancements.

9. We are grateful to the National Treasury for actively working to resolve the fiscal space constraints and the flexibility to accommodate the budgetary adjustments to enable effective implementation of the project in keeping with the timelines of finalising this first phase by the end of the current financial year.
10. To this extent, we wish to announce that the disbursement for the second tranche of business support start-up capital will happen by 30th June 2026, and all the beneficiaries will receive the grants at the same time, unlike the first tranche disbursement which was phased out in clusters.
11. We wish to thank the beneficiaries for their patience and understanding as we finalize the processes involved in accommodating the budgetary adjustments.
12. We also wish to urge the beneficiaries and members of the public to remain vigilant against misinformation and to rely only on the official communication channels for authentic updates and announcements.

END

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