

Hope amidst despair. The pandemic has disrupted the economy and led to huge losses

How loans bailed us out at 11th hour

► Several companies that were at the brick of collapse after the pandemic struck got a new lease of life with Equity Bank loans that were processed in record time.

By Peter Theuri
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Salome Chiira's tone is a riddle; one moment it is rippling with hope, the next it has plummeted into lows of pain and regret, and you cannot tell exactly where one feeling ends and cues in the other.

"I sat and cried. I was stressed. People were dying of Covid-19, and here I was down with ulcers. I had given up," she says.

The founder and Chief Executive Officer of Radiant Hospital, which has five branches, Ms Chiira was dangling keys in her hands, ready to unhang padlocks from wherever and secure the hospitals' doors for good.

Chiira was already spending over five times what the hospital was making, at a time when insurance companies were taking forever to process claims. She was ready to go home.

"Insurance companies were not processing claims. And as such, we were running on empty. We were unable to pay our suppliers. How could suppliers release drugs and other materials without us honouring payment? They were not even able to extend credit facilities anymore," she says.

"Equity Bank gave us a facility of Sh60 million. We sorted our list of suppliers, some of which we negotiated for

subsidised payment with, and the bank directly paid them up to Sh30 million. This was paid within a week. The other Sh30 million was used to enhance the overdraft facility and to pay our staff, alongside dealing with other overheads."

Given a new lease of life, Radiant Hospital put on hold plans to close shop.

"I would have gone back home, in Karatina. I had discussed with the board and the closure was within sight," she says.

The corporate clientele in the hospital is in excess of 90 per cent. Not even NHIF was processing claims at the time, which crippled the operations of the hospital.

But with the bank loan came renewed hope.

At the height of the pandemic, staff suggested, and unanimously accepted, a 40 per cent pay-cut. This kept operations running. It was tough and she is thankful they did; a Radiant clinic in Kasarani remained closed at night for over a month as there were no patients checking in.

And at some point, Chiira herself contracted Covid-19. It could never get worse. But it just had.

Amos Gitau shares a similar story, of hope amidst despair.

Last week, he was among happy school owners who revelled in an excellent Kenya Certificate of Primary Education exam performance. His school, The Young Achievers School, had eight pupils scoring above 400 marks. They have a mean score of 379.



Founder and Chief Executive Officer of Radiant Hospital Salome Chiira. [Peter Theuri, Standard]

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**Radiant Hospital CEO
Salome Chiira**

In 2019, there was only one candidate with over 400 marks. The mean score then was 350. In 2020, the 52 pupils who sat the exam showed such a resilience and improved the scores and left Gitau a happy man.

He was not that happy throughout last year.

"I was contemplating closing the school. I thought we were even going to get auctioned. But a loan facility came to our rescue instead," says Gitau.

Equity Bank and the school have enjoyed a 10-year partnership. The bank restructured the school's loans, and gave them a Sh4 million facility that helped sustain teachers.

"We wanted the teachers to keep mentoring our pupils and as such they had to be facilitated. They kept teaching online," he beams.

The school also built additional classrooms to enable maintenance of social distancing once physical learning resumed. Before Equity Bank came to the rescue, Gitau felt the need to get the teachers data bundles and airtime. But he was not financially stable.

He says it took only a week to complete the loan restructuring.

In Thika, Alfred Muchoki runs Farmers Fresh Limited. The company is an animal feeds' manufacturer that majors in dairy and chicken feeds.

He has been in partnership with Equity Bank for nine years.

"The bank has helped me even buy land on which we built," he said.

And when Covid-19 struck and cash-flows were affected, the bank helped him restructure loans. He was given a six-month break, which he says helped him cushion the business.

Now he has resumed repayment of the loans.

He has had a unique business model for the last eight years: many farmers who rear chicken do not have market for the eggs, and Muchoki's company has been buying eggs from such customers. It is a symbiotic relationship, such excellent barter trade, where such farmers pay for feed using eggs.

"We help farmers sell their eggs. We offer assured markets. We have created a good relationship with eggs' traders," he says.

Ninety per cent of these eggs are sold locally, mostly to bakeries, according to the entrepreneur, who is an animal nutritionist and was employed in the feed industry for years.

IMMUNISATION

Second dose of coronavirus vaccine to be delayed as shortage bites

The Ministry of Health has revised the duration between the administration of the first and the second dose of AstraZeneca vaccine from the current eight weeks to 12 weeks.

Health CAS Mercy Mwangangi yesterday announced that the shift was occasioned by an advisory from the World Health Organisation (WHO) on effectiveness of spreading out the vaccination of the two doses, and delays in shipment of the vaccine.

"Guidance from WHO and the current evidence shows that taking the second dose at twelve weeks provides a higher immune response and better protection. With this evidence and considering the ongoing

global supply constraints, this shift is justified," she said.

Dr Mwangangi noted that the government anticipates to get a delivery of more 2.5 million doses next month out of a plan for over 3.5 million doses.

That means the first recipients of the second dose are expected to receive it during the first week of June, should there be no further delays.

"We have noted that there are concerns from Kenyans who have already received their first dose and they're worried if they'll receive their second dose as scheduled.

"Similar concerns have also also risen in other countries due to

delays in shipment of AstraZeneca vaccine."

Kenya received a consignment of 1,20,000 AstraZeneca vaccine from Covax with more than 800,000 doses being administered in the country.

"The Covax facilities current forecast is that additional doses will be available in May and this is pending further confirmation from India,"

she added.

With the current supply crisis in India, which is the major manufacturer supplying Covax, Mwangangi said the ministry will consider administration of multiple vaccines.

"There are vaccination protocols and they don't include mixing the different brands. Even as we plan to bring in Pfizer, Johnson and Johnson or any other vaccine, it does not mean that you're allowed to mix them."

However, the CAS noted that there is no specific dates given to receive the vaccines from Covax facilities.

The CAS said that the number of people who have received the vaccine stood at 822,651 by Friday.

822,651

Number of people in Kenya who have had the AstraZeneca jab by Friday.

The numbers comprises the targeted groups including healthcare workers, security personnel, teachers and people aged over 58 years.

Out of the 208,418 targeted healthcare workers, only 152,469 have received the first dose of the jab, representing 73 per cent. The ministry targeted 330, 671 teachers with only 38 per cent reached and 66, 677 vaccine doses administered to security personnel.

In 24 hours ending yesterday, 1153 people tested positive from a sample size of 9,316 with positivity rate standing at 12.4 per cent. Twenty deaths were reported pushing the cumulative number to 2,603. **[Jacin-ta Mutura]**