

## Abstract

Women entrepreneurship plays a critical role in economic development and in enhancing livelihoods within the family of societies in both developed and developing countries. This paper seeks to establish the contribution of women Enterprise Fund (WEF) to sustainable rural livelihoods of Elgeyo Marakwet East Sub-County. The study was guided by two research questions which include; what challenges are faced in allocation of Women enterprise fund in Elgeyo Marakwet East Sub County? What strategies can be used to ensure effective and efficient allocation of funds in Elgeyo Marakwet East Sub County? The study employed a cross sectional survey research design. It adopted simple random sampling with a target population of 360 beneficiaries of WEF projects. The study was guided by Sustainable Rural Livelihood Framework. Test-Retest technique was used to determine reliability of the instruments results. The data was collected through questionnaire method and analyzed using descriptive statistics. The study established that there was the main challenges faced in allocation of WEF is Lack of security or collateral, lengthy procedure of loan application and processing, high competition from the commercial banks, inadequate funds and fund diversion. The man strategies for effective utilization of Women Enterprise Fund are the reduction of loan disbursement grace period from 3 months to 1 month, good management of the funds by the leaders, reduction of administration fees, training programmes for the stakeholders and increase of loanable fund. The study concluded that inadequate funds; delayed in loan disbursement; lengthy procedure of loan application and processing inadequate funds; high administration cost; lack of security/ collateral; poor infrastructure were the main challenges faced in allocation of funds. The study recommended that women enterprise fund should be increased; capacity building of women entrepreneurs enhanced, policies which will reduce the mismanagement of funds developed and improve dissemination of information.