



REMARKS BY KENYA BANKERS ASSOCIATION CHAIRMAN MR. JOSHUA OIGARA DURING THE LAUNCH OF THE ASSOCIATIONS' 2019-2023 STRATEGIC PLAN HELD AT SAROVA STANLEY HOTEL ON 21ST AUGUST, 2019.

- **Hon. Gideon Ochanda Ogolla, Member of Parliament, Bondo Constituency and Chair of the Parliamentary Caucus on SDGs and Business**
- **Mrs. Anne Mutahi, SME Advisor to the Office of the President and Outgoing Chair of the Board of Standard Chartered Bank**
- **Mr. Muchai Kuniya, Vice Chair of the Kenya Association of Manufacturers**
- **KBA Governing Council Members Present**
- **KBA Member Banks CEOs and representatives**
- **Dr. Habil Olaka – KBA Chief Executive Officer**
- **Distinguished Guests**
- **KBA Secretariat Staff**
- **Members of the Media**
- **Ladies and Gentlemen**

Good morning!

I would like to take this opportunity to welcome you all to the launch of the Kenya Bankers Association Strategic Plan for the period 2019 to 2023. We are really honoured by your presence.

The Strategic Plan we are launching today embodies the industry's priorities over the next five years. In the period, we aspire to continue advocating for vibrant and responsive policy and regulatory frameworks aimed at promoting sector sustainability. The Association will also seek to enhance members' satisfaction, with a particular focus on building capacity. Importantly, the industry will leverage on technology and innovations as a key driver of efficiency in the banking sector.

Ultimately, our efforts are aimed at increasing financial inclusion across the country by improving access to financial services. The Strategic Plan calls our attention to financial inclusion not only from an access to finance perspective but also from a diversity perspective, which is why KBA will be making efforts to promote access to finance for women, youth and persons with disabilities.

These will be achieved by facilitating a reduced cost of doing business in the sector through adoption of more efficient operational and service models. Cultivating improved relationships with sector regulators and improving customer satisfaction are also at the top of the industry's agenda.

Ladies and Gentlemen,

In coming up with this Plan, we are cognizant of the fact that we operate in a dynamic environment that calls for constant innovation and tapping into the opportunities offered by technology. We recognise that the financial services sector is growing, creating new frontiers.

As a result, banks are facing increased competition internally across banks and externally from new entrants such as non-bank FinTechs. I am happy to note that the industry has continued to embrace technology, mitigating disruptions by creating new avenues of operational efficiency and better service delivery. Through this resilient vigour, the industry came up with PesaLink, a novel and innovative bank-account to bank-account transfer platform run by the industry. Through PesaLink, bank customers have been able to move more than Sh. 180 billion in less than two years, which is a testament of the value the industry can create when we put our customers first.

Similarly, banks are leading the way in creating Chatbots, among other solutions, offering convenience to customers. Technology is also being used widely in assessment of customers' profiles promoting access to credit. There is no doubt that the financial services sector will continue to experience a revolution. Our Strategic Plan envisions these new realities and seeks to prepare the industry for further transformation.

To support industry growth, KBA continues to forge partnerships in both the public and private sectors. These include KBA's partnership with the Central Bank of Kenya in operating the currency centres outside of Nairobi, and we look forward to opening the Kisii centre in a few months. Additionally, KBA has been instrumental in supporting the CBK in the country's transition to the new currency and we are pleased with how the implementation is picking up pace.

We are also very pleased with our research activities, which are now recognised internationally. I believe KBA is the leading publisher of banking sector research in East Africa. Our most recent research publication was the Banking Industry Shared Value report, which uncovered that banks have donated in excess of Ksh 6 billion through corporate social responsibility between 2016 and 2018. This is a commendable feat that the industry has undertaken in support of our communities across the country.

The industry CSR focus areas have been education, health and the environment - three critical areas that ensure the welfare of Kenyans, especially our brothers and sisters in communities who need it most. The report outlines many other ways that banks create value for the economy, the society and our environment.

On the other hand, the Sustainable Finance Initiative has trained more than 28 thousand employees on how to practice finance that creates economic, social and environmental value. The SFI program is also recognised across the continent and has inspired other countries, such as Ghana and Mongolia, to take up similar initiatives.

A recent milestone for the SFI program was realised last week when the Capital Markets Authority approved Kenya's first green bond that will be issued by Acorn. Through the Green Bonds Program that was initiated by KBA with support from Nairobi Securities Exchange, Climate Bonds Initiative, FSD-Africa, FMO and IFC, Kenya will see many more green assets coming to market.

Ladies and Gentlemen,

For all these efforts to enhance the banking industry, last year KBA was recognised as being the leading banking industry association in Africa by the Association of Association Executives.

I do not believe we would have been able to realise our aspirations without support of our stakeholders. We appreciate the support we continue to receive from our partners. KBA was registered as an industry Association on 16th July 1962 to mainly cater for the interests of the member banks in negotiating terms and conditions of service of its unionisable employees. However, KBA's role has evolved and changed over time to include promoting industry development and economic growth by engaging the government and sector regulators, including Central Bank, Capital Markets Authority, Retirement Benefits Authority and Unclaimed Financial Assets Authority.

Today, we are happy that KBA has emerged as the primary voice of the financial services sector and a key facilitator of banking industry growth. We believe the Strategic Plan we are launching today will ensure the Association continues to be relevant particularly to our member banks, and most importantly, our bank customers.

As we usher in the industry's new Strategic Plan, I call upon our members and stakeholders to continue working together to create a more robust and responsive banking industry.

In conclusion,

I would like to assure the industry and the banking public that we will continue to put frameworks in place to ensure the industry makes an optimum contribution to the economy. We believe that banks are an important cog of sustainable growth and will continue to implement strategies that serve the wider good of communities and the country in general.

Finally,

Many people see KBA as just the voice of the banks; as a lobby organisation. I hope I have shared with you today the many other ways KBA creates value for the banking industry and also the banking public. KBA is therefore an organisation that has a dual mandate. Yes, we stand for banks; but we also stand for the banking public.

Thank You.

[Take your seat...the MC will give directions when to come back on stage for the launch]