



PRESS RELEASE

CBK LICENSES THE ELEVENTH MICROFINANCE BANK – CHOICE MICROFINANCE BANK LIMITED

The Central Bank of Kenya (CBK) has granted a licence to Choice Microfinance Bank Limited (hereafter referred to as Choice MFB) to carry out community microfinance banking business. The licence has been issued pursuant to Section 6 (1) of the Microfinance Act, 2006 and Regulation 5 (3) of the Microfinance Regulations, 2008. Choice MFB becomes the eleventh microfinance bank (MFB) to be licensed following the licensing of seven nationwide MFBs (Faulu Kenya MFB, Kenya Women MFB, SMEP MFB, REMU MFB, Rafiki MFB, Century MFB and SUMAC MFB) and three community-based MFBs (Uwezo MFB, U&I MFB and Daraja MFB).

Choice MFB is wholly-owned Kenyan company limited by shares. The microfinance bank prides itself as one of the first diaspora driven initiatives in the financial services sector in Kenya. Choice MFB intends to operate in Kajiado North Constituency, Kajiado County. Choice MFB's target market will be the pastoralist communities, flower farm workers and the micro, small and medium enterprises (MSMEs) resident and operating in Kajiado North Constituency. The microfinance bank shall also target the non-governmental organizations (NGOs) and higher learning institutions within its administrative operational area.

Marginalised communities and institutions, including pastoralist communities and micro, small and medium enterprises (MSMEs) respectively, still represent a large percentage of the unbanked population in Kenya. Improved access to financial services promotes the fundamental freedoms of choice and financial literacy thereby enhancing the decision making process and economic opportunities available to Kenyans. The Central Bank has thus been at the forefront in developing an all-inclusive financial system that reduces the impediments to accessing finance for MSMEs and marginalised communities. Further, the Central Bank has initiated, and will continually support, reforms to develop effective legal, regulatory and supervisory frameworks that support innovations to enhance the development of MSE financing and growth.

The licensing of Choice Microfinance Bank Limited reiterates the Central Bank's commitment to play a catalytic role in the development of an all-inclusive financial system. This is aimed towards the promotion of financial inclusion and economic growth in Kenya, which are key tenets of Kenya's economic development blueprint, Vision 2030.

CENTRAL BANK OF KENYA

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