

CENTRAL BANK OF KENYA



Remarks by

PROF. NJUGUNA NDUNG’U
GOVERNOR
CENTRAL BANK OF KENYA

at the

OFFICIAL OPENING OF DTB CENTRE

DTB Centre, Mombasa Road, Nairobi

January 16, 2014

Prince Rahim Aga Khan;

Princess Salwa Aga Khan;

Mr. Abdul Samji, Chairman, Diamond Trust Bank Kenya Ltd;

Mrs. Nasim Devji, Managing Director, Diamond Trust Bank Kenya Ltd;

Board Members, Management and Staff of Diamond Trust Bank Kenya Ltd;

Distinguished Ladies and Gentlemen:

It is my honour and pleasure to join you this morning to officially open the DTB Centre. Before making my remarks, let me take this opportunity to thank the Directors and the Management of Diamond Trust Bank Kenya Limited for inviting me to this auspicious event.

We are honoured to have the presence of Prince Rahim Aga Khan and Princess Salwa Aga Khan in our country. Let me at the outset warmly welcome them to Kenya and wish them an enjoyable stay in the country.

Ladies and Gentlemen: DTB has operated in East Africa for over 65 years starting off as a small financial institution in Mombasa. The bank has grown its branch network in Kenya

by nearly ten-fold to 47 as we stand. DTB Group has a presence in Tanzania, Uganda and lately Burundi and in total, the branch network has expanded from 11 branches in 2005 to 98 in December 2013. I am also informed that the group intends to explore other frontier economies in Eastern & Southern Africa including Rwanda, Madagascar, Mozambique, DRC and South Sudan. I congratulate the Board and Management for these achievements and the ambitious plans.

Ladies and Gentlemen: The DTB has invested over USD30 million in acquiring the DTB Centre and fitting out its corporate head office and a further USD3 million in building a state-of-the-art Tier-III Data Centre which has resilience and additional capacity built-in for key data center services for its operations in East Africa as well as for the expansion into Sub-Saharan Africa. This investment will therefore enable DTB support Kenya's Vision 2030 aspirations of making Nairobi the regional hub for financial services. The Government and the Central Bank are supportive of these efforts by creating an enabling

environment through policy initiatives, new institutions and provision of requisite infrastructure.

Ladies and Gentlemen: I note with appreciation that Diamond Trust Bank is one of the pioneering Kenyan banks to embrace regionalisation of their operations. The bank's already established regional operations place it on a trajectory of exponential growth given the progress at which the East African Community integration is advancing. The Central Bank of Kenya together with the other EAC Central Banks are at an advanced stage to facilitate efficient operations across the expanded market for banking sector players. A recent case in point is the operationalization of the East African Payment System (EAPS) in Kenya, Uganda and Tanzania. The EAPS will also be extended to Rwanda and Burundi to facilitate trade and investment across the East African Region.

The EAC Central Banks are also at an advanced stage of harmonising their supervisory rules, platforms and practices. This will ensure that regional financial players operate seamlessly without being subjected to unnecessary duplications and compliance costs. As part of this process, the Central Bank of Kenya has spearheaded the establishment of supervisory colleges for Kenyan banks with regional footprints. The colleges provide a framework for CBK as home supervisor and the East African Central Banks as host

supervisors to co-ordinate the supervision of regional banks and also exchange information. So far three colleges including one for Diamond Trust Bank have been established. These initiatives will indeed foster banking sector stability across the region.

Ladies and Gentlemen: With a fully integrated regional financial system, centralization of selected operations to enjoy economies of scale will no longer be a route travelled by a few. With the state-of-the-art Diamond Trust Bank Centre, your bank will be among the pioneers in exploiting the benefits of centralization of operations and the frontier of providing your customers with state of the art financial services. I assure you that the Central Bank of Kenya is open to innovative ideas to enhance efficiency, integrity and access of the formal financial services. That is why Diamond Trust Bank has been able to thrive and to support SME's across the EAC.

Ladies and Gentlemen, with these few remarks, it is now my honor and pleasure to declare the Diamond Trust Bank Centre officially opened.

Thank You and God bless you all

