



PRESS RELEASE

CBK LICENSES THE THIRTEENTH MICROFINANCE BANK – MAISHA MICROFINANCE BANK LIMITED

The Central Bank of Kenya (CBK) has granted a licence to Maisha Microfinance Bank Limited (hereafter referred to as Maisha MFB) to carry out nationwide 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. Maisha MFB becomes the thirteenth microfinance bank (MFB) to be licensed following the licensing of eight nationwide MFBs (Faulu Kenya MFB, Kenya Women MFB, SMEP MFB, REMU MFB, Rafiki MFB, Century MFB, SUMAC MFB and Caritas MFB) and four community-based MFB (Uwezo MFB, U&I MFB, Daraja MFB and Choice MFB).

Maisha MFB is a Kenyan owned company limited by shares and intends to commence operations in Nairobi County with an objective of expanding across the country with time. The MFB has set up its head office and branch at Chester House, Koinange Street within Nairobi Central Business District. Maisha MFB will offer comprehensive Insurance Premium Financing (IPF) products as value-add alongside other Micro Small and Medium Enterprises (MSMEs) financing products. The MFB is looking to provide a one-stop financial services shop for MSMEs.

According to the World Bank Group¹ economic analysis for the country, Kenya's insurance sector was expected to have a growth rate of 6% in 2015. The growth was likely to continue in the next years given the innovations taking place in the economy. In addition, the growing middle class and increased levels of households spending are creating an opportunity for the insurance business. Tapping into this potential and opportunities is the best way of reaching the largely un-insured Kenyan population on board with services to facilitate the access and penetration of the insurance subsector. One of the ways of tapping into these opportunities is having financial institutions providing IPF. This is what Maisha MFB seeks to do and having a microfinance bank offering IPF and especially targeting the unbanked MSMEs will enhance financial inclusion in Kenya as well as insurance access and penetration.

The licensing of Maisha Microfinance Bank Limited will therefore encourage innovation, competition and increased outreach which is in line with CBK's mandate to enhance financial inclusion and promote economic growth in Kenya; the key tenets of Vision 2030.

CENTRAL BANK OF KENYA

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¹ <http://www.worldbank.org/en/country/kenya/overview>