



Central Bank of Kenya

BANK SUPERVISION ANNUAL REPORT 2024



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VISION STATEMENT

The vision of the Central Bank of Kenya is to be a *World Class Modern Central Bank*.

THE BANK'S MISSION

To formulate and implement monetary policy for price stability, foster a stable market-based financial system and ensure a sound national payment system.

THE BANK'S MANDATES

Article 231 of the Constitution of Kenya and Sections 4 and 4A of the Central Bank of Kenya (CBK) Act outlines the key mandate of CBK as to: -

- i. Formulate and implement Monetary Policy directed to achieving and maintaining stability in the general level of prices.
- ii. Foster the liquidity, solvency and proper functioning, market-based financial system.
- iii. Formulate and implement such policies as best to promote the establishment, regulation, and supervision of efficient and effective payment, clearing and settlement systems.
- iv. Design, issue and manage efficient distribution of quality currency (notes and coins) that are easily accepted and secure against counterfeiting.
- v. Support the Government's economic and financial policies including its objectives for growth and employment.

The other mandates of CBK are: -

- vi. Formulating and implementing foreign exchange policy.
- vii. Effective management of the nation's foreign exchange reserves.
- viii. Licensing and supervising authorized dealers, digital credit providers and mortgage refinance companies.
- ix. Act as banker and advisor to, and fiscal agent of the Government.

MISSION OF BANK SUPERVISION DEPARTMENT

To promote and maintain the safety, soundness, and integrity of the banking system through implementation of policies and standards that are in line with international best practices for bank supervision and regulation.

THE BANK'S CORE VALUES

- i) **Commitment:** The Board, Management and staff are committed to implementing the Bank's mandate as stipulated in the Constitution of Kenya and the CBK Act.
- ii) **Professionalism and Relevance:** The Board, Management and staff will always endeavor to offer quality services to its internal and external stakeholders, diligently observing high professional standards at all times and respecting the rules and regulations set by the Bank. All initiatives and activities undertaken remain relevant to the Bank's strategic objectives in pursuit of its core mandate.

-
- iii) **Efficiency and Effectiveness:** The Bank will at all times undertake its operations in the most cost efficient and effective manner while maintaining high standards of performance in execution of its mandate.
- iv) **Transparency, Accountability and Integrity:** The Board, Management and staff will always act in a transparent and accountable manner when handling all the affairs of the Bank both internally and with external parties so as to uphold the Bank's image at all times. In addition, the Bank will uphold high standards of ethics, integrity and honesty as guided by the Constitution, act in an ethical manner as guided by the Leadership and Integrity Act and Public Officers' Ethics Act and observe high moral standards.
- v) **Innovativeness:** The Bank will encourage, nurture and support creativity and the development of new ideas and processes for the continued improvement of organizational performance.
- vi) **Mutual Respect and Teamwork:** Mutual respect shall at all times be observed internally amongst colleagues and when dealing with the Bank's external clients. In addition, the Board and staff will cooperate and collaborate to enhance performance and create a healthy work environment.
- vii) **Diversity and Inclusiveness:** The Bank appreciates and embraces the differences in its employees' skill set and abilities and encourages consultations and inclusiveness in pursuit of its mandate across departments. This is aimed at maximizing productivity and enhancing the Bank's overall performance.

GOVERNOR'S MESSAGE

Kenya approached 2024 with cautious optimism as global markets navigated inflationary pressures, and uncertainties. Amid the prevailing global uncertainties, such as persistent geopolitical tensions, particularly in the Middle East, and Eastern Europe, the Kenyan economy demonstrated resilience and growth in 2024. This positive trajectory is projected to continue into 2025, buoyed by the robust services sector, improved economic outlook, and the continued implementation of government initiatives to stimulate economic activity in key sectors.

The Kenyan banking sector registered improved financial strength in 2024, demonstrating stability and resilience. The sector's total capital adequacy ratio stood at 19.6 percent in December 2024, above the minimum ratio of 14.5 percent. Similarly, the sector's liquidity ratio remained above the statutory minimum level of 20 percent, averaging 56.0 percent. Total net assets registered a slight decrease of 1.6 percent from Ksh.7.7 trillion in December 2023 to Ksh.7.6 trillion in December 2024. Customer deposits decreased by 2.1 percent from Ksh.5.6 trillion in December 2023, to Ksh.5.5 trillion in December 2024.

On the regulatory front, a raft of regulatory reforms were undertaken in 2024 to ensure that the banking sector remained stable and resilient. The amendments were contained in the Business Laws (Amendment) Act, 2024, and resulted in review of banking sector penalties, and increase of commercial banks' minimum core capital requirement to Ksh.10 billion by 2029.

Taking cognizance of the existential threat of climate change as a significant socio-economic concern, CBK partnered with the European Investment Bank (EIB). Accordingly, the Kenya Green Finance Taxonomy and a climate risk disclosure framework were developed. This initiative is part of CBK's ongoing second-

generation reforms aimed at promoting sustainability and greening the banking sector. In 2024, Kenya was placed on the Financial Action Task Force (FATF) grey list due to deficiencies in its Anti-Money Laundering, Countering the Financing of Terrorism, and Countering Proliferation Financing (AML/CFT/CPF) framework. To strengthen its AML/CFT/CPF framework, CBK undertook a number of reform measures. This included strengthening its capacity in AML/CFT/CPF risk-based supervision. Towards this end, CBK partnered with the United Kingdom's His Majesty Treasury (UKHTM).

On the economic front, the global economy is expected to slow down in 2025. This is mainly attributable to a shift in trade policies, rising trade barriers, reciprocal tariff measures, particularly in the United States of America (USA), Europe, and China. Notably, geopolitical tensions continue to affect global economic growth. Growth in Sub-Saharan Africa is expected to be dragged down due to global headwinds, tighter global financial conditions for external debt, and commodity price weakness for major exporters of oil and mineral-producing countries. On the domestic front, economic growth is expected to improve in 2025, supported by a rebound in the agricultural sector and increased credit to the private sector.

Against this backdrop, CBK's vision remains one of a banking sector that is responsible, disciplined and aligned to customer needs. Accordingly, banks continue to operationalize the four pillars of the vision: customer-centricity, risk-based pricing, transparency, and doing the right thing. More broadly, banks must take a long-term view and scale up their contribution to the shared prosperity of the Kenyan citizenry.

Dr. Kamau Thugge, CBS
Governor, Central Bank of Kenya

FOREWORD BY DIRECTOR, BANK SUPERVISION

Kenya Banking Sector

Kenya's banking sector remained stable and resilient in 2024, characterized by sufficient capital and liquidity buffers. The total capital adequacy ratio stood at 19.6 percent in December 2024, above the minimum adequacy ratio of 14.5 percent whereas the liquidity ratio stood above the minimum statutory level of 20 percent at an average of 56.0 percent in the same period.

The key highlights of the sector's financial performance were: -

- Total net assets shrunk by 1.6 percent from Ksh.7.7 trillion in December 2023, to Ksh.7.6 trillion in December 2024. This is attributable to a decrease in loans and advances by Ksh.160.3 billion (4.2 percent), placements by Ksh.103.9 billion (18.0 percent), and other assets by Ksh.92.7 billion (11.0 percent).
- Customer deposits decreased by 2.1 percent from Ksh.5.6 trillion in December 2023, to Ksh.5.5 trillion in December 2024. The decrease in deposits was attributed in part to other competing investment opportunities and drawdowns by individuals and businesses.
- The profit before tax for the sector increased by Ksh.41.0 billion (18.2 percent) from Ksh.219.2 billion in December 2023, to Ksh.260.0 billion in December 2024. The increase in profitability was attributed to a higher increase in total income (Ksh.50.1 billion) compared to the increase in total expenses (Ksh.9.1 billion).
- Gross loans decreased by 2.7 percent from Ksh.4,183.4 trillion in December 2023, to

Ksh.4,070.2 trillion in 2024. The decline in gross loans is attributed to decreased demand for credit by the various economic sectors.

- The liquidity ratio as at December 2024, registered a 9.8 percent increase to 56.0 percent from 51.0 percent in December 2023. The increase in the liquidity ratio is mainly attributed to a higher growth in total liquid assets as compared to the growth in short-term liabilities.
- The gross non-performing loans ratio increased from 15.6 percent in December 2023, to 17.1 percent in December 2024. The increase in the non-performing loans was occasioned by deteriorating asset quality as a result of challenges in the business environment.

Regulatory Reforms

- A raft of regulatory reforms were undertaken in 2024 to ensure that the banking sector remained stable and resilient. The amendments were contained in the Business Laws (Amendment) Act, 2024, assented to by His Excellency the President on December 11, 2024, and became effective on December 27, 2024. The Act amended several laws including the CBK Act, Banking Act and the Microfinance Act, affecting institutions under the purview of the CBK. These amendments resulted in: -

i. Review of banking sector penalties -

The Banking Act was amended through the Business Laws (Amendment) Act, 2024, introducing a new penalty assessment approach. Penalties are now the higher of Ksh.20 million or three times the financial benefit gained/loss

FOREWORD BY DIRECTOR, BANK SUPERVISION

avoided. The amendment ensures penalties are effective, proportionate, dissuasive, aligned with global standards, and entrench a compliance culture in banks.

ii. **Increase of commercial banks minimum core capital**

- The Business Laws (Amendment) Act 20 of 2024 mandated a progressive increase in the minimum core capital requirement for commercial banks to Ksh.10 billion by December 2029. The review of the minimum core capital of banks aligns with the CBK's broader objectives of fostering a robust, competitive, and well-capitalized banking sector that can withstand economic shocks and facilitate sustainable development. The increase will be done progressively over 5 years to ensure that the banks are able to mobilize the additional capital incrementally, for compliance while minimizing disruption to operations.

- **Greening Kenya's Banking Sector** – On October 15, 2021, CBK issued its Guidance on Climate-Related Risk Management, requiring commercial banks and mortgage finance companies to embed climate-related risks into their business strategies, governance, and risk management frameworks. Subsequently, CBK partnered with the European Investment Bank (EIB) in 2023 to develop the Kenya Green Finance Taxonomy and a climate risk disclosure framework. This is in compliance with International Financial Reporting Standards (IFRS) S2. By end of December 2024, the CBK-EIB team had finalized draft frameworks, which were issued for public

consultation. As of end of December 2024, CBK was reviewing feedback received, with final versions of the frameworks anticipated in the first quarter of 2025. This initiative is part of CBK's ongoing second-generation reforms aimed at promoting sustainability and greening the banking sector.

- **Strengthening the Anti-Money Laundering and Combating the Financing of Terrorism (AML/ CFT) Framework**

– During the year, Kenya was placed on the Financial Action Task Force (FATF) grey list due to deficiencies in its Anti-Money Laundering, Countering the Financing of Terrorism, and Countering Proliferation Financing (AML/CFT/CPF) framework. In response, Kenya committed to an FATF-led action plan to address the gaps.

CBK in 2024, implemented key AML/CFT reforms which focused on enhanced risk-based supervision and compliance. These include updating the ML/TF/PF risk profiles of supervised institutions based on the 2023 National Risk Assessment, enhanced risk-based AML/CFT/CPF supervision through enhanced resources and automation of returns for improved analysis. CBK also engaged in capacity building initiatives with the United Kingdom's His Majesty's Treasury (UKHTM), on sanctions, enforcement and data analysis. Additionally, CBK conducted a preventive measures survey with all its licensees in December 2024. The survey results will guide the development of targeted sectoral guidance.

FOREWORD BY DIRECTOR, BANK SUPERVISION

- **Virtual Assets Service Providers Regulation Development:** CBK contributed to drafting the National Policy and the Virtual Assets Service Providers (VASPs) Bill, 2024, to regulate VASPs under a comprehensive legal and supervisory framework. The Bill outlines licensing requirements, market entry controls, supervision, monitoring, and the implementation of AML/CFT preventive measures for VASPs.

The sector witnessed the following new entrants and exits: -

- JPMorgan Chase Bank N.A. of the United States of America (USA) was granted authority on October 14, 2024, to establish a Representative Office in Kenya by the name JPMorgan Chase Bank N.A. Representative Office Kenya.
- Bank of Kigali of Rwanda voluntarily closed down its Representative Office in Kenya in April 2024. The exit of Bank of Kigali's Representative Office and entry of JPMorgan Chase Bank N.A left the number of authorized Representative Office in Kenya at 10 as at December 31, 2024.
- In 2024, 53 Digital Credit Providers (DCPs) were licensed: 19 on March 7, 7 on June 27, and 27 on October 1. This brings the total number of licensed DCPs to 85 from the 32 DCPs licensed in 2023.

2025 Outlook

The Central Bank of Kenya (CBK) remains steadfast in its commitment to promoting financial stability, inclusivity, and integrity. In the year 2025, CBK plans to: -

- a) Embark on a comprehensive **review of CBK's Prudential Guidelines (PGs) and Risk Management Guidelines (RMGs)** for commercial banks. The exercise is aimed at updating the PGs and RMGs to suit the banking industry's current operating environment and to be reflective of current market realities.
- b) **Implementation of the new Penalties framework.** The Banking Act was amended through the Business Laws (Amendment) Act, 2024, introducing a new penalty assessment approach. Penalties are now the higher of Ksh.20 million or three times the financial benefit gained/loss avoided. Penalties will be assessed as the higher of the maximum penalty prescribed for the violations, or the financial benefit derived, or loss avoided from a violation of the law, capped at three times the gross amount of the monetary gain made, or loss avoided. This is intended to ensure that the penalty regime in the Banking Act is effective, proportionate and dissuasive as required by global standard setting bodies.
- c) **Deepen the greening of the banking sector** through issuance of the issuance of the Kenya Green Finance Taxonomy and Climate-Related Risks Disclosures frameworks. These frameworks will support banks in assessing the environmental impact of their financing activities as well as aligning with international best practices.

FOREWORD BY DIRECTOR, BANK SUPERVISION

d) Issue Guidelines on the Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), and Leverage Ratio (LR) for the banking sector. These guidelines are intended to enhance the sector's liquidity and capital frameworks, promoting greater financial stability and resilience across the industry.

- ✓ The LCR guideline is aimed at ensuring banks maintain enough High-Quality Liquid Assets (HQLA) to withstand a 30-day liquidity stress scenario.
- ✓ The NSFR will promote stable, long-term funding by requiring banks to match long-term assets with stable funding sources.
- ✓ The LR will ensure banks hold sufficient core capital relative to total exposures, limiting excessive leverage.

e) Strengthening of the Anti-Money Laundering/ Combating Financing of Terrorism/Proliferation Financing (AML/CFT/PPF) framework in line with the Financial Action Task Force (FATF) Action Plan for Kenya. This will be achieved through: -

- ✓ Enhanced AML/CFT/CPF risk-based supervision of non-bank financial institutions (NBFIs).

- ✓ Provide guidance on AML/CFT/CPF Preventive Measures issued to the banking sector.

- ✓ Enhance the understanding of preventive measures by financial institutions (FIs), through outreach programmes.

f) Move towards near-real-time supervision, through the collection of supervisory data on an almost real-time basis. Implementation of the Granular Data Integration (GDI) project will see the integration of CBK's Enterprise Data Warehouse with the systems of Supervised Financial Institutions (SFIs) for granular data collection, storage, and reporting. This will significantly enhance the proactiveness of CBK's offsite surveillance, provide a laser focus for the onsite inspection of SFIs, and facilitate near-real-time monitoring of financial institutions.

MATU MUGO

Director, Bank Supervision Department

EXECUTIVE SUMMARY

“A year of mixed fortunes.” 2024 saw some bright rays as the tightening of monetary policy in advanced economies slowed down. Nonetheless, geo-political tensions continued with the destructive wave of climate change soaring higher.

The global and regional economies: Global economic growth is estimated to have grown by 3.3 percent in 2024, a slight increase from 3.1 percent in 2023. In Sub-Saharan Africa (SSA), economic growth in 2024 was estimated at 3.8 percent. SSA growth is projected at 4.2 percent in 2025.

The domestic economy recorded decelerated growth in 2024 at 4.7 percent compared to a revised growth of 5.7 percent in 2023. The deceleration in growth was largely attributable to a notable contraction in Construction and Mining and Quarrying sectors.

Strong performance of the banking sector: The banking sector posted a strong performance in a challenging environment to December 2024. Against this backdrop, the sector's total capital adequacy ratio stood at 19.6 percent in December 2024 above the minimum ratio of 14.5 percent. Similarly, the sector's liquidity ratio remained above the statutory minimum level of 20 percent, averaging 56.0 percent. Total net assets registered a slight decrease of 1.6 percent from Ksh.7.7 trillion in December 2023, to Ksh.7.6 trillion in December 2024. Customer deposits decreased by 2.1 percent from Ksh.5.6 trillion in December 2023, to Ksh.5.5 trillion in December 2024.

This report highlights the structure of the Kenyan banking sector, supervisory developments, macroeconomic conditions, banking sector performance, regional and international development initiatives. The banking sector is projected to remain resilient in 2025, as banks continue working for and with Kenyans.

CHAPTER 1

1 | CENTRAL BANK OF KENYA
BANK SUPERVISION ANNUAL 2024

STRUCTURE OF THE BANKING SECTOR

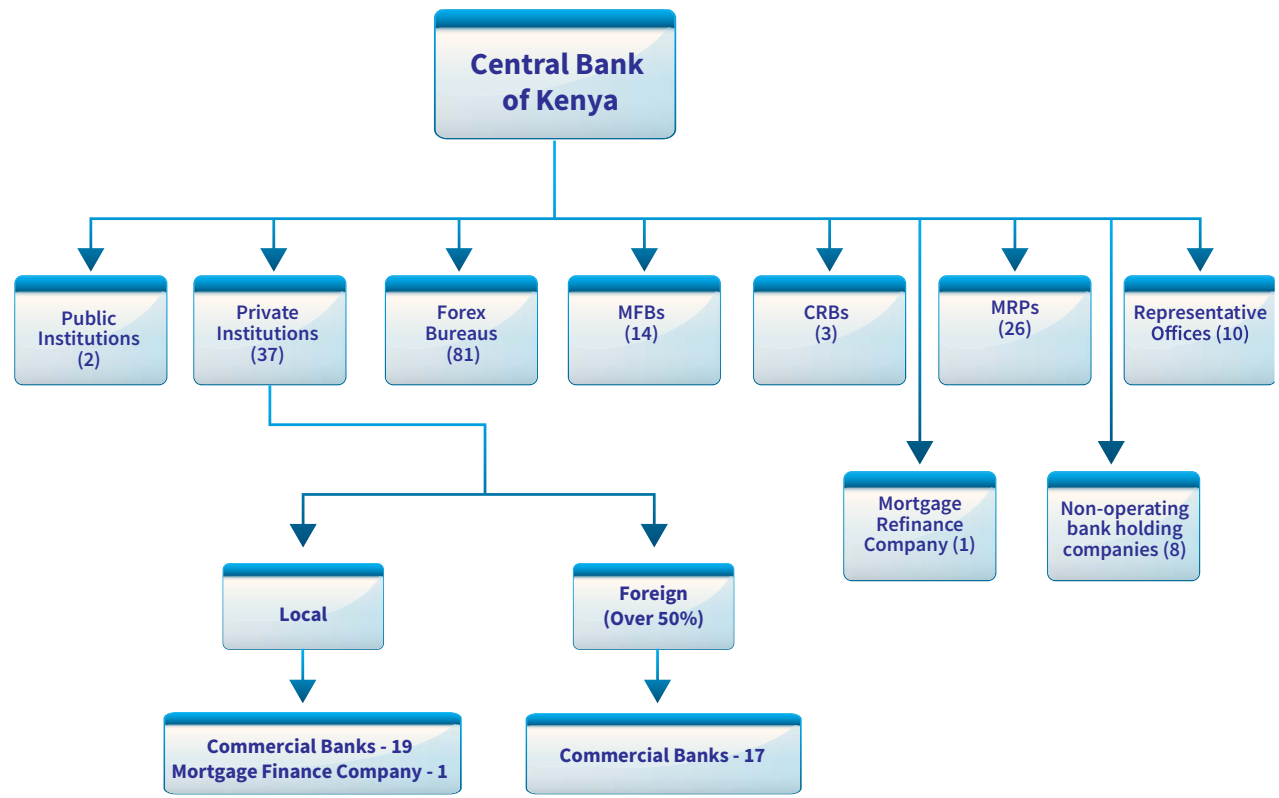
STRUCTURE OF THE BANKING SECTOR

1.1 The Banking Sector

As at December 31, 2024, the Kenyan banking sector comprised of the Central Bank of Kenya (CBK), as the regulatory authority, 38 Commercial Banks, 1 Mortgage Finance Company, 1 Mortgage Refinance Company, 10 Representative Offices of foreign banks, 14 Microfinance Banks (MFBs), 3 Credit Reference Bureaus (CRBs), 26 Money Remittance Providers (MRPs), 8 non-operating bank holding companies, 85 Digital Credit Providers (DCPs) and 81 foreign exchange (forex) bureaus. Out of the 39 banking institutions, 37 were privately owned while the Kenya Government¹ had majority ownership in 2 institutions. Of the 37 privately owned

banks, 20 were locally owned (the controlling shareholders are domiciled in Kenya) while 17 were foreign owned. The 20 locally owned institutions comprised 19 commercial banks and 1 mortgage finance company. Of the 17 foreign-owned institutions, all are commercial banks with 14 being local subsidiaries of foreign banks and 3 are branches of foreign banks. All licensed forex bureaus, microfinance banks, credit reference bureaus, money remittance providers, digital credit providers and non-operating bank holding companies are privately owned. **Chart 1** below depicts the structure of the banking sector as at December 31, 2024.

Chart 1: Structure of the Banking Sector - December 2024



¹ GOK shareholding includes shares held by state corporations

Source: CBK

STRUCTURE OF THE BANKING SECTOR

Bank Supervision Department

Bank Supervision Department (BSD)'s mandate as stipulated under section 4(2) of the Central Bank of Kenya Act is to foster liquidity, solvency and proper functioning of a stable market-based financial system. The following are the main functions of BSD: -

- i. Development of legal and regulatory frameworks to foster stability, efficiency and access to financial services. The Department achieves this objective through: -
 - Continuous review of the Banking Act, Microfinance Act, Building Societies Act, Regulations and Guidelines issued thereunder, which lay the legal foundation for banking institutions, non-bank financial institutions, deposit taking microfinance institutions and building societies.
 - Continuous review of Regulations and Guidelines for Foreign Exchange Bureaus, Digital Credit Providers, Money Remittance Providers, Credit Reference Bureaus and Mortgage Refinance Company licensed under the Central Bank of Kenya Act.
- ii. Processing licenses of Commercial Banks, Non-Bank Financial Institutions, Mortgage Finance Institutions, Mortgage Refinance Companies, Representative Offices, Non-Operating Holding Companies, Foreign Exchange Bureaus, Microfinance Banks, Credit Reference Bureaus, Digital Credit Providers and Money Remittance Providers.
- iii. Conducting onsite evaluation of the financial condition and compliance with statutory and prudential requirements of institutions licensed under the Banking Act, Microfinance Act; and Foreign Exchange Bureaus, Money Remittance Providers, Digital Credit Providers and Mortgage Refinance Companies licensed under the Central Bank of Kenya Act.
- iv. Conducting offsite surveillance of institutions licensed under the Banking Act, Microfinance Act, and Foreign Exchange Bureaus, Digital Credit Providers, Money Remittance Providers and Mortgage Refinance Companies licensed under the Central Bank of Kenya Act through the receipt and analysis of returns received periodically. The Department also processes corporate approvals for banking institutions regarding opening and closing of places of business, the appointment of directors and senior managers, appointment of external auditors, the introduction of new products/services, increase of bank charges and review of annual license renewal applications in accordance with statutory and prudential requirements.
- v. BSD is a member of the National Task Force on Anti-Money Laundering and Combating the Financing of Terrorism and Financing the Proliferation of Weapons of Mass Destruction (NTF). The NTF's primary mandate is to develop a legal and regulatory anti-money laundering, combating the financing of terrorism and proliferation financing (AML/CFT/CPF) framework that safeguards Kenya's financial system from being exploited for money laundering, terrorism financing, and proliferation financing. The National Treasury chairs the NTF, while the Financial Reporting Centre (FRC) serves as the Secretariat.

STRUCTURE OF THE BANKING SECTOR

As CBK's representative to the NTF, BSD participates in the initiatives of the Eastern and Southern African Anti-Money Laundering Group (ESAAMLG), one of the nine regional bodies affiliated to the Financial Action Taskforce (FATF) the international standard setter on AML/CFT/CPF measures. Membership in ESAAMLG currently comprises 21 countries in Eastern and Southern Africa. Its principal mandate is to assist member countries to develop effective AML/CFT/CPF legal and regulatory frameworks aligned to international standards.

- vi. Participation in regional activities organized by regional and international bodies or associations such as the World Bank, International Monetary Fund (IMF), East African Community (EAC), Common

Market for Eastern and Southern Africa (COMESA), the Alliance for Financial Inclusion (AFI), Association of African Central Banks (AACB), Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) and African Rural and Agricultural Credit Association (AFRACA).

- vii. Facilitation of the signing of Memoranda of Understanding (MOUs) between the CBK and other local or foreign supervisory authorities.
- viii. As at December 31, 2024, the Bank Supervision Department had a staff complement of seventy-four (74) comprising seventy (70) technical staff and four (4) support staff. The department is divided into three divisions as shown in **Chart 2**.

Chart 2: Bank Supervision Organogram



Source: CBK

STRUCTURE OF THE BANKING SECTOR

1.2 Ownership and Asset Base of Commercial Banks

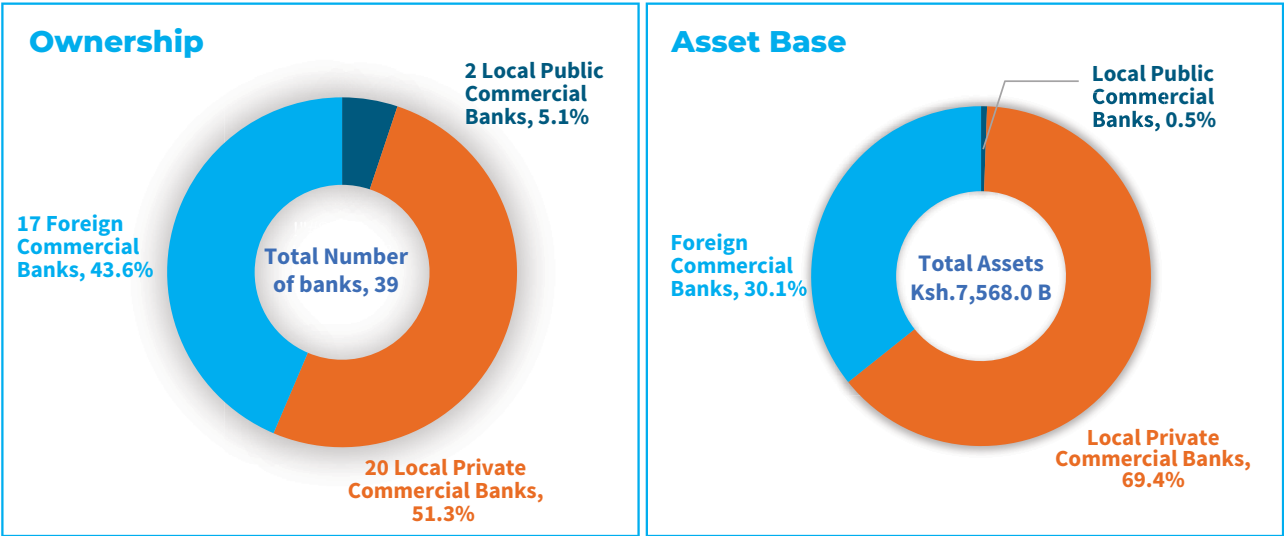
The total net assets in the banking sector stood at Ksh.7.6 trillion as at December 31, 2024, compared to Ksh.7.7 trillion as at December 2023, recording a slight decline of 1.6

percent. There were 20 operating local private commercial banks and 2 operating local public commercial banks, which accounted for 69.4 percent and 0.5 percent of total net assets respectively. A total of 17 operating commercial banks were foreign owned and accounted for 30.1 percent of the sector's assets as indicated in **Table 1** and **Chart 3**.

Table 1: Ownership and Asset Base of Commercial Banks as at December 2024				
Ownership	Number of operating banks	% of Total	Total Net Assets, Ksh.M	% of Total
Local Public Commercial Banks	2	5.1	38,749	0.5
Local Private Commercial Banks	20	51.3	5,255,802	69.4
Foreign Commercial Banks	17	43.6	2,273,412	30.1
Total	39	100.0	7,567,962	100.0

Source: CBK

Chart 3: Ownership and Asset Base of Commercial Banks December 2024



Source: CBK

STRUCTURE OF THE BANKING SECTOR

1.3 Distribution of Commercial Banks Branches

The number of bank branches increased from 1,511 in 2023, to 1,573 in 2024, which translates to an increase of 62 branches (4.1 percent). Kiambu County registered the highest increase in the number of branches by 9 branches (Appendix XVI). A total of 30 counties registered an increase of 65 bank branches while 3 counties registered a decrease of 3 bank branches. In 14 counties, there was no change in bank branches. The increase in bank branches is mainly attributed to opening of new branches by some commercial banks in emerging and new growth areas.

1.4 Commercial Banks Market Share Analysis

The Kenyan commercial banks are classified into three peer groups using a weighted

composite index. The index comprises net assets, total deposits, capital and reserves, number of deposit accounts and number of loan accounts. A bank with a weighted composite index of 5 percent and above is classified as a large bank. A medium bank has a weighted composite index of between 1 percent and 5 percent while a small bank has a weighted composite index of less than 1 percent.

For the year ended December 31, 2024, there were 9 large banks with a combined market share of 75.6 percent, 9 medium banks with a combined market share of 16.7 percent and 21 small banks with a combined market share of 7.7 percent as shown in **Table 2, Chart 4** and **Appendix V**.

Peer Group	Combined Weighted Market Share (%)		No. of Institutions		Total Net Assets, (Ksh. B)		Total Deposits, (Ksh. B)		Capital and Reserves (Ksh. B)		Profit Before Tax (Ksh. B)	
	Dec-23	Dec-24	Dec-23	Dec-24	Dec-23	Dec-24	Dec-23	Dec-24	Dec-23	Dec-24	Dec-23	Dec-24
Large	76.6	75.6	9	9	5,920	5,715	4,566	4,403	732	887	186	232
Medium	15	16.7	8	9	1,125	1,240	875	958	158	209	30	27
Small	8.4	7.7	22	21	646	613	457	449	90	87	4	1
Total	100	100	39	39	7,691	7,568	5,898	5,810	980	1,184	220	260

Source: CBK

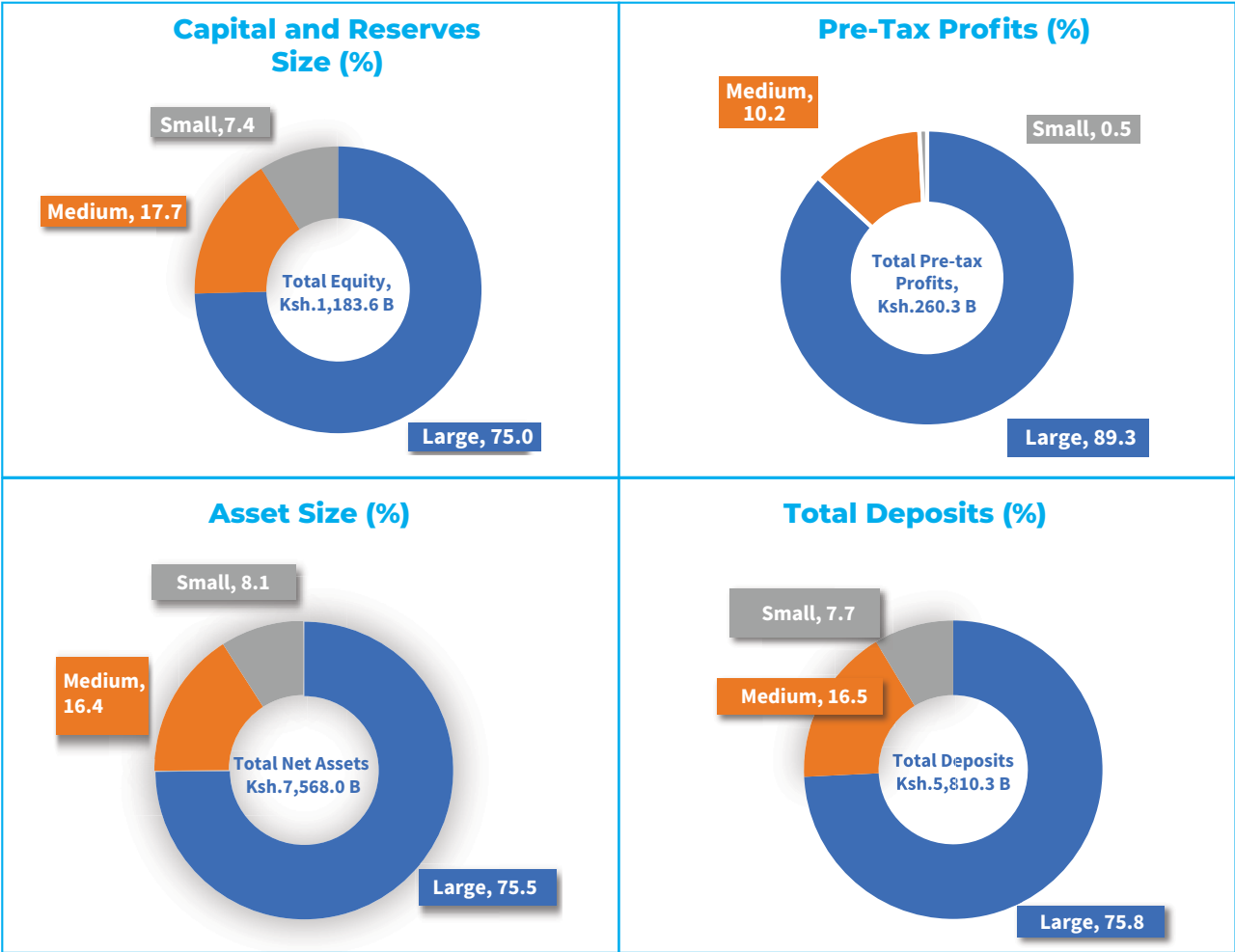
There were shifts in the medium peer group and small peer group market share positions for the banks between December 2023 and December 2024: -

- Banks in the large peer group decreased their combined market share to 75.6 percent in December 2024, from 76.6 percent in December 2024.
- The combined market share of banks in the medium peer group increased to 16.7 percent in December 2024, from 15.0 percent in December 2024. This was due to the entry of HFC Ltd to the medium peer group from the small peer group.
- Banks in the Small Peer group had a combined market share of 7.7 percent in

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December 2024, a decrease from 8.4 percent in December 2024. This was due to the exit of HFC Ltd from the small peer group to medium peer group.

Chart 4: Commercial Banks Market Share (%) December 2024



Source: CBK

In 2024, the banking sector capital and reserves increased by 20.7 percent to Ksh.1,183.0 billion in December 2024, from Ksh.980.2 billion in December 2023. Large and medium the peer groups registered increased capital and reserves. The increase in capital and reserves is attributable to additional capital injections by commercial banks as well as retained earnings from the profits realized in the year.

The banking sector registered an increase in profitability in 2024, with profit before tax increasing by Ksh.41.0 billion (18.2 percent) from Ksh.219.2 billion in December 2023, to Ksh.260.0 billion in December 2024. The increase in profitability was attributed to a higher increase in total income (Ksh.50.1 billion) compared to the increase in total expense (Ksh.9.1 billion).

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The large peer group accounted for 89.3 percent of the total pre-tax profit in 2024, an increase from 84.7 percent recorded in 2023. The small peer group proportion of total pre-tax profit decreased from 1.7 percent in 2023, to 0.5 percent in 2024. The medium peer group proportion of total pre-tax profit decreased from 13.6 percent in 2023, to 10.2 percent in 2024.

Total deposits decreased by 1.5 percent to Ksh.5.8 trillion in December 2024, from Ksh.5.9 trillion in December 2023.

1.5 Automated Teller Machines (ATMs)

The number of Automated Teller Machines (ATMs) marginally increased by 7 (0.31 percent) to 2,289 in December 2024, from 2,282 in December 2023, as indicated in **Table 3**. The increase of ATMs in the banking industry in 2024 was driven by installation of ATMs that provide more services to the customers including deposits.

Table 3: ATM Network

Month	No. of ATMs	Monthly Increase / (Decrease)	Percentage Growth (%)
Dec-23	2,282	-23	-1.00
Jan-24	2,395	113	4.95
Feb-24	2,321	-74	-3.09
Mar-24	2,310	-11	-0.47
Apr-24	2,317	7	0.30
May-24	2,320	3	0.13
Jun-24	2,308	-12	-0.52
Jul-24	2,304	-4	-0.17
Aug-24	2,299	-5	-0.22
Sep-24	2,294	-5	-0.22
Oct-24	2,282	-12	-0.52
Nov-24	2,277	-5	-0.22
Dec-24	2,289	12	0.53

Source: CBK

1.6 Asset Base of Microfinance Banks

As of December 31, 2024, the number of licensed microfinance banks remained steady at fourteen (14). Among these, one (1) held a community microfinance bank license, while thirteen (13) held nationwide microfinance bank licenses.

The overall financial position of the microfinance banks weakened from 2023 to 2024, with notable decreases in net advances and borrowings. The sector experienced a

9.8 percent decline in total assets in 2024, with total assets standing at Ksh.57.9 billion, compared to Ksh.64.2 billion in 2023.

As highlighted in Table 4, lending remained the primary activity for microfinance banks, with the net loan portfolio accounting for 58 percent of their total assets.

The net advances decreased significantly by 16.8 percent, from Ksh.37.5 billion in 2023 to Ksh.31.2 billion in December 2024. This decline

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in loans was attributed to a strategic decision to reduce lending to manage non-performing loans, loans sale off to other lenders, and heightened competition from other credit providers.

Customer deposits and borrowings were the primary sources of funding, comprising 74 percent and 10 percent of the microfinance banks' total funding, respectively.

Customer deposits declined by 1.9 percent, from Ksh.43.9 billion in 2023 to Ksh.42.9 billion in 2024. Further, borrowings significantly decreased from Ksh.9,194 million, accounting for 14 percent of total liabilities and equity in 2023, to Ksh.5,723 million, representing 10 percent of total liabilities and equity in 2024, indicating a growing shift from borrowing as a funding source.

Table 4: Microfinance Banks Balance Sheet Analysis (Ksh. M)

ASSETS	2023	% of Total	2024	% of Total
Cash Balance (Local & Foreign notes & coins)	1,885	3	820	1
Deposit balances at banks and financial institutions	7,856	12	8,441	15
Government Securities	4,476	7	4,563	8
Net Advances	37,467	58	31,180	54
Accounts Receivables	2,862	4	3,366	6
Net Fixed Assets	5,200	9	5,123	9
Other Assets	4,454	7	4,401	8
TOTAL NET ASSETS	64,200	100	57,894	100
LIABILITIES & EQUITY FUNDS				
Deposits	43,863	68	42,997	74
Borrowings	9,194	14	5,723	10
Other Liabilities	4,341	7	4,655	8
Capital and Shareholders Funds	6,802	11	4,519	8
TOTAL LIABILITIES AND EQUITY FUNDS	64,200	100	57,894	100

Source: CBK

1.7 Microfinance Banks Market Share Analysis

The market share for microfinance banks is based on a weighted composite index comprising of five key indicators. These indicators are assets, deposits, shareholders' funds, number of active deposit accounts and active loan accounts. Based on this index, microfinance banks are classified into three peer groups namely large, medium and small. A microfinance bank is classified as large if it has a market share of 5 percent and above;

medium if it has a market share of between 1 percent and 5 percent and small if its market share is less than 1 percent.

As at December 31, 2024, the microfinance banking sector comprised of seven (7) large microfinance banks with an aggregate market share of 86.2 percent, five (5) medium microfinance banks accounting for 14.7 percent and two (2) small microfinance banks with a total market share of negative 0.9 percent, as shown in **Table 5**.

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Table 5: Microfinance Banks Market Share Analysis - December 31, 2023, and December 31, 2024

2023		2024						
	Market Size Index (%)		Market Size Index (%)	Gross Assets	Total Deposits	Total Shareholders' Funds	No. of Active Deposit Accounts	No. of active Loan Accounts
Weighting	2023	Weighting	2024	0.33	0.33	0.33	0.005	0.005
Large		Large		Ksh. Millions				
Faulu MFB	31.2	Faulu MFB	35.7	20,121	15,419	1,688	27,401	18,864
Kenya Women MFB	29.1	Kenya Women MFB	12.1	14,904	13,593	(963)	432,824	53,785
SMEP MFB	8.8	Caritas MFB	10.1	4,907	4,152	560	27,027	5,584
Rafiki MFB	8.2	SMEP MFB	8.1	3,523	2,262	593	53,198	22,769
Caritas MFB	6.5	Rafiki MFB	7.8	4,341	3,173	375	759,174	7,501
		Salaam MFB	7.1	1,843	741	745	1,868	3
		Sumac MFB	5.3	2,890	1,184	374	16,672	2,593
	83.8		86.2	52,529	40,524	3,372	1,318,164	111,099
Medium		Medium						
Sumac MFB	4.3	Branch MFB	3.4	837	278	319	861,620	71,073
Branch MFB	2.8	U & I MFB	4.2	1,670	560	389	10,245	2,371
U & I MFB	2.6	LOLC MFB	2.7	1,128	487	236	4,402	1,023
LOLC MFB	1.9	Muungano MFB	2.6	611	292	278	8,682	2,084
Muungano MFB	1.8	Choice MFB	1.7	623	365	141	85,317	288
Salaam MFB	1.6							
	15.0		14.7	4,869	1,982	1,363	970,266	76,839
Small		Small						
Choice MFB	0.7	Umba MFB	(0.3)	206	77	(61)	3,183	198
On It MFB	0.4	On It MFB	(0.6)	290	414	(155)	58,661	5,109
Umba MFB	0.1							
	1.2		(0.9)	496	491	(216)	61,844	5,307
Grand Total	100.0		100.0	57,894	42,997	4,519	2,350,274	193,245

Source: CBK

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The large peer group registered an increase in market share, rising from 83.8 percent as at December 31, 2023, to 86.2 percent in 2024. The increase was primarily driven by the upward migration of Salaam and Sumac MFBs from the medium peer group. Consequently, the market share of the medium peer group shrunk from 15.0 percent in 2023, to 14.7 percent as at December 31, 2024, cushioned by the elevation of Choice MFB from the small to medium category. This transition coupled with inadequate capital contracted the market share of the small peer group from 1.2 percent in 2023, to negative 0.9 percent.

Faulu MFB maintained its leadership position in the sector, with changes in market shares across institutions largely driven by a mix of reported financial losses, business expansions, and capital injections from strategic investors.

1.8 Distribution of Foreign Exchange Bureaus

As at December 31, 2024, the number of forex bureaus increased to eighty-one (81) from seventy-three (73) as at December 31, 2023, following the licensing of eight (8) forex bureaus during the year.

The forex bureau outlets increased to 163 as at December 31, 2024, compared to 140 as at December 31, 2023, due to the opening of 23 outlets. Most of the outlets are located in Nairobi as shown in **Table 6**.

Table 6: Distribution of Forex Bureau Outlets

City/Town	No. of Outlets	% Total
Nairobi	143	87.7
Mombasa	10	6.1
Eldoret	3	1.8
Kisumu	2	1.2
Namanga	2	1.2
Nakuru	1	0.6
Garissa	1	0.6
Busia	1	0.6
Total	163	100

The increase in outlets particularly in Nairobi is attributed to increased demand for foreign exchange services.

1.9 Distribution of Money Remittance Providers (MRPs)

Money Remittance Providers (MRPs) play a crucial role in the economy in facilitating transfer of funds from diaspora to families back home thus helping to alleviate poverty and improve living standards.

As at December 31, 2024, there were a total of twenty-six (26) licensed MRPs, an increase from twenty-three (23) as at December 31, 2023.

The increase is attributed to licensing of three (3) new MRPs during the year, namely Surfin Money Remittance Ltd, Laeken Money Transfer Ltd and Cashia Money Remittance Ltd. The MRPs operated a total of seventy-two (72) outlets, out of which sixty-one (61) are located in Nairobi, six (6) in Mombasa, four (4) in Garissa and one (1) in Eldoret. The MRPs have engaged thirty-four (34) agents that are distributed across the country as shown in **Table 7**. Thirty-three (33) percent of the agents that provide the remittance service on behalf of the MRPs are licensed forex bureaus.

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Table 7: Distribution of Outlets and Agents of MRPs

No.	City/Town	No. of Outlets		No. of Agents	
		December 2023	December 2024	December 2023	December 2024
1	Nairobi	51	61	22	15
2	Mombasa	5	6	3	2
3	Dadaab	-	-	2	1
4	Nakuru	-	-	1	2
5	Eldoret	-	1	2	2
6	Elwak	-	-	2	0
7	Garissa	4	4	2	1
8	Kitale	-	-	1	0
9	Kajiado	-	-	1	1
10	Kakuma	-	-	1	1
11	Lodwar	-	-	1	0
12	Moyale	-	-	2	2
13	Mandera	-	-	2	2
14	Wajir	-	-	2	2
15	Isiolo	-	-	2	2
16	Malindi	-	-	2	1
17	Namanga	-	-	1	0
18	Kisumu	-	-	1	0
19	Malaba	-	-	1	0
20	Busia	-	-	1	0
	Total	60	72	52	34

Source: CBK

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The number of outlets increased from 60 in December 2023 to 72 in December 2024, with ten (10) outlets being opened in Nairobi to cater for the increased business in the City Centre and its environs while one (1) outlet each were opened in Eldoret and Mombasa.

The decrease in number of agents from 52 to 34 is attributed to termination of agencies by MRPs given the preference of customers who have embraced digital channels which are more efficient as opposed to cash pick-ups.

CHAPTER 2

14 | CENTRAL BANK OF KENYA
BANK SUPERVISION ANNUAL 2024

DEVELOPMENTS IN THE BANKING SECTOR

DEVELOPMENTS IN THE BANKING SECTOR

2.1 Introduction

The banking sector posted a strong performance in 2024, in the face of both favourable trends and adverse developments globally and domestically. Globally, the operating environment continued being impacted negatively by geopolitical tensions, with both the Russia-Ukraine and Israeli-Palestinian conflicts in progress. These continued to disrupt global supply chains particularly in the energy sector. Domestically, economic confidence was boosted by a stable macroeconomic environment reflected in low inflation and stability in the exchange rate, steady trend in interest rates, favourable weather conditions, and sustained policy interventions aimed at easing access to credit. Notwithstanding these, subdued consumer demand, and a perceived high cost of doing business posed challenges to the sector.

For the banking sector, 2024 was particularly notable for actual and proposed changes in the legislative framework. These include changes in minimum capital requirements for commercial banks, a review of CBK's Risk-Based Credit Pricing Model (RBCPM), as well as issuance of Draft Banking (Penalties) Regulations 2024. The year also saw the start of a key initiative to bring virtual assets under regulation, development of a regulatory framework on environmental sustainability, and continued efforts to strengthen the AML/CFT/CPF framework to address Kenya's grey listing by the Financial Action Task Force (FATF) early in 2024.

2.2 Banking Sector Charter

Following the issuance of the Kenya Banking Sector Charter (BSC) in 2019, CBK has been engaging commercial banks on its implementation. The Charter sought to

operationalize a vision of a banking sector that works for and with Kenyans, anchored on four pillars, customer-centricity, risk-based pricing, transparency, and ethical banking.

During the year, CBK continued engaging commercial banks on the implementation of the BSC, particularly with regard to Risk Based Credit Pricing (RBCP) models and the Banking Circular No.1 of 2019 on BSC. The purpose of the engagements has been to ensure that banks refine and improve their RBCP models.

2.3 Consolidation, Mergers and Acquisitions, and New Entrants

The Central Bank of Kenya (CBK) continues to encourage new participants in the banking sector to enhance financial inclusion, competition, and innovation. The sector witnessed the following new entrants: -

- JPMorgan Chase Bank N.A. of the United States of America (USA) was granted authority on October 14, 2024, to establish a Representative Office in Kenya by the name JPMorgan Chase Bank N.A. Representative Office Kenya.
- The Bank of Kigali of Rwanda closed its Representative Office in Kenya in April 2024. This left the number of authorized Representative Office in Kenya at 10 as at December 31, 2024.
- Licenses were issued to fifty-three Digital Credit Providers (DCPs), in 2024 as follows: -
 - 19 DCPs on March 7, 2024.
 - 7 DCPs on June 27, 2024.
 - 27 DCPs on October 1, 2024.

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With the additional DCPs, the total number of licensed DCPs as at December 2024 stood at 85.

2.4 Developments in Information and Communication Technology

2.4.1 Open Finance

Open finance is a financial innovation that facilitates customer-permissioned access to and use of customer data held by financial institutions in order to provide new and enhanced services and develop innovative business models.² Open Finance presents multiple benefits, including potential increase in Micro, Small and Medium Enterprise (MSME) financing, reduced gender gaps, and boosting economic growth.

Globally, regulators are at different stages of implementing open finance frameworks, largely motivated by the different policy objectives and country contexts.

In 2024, CGAP, BIS, IMF, UNSGSA and the World Bank launched a joint publication: **Key Considerations for Open Finance**.³ The considerations are structured around 10 key elements of an effective Open Finance framework, comprising high-level guidelines for public authorities seeking to harness open finance to accelerate digital financial services and financial inclusion.

- i. **Policy Objectives** – The desirable policy objectives and how open finance will contribute to them should be clearly defined.

² CGAP, BIS, IMF, UNSGSA, and World Bank. 2024. "Key Considerations for Open Finance." Washington, D.C.: CGAP. <https://www.cgap.org/research/key-considerations-for-open-finance>

³ <https://documents1.worldbank.org/curated/en/099121824111037522/pdf/P1809671abadbcb04a1a2f112c8b-33f037ad.pdf>

- ii. **Process Leadership** – Recognize the key role of relevant public authorities and the need for collaboration among these authorities.
- iii. **Governance** – It is critical to set up effective, transparent and inclusive governance arrangements, that should support the policy objectives.
- iv. **Regulation** – This should be risk-based and proportionate and clearly provide for rules that enable customers (as data owners) to grant permission for data access.
- v. **Oversight and Supervision** – Guarantee provision of the necessary enforcement powers and resources for oversight of the ecosystem, as well as proportionate supervision of all participants. Authorities need to have the necessary enforcement powers, mandate and capacity to adequately monitor the open finance framework.
- vi. **Consumer Protection and Data Protection** – Ensure robust consumer protection and data protection frameworks are in place.
- vii. **Consumer Information and Awareness** – Facilitate consumers' awareness and understanding of open finance opportunities and risks. The public needs to be well informed about open finance and understand the opportunities and risks associated with it.
- viii. **Participation** – Enable broad participation of financial service providers. This is necessary to attain the desired benefits of open finance and can be encouraged

DEVELOPMENTS IN THE BANKING SECTOR

through incentives such as reciprocity.⁴

ix. Technical Infrastructure and Architecture

– Encourage the use of standardized Application Programming Interfaces (APIs) and a common architecture to support broad participation, allow for interoperability, reduce costs and ensure data security standards are met.

x. **Pricing** – Implement a mechanism to ensure the regulator monitors and influences pricing to support policy objectives. Pricing can impact the development and adoption of open-finance products and services. The impact of pricing on policy objectives should be considered.

Further, the Alliance for Financial Inclusion (AFI) identified 5 key pillars for development of an open finance regulatory framework through its ***Policy Development and Implementation Guide for Inclusive Open Finance***:⁵

- **Regulatory Authority and Governance:** Ensuring coordinated oversight and transparency across stakeholders.
- **Ecosystem Design and Participants:** Defining roles, responsibilities, and principles for inclusive participation.
- **Policy Provisions:** Providing foundational regulatory requirements tailored to each jurisdiction's legal and market context.

⁴ Reciprocity refers to the characteristic of data sharing in an open finance ecosystem in which eligible entities participate both as data holders and as data users (i.e., contribute to and benefit from shared data) with the aim to create a more vibrant ecosystem and promote greater competition. It is important to note that data sharing should only happen with customer consent. Reciprocity entails the ability to access data held by those looking to use data, but it does not imply this data would be shared without specific customer consent.

⁵ <https://www.afi-global.org/wp-content/uploads/2025/02/Policy-Development-and-Implementation-Guide-for-Inclusive-Open-Finance.pdf>

- **Data, Application Programming Interface (API), and Security Specifications:**

Establishing interoperable technical standards to safeguard data-sharing processes.

- **Implementation and Monitoring:** Offering a phased and adaptive roadmap for rolling out and evaluating open finance initiatives.

CBK is planning to undertake a diagnostic study in 2025, together with key stakeholders and partners, to identify gaps and assess readiness for implementation of an open finance framework in Kenya. This will inform next steps in open-finance developments in the country.

2.4.2 Artificial Intelligence (AI) in the banking sector: Ethical Considerations

In recent years, the field of AI has witnessed rapid advancements, and many applications have emerged in the banking sector. As a result, it has become increasingly important to consider the consequences that AI systems have and how they can be used fairly, transparently and appropriately. Some key ethical considerations when developing AI tools include:

Bias and Discrimination: AI models are trained to recognize patterns from large datasets to generate predictions. However, these datasets may contain inherent biases. If AI models are trained on such data, there is a risk that they may amplify or perpetuate these biases during decision-making. Another concern is algorithmic bias. This type of bias occurs when there are systematic errors in the design and implementation of models.

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In the banking sector, bias remains a significant challenge. For example, if AI is used to screen applicants for financial products and loans it could create barriers to access for certain customers. Lastly, human biases also play a role in the decision-making processes across the AI lifecycle including the design, implementation, operation, and maintenance of AI ⁶. To mitigate this, it is necessary to ensure that training data is representative and diverse and strong governance frameworks are implemented during the design of AI systems ⁷.

Transparency and Explainability: AI models can be opaque and difficult to interpret. While it is possible to understand the inputs and the outputs of these models, the processing steps in between remain hidden ⁸. This lack of transparency can make it difficult for banks to justify the decisions that come from these models leading to legal or regulatory challenges. To address this problem, explainable AI solutions are increasingly being deployed. Explainable AI enhances transparency by clarifying the reasoning behind predictions made by models allowing compliance and regulatory teams to better understand AI recommendations ⁹.

Data Protection and Privacy: Banks are handling significant amounts of personal data due to the rise of mobile and internet banking. This data is often used to train AI systems which raises concerns regarding how

such data is processed, stored and utilized. To ensure compliance with data protection standards, banks should employ effective data governance frameworks to protect and prevent the unauthorized access of sensitive information.

This may include implementing data encryption, data anonymization and access controls to ensure data privacy ¹⁰. Additionally, banks should ensure full adherence to existing data protection laws which provide guidance on how data is collected and shared as well as the rights of data subjects ¹¹. Effectively managing AI data privacy helps financial institutions to enhance transparency and ensure trust is maintained.

Cybersecurity: In recent years, AI has been weaponized by bad actors to enhance cybersecurity attacks. This could jeopardize sensitive customer data and operational integrity. Banks must mitigate against these risks by ensuring that they have adequate systems to deal with these new and emerging threats. Banks can also improve their ability to detect and respond to cyber threats in real time by leveraging advanced algorithms and machine learning techniques ¹².

Accountability: As AI gains a more prominent role in decision-making, it is important that banks establish clear mechanisms outlining who is responsible for the outputs of these models ¹³. Financial institutions need to be

⁶ Bank for International Settlements (BIS). (2024). *FSI insights no. 63: Regulating AI in the financial sector: recent developments and main challenges*. Retrieved from <https://www.bis.org/fsi/publ/insights63.pdf>

⁷ Bank for International Settlements (BIS). (2024). *FSI insights no. 63: Regulating AI in the financial sector: recent developments and main challenges*. Retrieved from <https://www.bis.org/fsi/publ/insights63.pdf>

⁸ European Data Protection Board (2025). AI-Complex algorithms and effective Data Protection Supervision: Effective implementation of Data Subject's Rights. Retrieved from [d2-ai-effective-implementation-of-data-subjects-rights-en.pdf](https://edpb.europa.eu/our-work-and-activities/our-tools-and-templates/publications/publications_en.pdf) (europa.eu)

⁹ Deloitte Insights (2022). Unleashing the power of machine learning models in banking through explainable artificial intelligence (XAI). Retrieved from [Explainable artificial intelligence \(XAI\) in banking | Deloitte Insights](https://www.deloitte.com/insights/industry/banking/explainable-artificial-intelligence-xai-in-banking)

¹⁰ Bank for International Settlements (BIS). (2024). *FSI insights no. 63: Regulating AI in the financial sector: recent developments and main challenges*. Retrieved from <https://www.bis.org/fsi/publ/insights63.pdf>

¹¹ Office of the Data Protection Commissioner (2024). Rights of a data subject. Retrieved from [Rights Of A Data Subject - Office of the Data Protection Commissioner \(ODPC\)](https://www.odpc.ie/rights-of-a-data-subject)

¹² U.S. Department of the Treasury. (2024). *Managing artificial intelligence-specific cybersecurity risks in the financial services sector*. Retrieved from <https://home.treasury.gov/system/files/136/Managing-Artificial-Intelligence-Specific-Cybersecurity-Risks-In-The-Financial-Services-Sector.pdf>

¹³ National Institute of Standards and Technology (NIST). (2023). *AI Risk Management Framework*. Retrieved from <https://nvlabs.github.io/ai-risk-management/>

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accountable for the AI systems they create. Banks must also have clear mechanisms to detect and address any unintended consequences swiftly. This will ensure that AI systems are developed and deployed responsibly.

2.4.3 Sustainable and Green IT

Sustainable and green IT in the financial sector refers to the implementation of environmentally responsible practices and technologies in the operations, infrastructure, and services of financial institutions. This approach is aimed at reducing negative environmental impacts, improving efficiency, and promoting social responsibility. Here are several ways the financial sector can incorporate sustainable and green IT practices ¹⁴¹⁵:

- **Energy Efficiency** - A large portion of a financial institution's carbon footprint comes from its data centers. By moving to energy-efficient data centers, financial institutions can significantly reduce their energy consumption and overall carbon impact. Many financial institutions are adopting "green" data centers that are built with energy-saving technologies such as efficient cooling systems, high-performance servers, and renewable energy sources like solar or wind power.
- **Paperless Operations** - Moving to digital platforms reduces the reliance on paper and other physical resources, cutting down on waste. This has been a trend across financial services, from digital banking to electronic records and contracts. Encouraging

nist.gov/airmf-resources/airmf/3-sec-characteristics

¹⁴ https://sustainablefinanceinitiative.org.za/assets_sfi/downloads/sfi_home_2_greening_the_banking_system.pdf

¹⁵ https://www.eib.org/attachments/lucalli/20230294_greening_the_financial_sector_en.pdf

customers to adopt e-statements, online account management, and electronic payment methods reduces the need for physical documentation.

- **Sustainable Investment Strategies** - Financial institutions are increasingly offering "green" investment products that focus on environmental, social, and governance (ESG) criteria. By supporting and investing in sustainable companies, financial institutions can drive change within their portfolios and promote long-term environmental responsibility.
- **Circular Economy and E-Waste** - Financial institutions can manage their IT assets in a way that supports the circular economy by reusing, recycling, and repurposing old equipment. Proper disposal of e-waste is also an important consideration.
- **Remote Work and Virtual Collaboration**
 - The rise of remote work has led to a reduction in office energy usage, travel-related carbon emissions, and the demand for physical office space. Financial firms that support virtual collaboration are lowering their environmental impact. Technologies like video conferencing and digital collaboration tools help to minimize business travel, reducing the carbon footprint of commuting and business trips.

The adoption of sustainable and green IT practices in the financial sector not only contributes to environmental conservation but also enhances operational efficiency, reduces costs, and meets the growing demand from consumers and investors for responsible business practices. As financial institutions increasingly embrace these practices, they can play a pivotal role in driving the transition to a greener economy.

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2.4.4 Blockchain in the Financial Sector

The Bank for International Settlements (BIS) Committee on Payments and Market Infrastructures (CPMI) defines a distributed ledger technology (DLT) as *“the processes and related technologies that enable nodes in a network (or arrangement) to securely propose, validate and record state changes (or updates) to a synchronized ledger that is distributed across the network’s nodes”* ¹⁶.

Proponents of Blockchain technologies cite various advantages, including reduction of intermediation processes in cross-border payments, reduction of duplicate reconciliation records in securities trading, and improved tracking and ownership of records in registries ¹⁷. While the resolution of issues on privacy, security, performance and scalability are still being addressed, governments and private sector players are experimenting with blockchain technology across the world. However, blockchain’s nascent technology still has some fundamental challenges that it needs to address prior to widespread adoption. These challenges include ¹⁸:

- **Interoperability** – Diverse protocols/platforms/network standards without ability to integrate and interact with each other.
- **Scalability** – Need to demonstrate ability to accommodate as many users/nodes as possible on the chain without slowing the network since every node needs to verify each transaction,

- **Usability** – Advancing business use cases that effectively leverage on the technology’s core benefits e.g. transparency, immutability, timely and security.
- **Adoptability** – General acceptance and trust is low of blockchain-based solutions since Bitcoin gained notoriety gained for the crypto currency bitcoin
- **Cyber Security** – Lack of common standards theoretically allow for increased exposure to cyber-attacks due to the distributed nature of the network.

Financial institutions in Kenya, in particular banks, are increasingly exploring the adoption of emerging and disruptive technologies, including blockchain, in order to enhance consumers banking experience ¹⁹. The growing interest in blockchain technology has largely been within the payment’s ecosystem.

2.5 Mobile Phone Financial Services

The adoption and utilization of mobile phone financial services in Kenya experienced a growth rate of 6.9 percent in December 2024, a slight improvement compared with December 2023. This growth was largely driven by a 16.5 percent increase in number of active mobile money agents, which increased from 327,162 in December 2023 to 381,116 in December 2024. In addition, there was an increase in the number of mobile phone devices by about 6.7 million, from 65.4 million in 2023 to 72.1 million as at December 2024. Consequently, the mobile subscriptions grew to 71.4 million from 66.8 million reported during the preceding period, representing a penetration rate of 138.5 percent.

¹⁶ Committee on Payments and Market Infrastructures (February 2017) – Distributed Ledger Technology in Payment, Clearing and Settlement; An Analytical Framework.

¹⁷ <https://www.bis.org/publ/work1015.pdf>

¹⁸ <https://www.bis.org/bcbs/publ/wp44.pdf>

¹⁹ https://www.centralbank.go.ke/uploads/banking_sector_reports/1736029340_Banking%20Sector%20Innovation%20Survey%202024.pdf

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In 2024, the average monthly value of mobile money transactions rose to Ksh.724.8 billion, up from Ksh.662.8 billion in 2023 and Ksh.659.1 billion in 2022. Similarly, the average number of monthly transactions increased to 223.5 million, compared to 202 million in 2023 and 190 million in 2022. This sustained growth reflects several key factors: increased mobile money agent network, increased mobile phone penetration, and a growing preference for cashless transactions.

Notably, the addition of 53,954 new active mobile money agents points to a rapid expansion of last-mile financial access, with entrepreneurs capitalizing on underserved or previously untapped market segments. Together, these trends underscore the deepening integration of mobile money into everyday economic activity across the country.

Summary of MFS Transactions Data

Amidst the increasing adoption of technology and the widespread use of mobile phones in daily life, coupled with a rising demand for convenient financial services, the total count of active mobile subscriptions has risen from 66.8 million in December 2023 to 71.4 million by December 2024. This growth represents an increase of 6.7 million new mobile subscribers. The number of active mobile money agents increased by 16.5 percent from 327,162 to 381,116 mobile money agents, signifying the continued relevance of the role of mobile money agents in democratizing of financial services. These figures are captured in **Table 8**.

Digital Financial Inclusion 2007 -2024	2007	2008	2012	2017	2018	2019	2020	2021	2022	2023	2024
Mobile Subscribers * (millions)	11.3	16.2	30.7	42.8	49.5	54.5	61.4	65.1	65.7	66.8	71.4
Mobile Penetration * (Percent)	30.5	43.6	78.0	94.3	106.2	114.8	129.1	133.6	133.1	131.9	138.5
Mobile Money Subscriptions * (millions)	1.4	5.1	21.1	30.0	31.6	28.9	32.5	35.2	38.7	38.0	42.3
Number of Transactions (Monthly) **	1.3	10.2	56.0	139.9	155.8	155.0	181.4	189.8	207.0	213.3	309.3
Value of Transactions (Monthly)** (Ksh. Billion)	3.8	27.0	150.2	332.6	367.8	382.9	605.7	622.1	708.1	788.4	753.5
Avg. Value of Transactions (Daily) ** (Ksh. Million)	125.7	899.7	5,005.3	11,087.4	12,259.0	12,764.0	20,189.7	20,738.0	23,602.0	26,278.3	25,115.0
Active Mobile Money Agents **/ (From 2018)	1,582.0	6,104.0	76,912.0	182,472.0	223,931.0	205,328.0	292,301.0	275,907.0	318,607.0	327,162.0	381,116.0

Source: CA Sector Statistics ²⁰, CBK Mobile Money Payments Statistics ²¹

²⁰ <https://ca.go.ke/consumers/industry-research-statistics/statistics/>

²¹ <https://www.centralbank.go.ke/national-payments-systems/mobile-payments/>

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2.6 New Products

CBK continued to approve new banking products and related charges as provided for under Section 44 of the Banking Act, which provides that no banking institution can increase its rate of banking or other charges except with the prior approval of the Minister. The Cabinet Secretary of the National Treasury delegated this role to the Governor of the Central Bank of Kenya via Legal Notice 34 of May 2006 on the Banking (Increase of Rate of Banking and Other Charges) Regulations, 2006.

While processing such applications, CBK considers:

- Whether the proposed increase conforms with the Government's policy of establishing a market-oriented economy in Kenya.
- The average underlying inflation rate prevailing over twelve months preceding the application.
- For new charges, whether the proposed charges are justifiable and are comparable to the industrial average.

The financial services industry is being restructured by the ever-changing consumer needs, innovative financial products, technological advancement, and the use of multiple delivery channels.

To remain competitive in the new landscape, banks have continued to introduce new products, expand the existing ones, and add new delivery channels. Banks strive to enhance access to customers as well as differentiate their products and services by use of alternative delivery channels such as electronic-banking, mobile-banking, and recently, cloud-based channels.

In the year 2024, the Central Bank of Kenya noted the introduction of 28 new products in the market and approved the related charges.

2.6.1 Technology and employee efficiency

In 2024, a bank employee was on average handling 2,941 deposit accounts whereas in 2023, an employee was handling 2,495 deposit accounts (**Table 9**). The increase in efficiency is explained by the increase in the number of deposit account holders as compared to the increase in the number of staff. Commercial banks mobilized for more account opening supported by the use of digital platforms which explains the increase in the number of deposit account holders. There was also an increase in the recruitment of new staff within the period to support the expanded customer base.

Table 9: Growth of Deposit Account Holders Compared to Number of Staff

Year	No. of Deposit Account Holders	Number of Staff	Efficiency Score
2009	8,481,137	26,132	325
2010	11,881,114	28,846	412
2011	14,250,503	30,056	474
2012	15,861,417	31,636	501
2013	21,880,556	34,059	642
2014	28,438,292	36,923	770
2015	35,194,496	36,212	972
2016	41,203,518	33,695	1,223
2017	47,714,527	30,903	1,544
2018	55,279,473	31,889	1,733
2019	62,652,613	32,025	1,956
2020	69,881,847	31,605	2,211
2021	66,315,699	32,440	2,044
2022	65,554,088	36,107	1,816
2023	94,643,325	37,933	2,495
2024	114,244,211	38,840	2,941

Source: CBK

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2.7 Transition from London Interbank Offered Rate (LIBOR) to Alternative Reference Rates

The London Interbank Offered Rate (LIBOR), the benchmark interest rate at which major global banks lent to one another in the international interbank market for short-term loans ceased being published after June 30, 2023.

However, ICE Benchmark Administration Limited (IBA) continued under the directive of the Financial Conduct Authority (FCA) to publish the 1-, 3- and 6-Months USD LIBOR settings using an unrepresentative “synthetic”²² methodology.

The publication of these “synthetic” settings ceased on September 30, 2024. Ahead of the deadline, firms with outstanding US dollar LIBOR exposures were required to continue their active transition efforts. The FCA directive was meant to ensure that market participants had adequate time to complete their transition plans in an orderly fashion. The cessation of the last remaining LIBOR settings was the final milestone in the transition away from LIBOR and marked the end of LIBOR.

As a result, two banks had loan facilities valued at Ksh.5.2 billion as at December 31, 2024 compared to eight banks with loan facilities valued at Ksh.11.1 billion in December 2023, priced on synthetic LIBOR. These were mainly syndicated term loans involving different lenders and transitioning from LIBOR was at an advanced stage. It also included facilities for customers who had not signed-off legal documents for their preferred alternative reference rates.

²² Synthetic LIBOR was a temporary and strictly limited successor to LIBOR for Sterling (GBP) and US dollar (USD), after the cessation of the previous LIBOR panels at the end of 2021.

2.8 Innovative MSME Products by Banks

2.8.1 Definition of Micro, Small and Medium-Sized Enterprises

Micro, Small and Medium-Sized Enterprises (MSMEs) are classified as those that have 1-99 employees. Specifically, micro enterprises have less than 10 employees; small enterprises have 10-49 employees while medium sized enterprises have 50-99 employees.

2.8.2 Developments of Innovative Products in the Banking Sector

In 2024, the Kenyan Commercial Banking sector has increased its focus on creating innovative products and services tailored specifically for MSMEs. MSMEs are the backbone of most economies, contributing significantly to employment and GDP.

These innovations aim to address the unique challenges MSMEs face, such as limited access to credit, complex regulatory environments, and the need for efficient financial management tools.

The products have assisted MSMEs in managing business volatility as well as providing funds for working capital, business expansion, business protection and yield enhancement. The financial sector has also introduced a range of innovative products tailored to the unique needs of MSMEs which are being rapidly transformed and scaled by cutting-edge technologies such as Artificial Intelligence (AI) and Cloud Computing.

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2.8.3 Financial knowledge and Inclusion of MSMEs

A key consideration towards enabling a robust financial system hinge on the back of having a financially enlightened consumer. Banks have invested considerably in financial literacy programs to empower MSMEs to run their businesses optimally.

This is through the provision of accessible and knowledgeable relationship managers to deliver expert advice on financial management, insurance, investments, and other financial solutions to MSMEs. Further, banks offer capacity building programs which are carefully designed to de-risk MSMEs to enhance their ability to access bank finance. The programs are deployed through face-to-face training and e-learning platforms.

With this financial inclusion, MSMEs, the majority which operate informally, can continue to play a key role in poverty reduction and shared economic development. In addition, the advent of technological advancement (Artificial Intelligence and Cloud Computing) has given MSME consumers the power to choose fit-for-purpose financial products.

2.8.4 Innovative products for MSMEs in the Banking Sector

A review of the MSMEs offered in the year 2024 in the banking sector reveals notable innovations especially on bank's leveraging on new technologies such as Artificial Intelligence (AI) and Cloud Computing.

AI is playing a transformative role in how banks serve MSMEs which include the following: -

- **Smart Credit Scoring** - AI models evaluate a broad range of data including social media behavior, utility payments, and transaction patterns to create a more accurate risk profile.
- **Personalized Product Offerings** - AI enables banks to tailor financial products to each MSME based on its specific industry, size, and financial behavior.
- **Customer Support** - AI-powered chatbots provide 24/7 assistance, helping MSMEs with documentation, loan tracking, and query resolution.
- **Fraud Detection and Risk Monitoring** - Machine learning algorithms detect anomalies and flag suspicious transactions, improving the security of digital banking.

Cloud technology underpins the agility and scalability of modern MSME banking solutions which include: -

- **Scalability and Cost-Efficiency** - Cloud platforms allow banks to scale services without large infrastructure investments, making digital products affordable for MSMEs.
- **Real-Time Data Processing** - Cloud enables instant data sharing and processing, crucial for real-time credit decisions and customer service.
- **API Integration** - Cloud-based APIs facilitate integration with third-party services, such as accounting tools, marketplaces, and tax systems, creating a unified ecosystem for MSMEs.

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- **Disaster Recovery and Security** - Cloud platforms offer robust backup and security solutions, ensuring business continuity and data protection.

2.8.5 Measures and strategies the Government and CBK has put in place to improve access to banking services by MSMEs

The innovative products from banks complement the support received from the government and solve some of the key challenges facing MSMEs, including limited access to credit, financial literacy, and insurance. The Government, through the National Treasury, established the Credit Guarantee Scheme (CGS) to enhance access to credit by MSMEs. Through the CGS, the Government commits to pay Participating Financial Intermediaries (PFIs) a portion of the outstanding principal amount in the event of default on qualifying credit facilities advanced to MSMEs. In 2024, a taskforce was formed to oversee CGS transformation into a regulated entity to: -

- Institutionalize operations, ensuring long-term sustainability.
- Allow private sector participation and ownership.
- Bring it under CBK supervision for financial stability and credibility.
- Enable expanded coverage to sectors including agriculture, manufacturing, fintech, and green energy.

2.9 Operations of Representative Offices of Authorized Foreign Financial Institutions in Kenya

Representative offices in Kenya are established by foreign banks for purposes of marketing their products and services in the country. They

act as a liaison between their parent institutions and their clients in Kenya. Representative Offices in Kenya are authorized and regulated by the Central Bank of Kenya under section 43 of the Banking Act (Cap 488) and CBK Prudential Guideline on *Authorization of Representative Offices in Kenya* CBK/PG/17.

Representative Offices are expressly prohibited from undertaking primary banking business²³ as defined in the Banking Act. Representative Offices are permitted to undertake marketing or liaison roles on behalf of their parent and affiliated entities.

The primary motivation for establishing Representative Offices in foreign jurisdictions is to enable parent banks to expand their business activities and enhance their global footprint. Representative Offices serve as a tangible presence in international markets, providing valuable market insight, extending outreach, nurture relationships, ensuring regulatory compliance, and facilitating business growth.

Gathering local intelligence enables Representative Offices to customize their products and services to meet the unique needs of clients in different regions, ultimately fostering business opportunities and revenue growth. Additionally, they serve as key information hubs for their parent banks, providing insights into market trends, opportunities, and risks. This in turn empowers parent banks to make well-informed decisions regarding their global strategy and operations.

²³ Banking business means accepting from members of the public; money on deposit repayable on demand or at the expiry of a fixed period or after notice; money on current account and payment on and acceptance of cheques; and the employing of money held on deposit or on current account, or any part of the money, by lending, investment or in any other manner for the account and at the risk of the person so employing the money.

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A summary of developments and activities of Representative Offices in Kenya in 2024, include: -

- **Institutional Changes**

CBK announced the cancellation of the authority granted to Bank of Kigali (BoK) to operate a Representative Office in Kenya under Section 43 of the Banking Act, effective April 2, 2024. This voluntary withdrawal follows a strategic decision by BoK's parent company, Bank of Kigali Group Plc, to shift its focus towards digital service delivery channels.

CBK had initially authorized the establishment of BoK's Representative Office in Kenya on February 12, 2013, bringing the total number of licensed Representative Offices to nine.

In October 14, 2024, CBK granted authority to JPMorgan Chase Bank N.A. of the United States of America (USA), to establish a

Representative Office in Kenya by the name JPMorgan Chase Bank N.A. Representative Office Kenya. This increased the number of Representative Office in Kenya to ten in 2024.

- **Performance of Representative Offices**

In 2024, the Representative Offices facilitated business worth an estimated Ksh.379.5 billion (USD2.9 billion) in 2024. The value of business activities facilitated in 2024, decreased by 8.2 percent when compared to Ksh.413.3 billion (USD2.6 billion) facilitated in 2023. The decrease was largely due to a translation effect arising from appreciation of the Kenya Shilling to other foreign currencies. This is indicated in **Table 10** below.

Overall, all the Representative Offices operated in compliance with the applicable regulatory requirements during the year with no supervisory concerns arising.

Table 10: Business activities facilitated by Representative Offices

Year	2024		2023	
	Ksh. Billions	USD ²⁴ Billions	Ksh. Billions	USD ²⁵ Billions
Syndicated Finance	18.3	0.1	40.3	0.3
Correspondent Banking	66.8	0.5	51.9	0.3
Project Financing	19.2	0.1	21.7	0.1
Specialized Finance	54.4	0.4	11.1	0.1
Property Finance	6.6	0.1	62.7	0.4
Trade Finance	85.3	0.7	97.1	0.6
Others (energy finance, term loans, borrowing base, working capital and bilateral receivable discounting)	128.9	1.0	128.5	0.8
Total Value	379.5	2.9	413.3	2.6

²⁴ Exchange rate: 1 USD = 129.3060 Ksh as at December 31, 2024

²⁵ Exchange rate: 1 USD = 156.4618 Ksh as at December 31, 2023

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2.10 2024 Surveys:

2.10.1 Residential Market Survey 2024

CBK conducts an annual mortgage survey to monitor developments and challenges in the mortgage market for residential housing. A detailed questionnaire was distributed to all commercial banks to collect data for the year ending 2024. The information collected comprised:

- a) Size of mortgage portfolio.
- b) Mortgage loan characteristics.
- c) Constraints to mortgage market financing.
- d) Mortgage risk characteristics.
- e) Mortgage refinancing.
- f) Mortgage outlook for 2024.

Below are the highlights of the Residential Mortgage Survey as at December 31, 2024.

a) Size of Mortgage Portfolio

- The value of mortgage loans outstanding was Ksh.279.3 billion in December 2024, as compared to Ksh.270.4 billion in December 2023 (**Appendix XIII**). This represents an increase of Ksh.8.9 billion or 3.3 percent. The increase was due to new mortgage loans granted in 2024.
- 89.9 percent of lending to the mortgage market was by 9 institutions. That is 8 banks from the large peer group (81.6 percent) and one from the medium sized banks (8.3 percent) in December 2024, as compared to 89.5 percent of lending by 9 institutions in 2024, 6 banks from the large peer group (76.4 percent) and two from the medium sized banks (13.1 percent).
- The outstanding value of non-performing mortgage loans increased from Ksh.39.9

billion in December 2024, to Ksh.46.0 billion in December 2024. The non-performing mortgage loans to gross mortgage loans ratio was 16.5 percent in December 2024, as compared to 14.4 percent in December 2023. The ratios were below the industry gross NPLs to gross loans ratio of 17.1 percent in December 2024, and 15.6 percent in December 2023.

- There were 30,016 mortgage loans in the market in December 2024, up from 29,260 in December 2023. This was an increase of 756 mortgages or 2.6 percent. This was mainly due to new mortgage loans granted in the year.
- The average mortgage loan size decreased from Ksh.9.4 million in 2023, to Ksh.9.0 million in 2024. This was mainly due to lower values of mortgage loans advanced in the year.

b) Mortgage Loan Characteristics

- The average interest rate charged on mortgages in 2024, was 14.9 percent and it ranged from 8.2 percent to 20.4 percent compared to an average of 14.3 percent with a range of 8.7 percent to 18.6 percent in 2023.
- About 85.9 percent of mortgage loans were on variable interest rates in 2024, as compared to 88.4 percent in 2023.
- Loan to value (maximum loan as a percentage of property value) was pegged below 90 percent of the property value by majority of banks in 2024 and 2023.
- The average loan maturity was 11.1 years with a minimum of 5.3 years and a maximum of 18 years in 2024, as compared to an average

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loan maturity of 11.7 years with a minimum of 5 years and a maximum of 18 years in 2023. This is an indication that banks decreased maturity period of mortgage facilities in 2024.

c) Obstacles to Mortgage Market Development

The survey identified a number of impediments to mortgage market development as indicated in **Table 11**.

Table 11: Residential Mortgages Market Survey – December 2024

Mortgage Market Obstacles	Frequencies of Responses	
	Dec-23	Dec-24
Low level of income	30	32
High cost of property purchase	25	26
Limited access to affordable long-term finance	19	20
High cost of land for construction	19	20
Difficulties with property registration/titling	16	18
High Incidental costs (legal fee, valuation fee, stamp duty)	16	17
Credit risk	17	16
Lengthy charge process timelines	10	14
Lengthy process of security realization by banks in case of default	7	9
Stringent land laws	9	8
Limited consumer knowledge on mortgage products	5	6
Source: Commercial Banks and Mortgage Finance Companies		

Based on the above ranking of mortgage market constraints, banks identified, low level of income, high cost of property purchase and limited access to affordable long-term finance as the major impediments to the growth of their mortgage portfolios. These were similar constraints identified in 2023 mortgage market survey.

d) Suggested measures to support the mortgage market

Institutions suggested a number of measures to be put in place to support the residential mortgage market in Kenya. Some of the suggested measures include: -

- Finalization of the digitalization of the land registry processes to support the mortgage documentation process.
- Increase the focus on implementation of affordable housing programs by the government.
- Availability of more low-cost housing units.
- Availability of affordable long-term funds through initiatives such as the Kenya Mortgage Refinance Company (KMRC).
- Improvement of basic infrastructure services to developers by national and county governments to enable access by prospective buyers.
- Streamlining and simplifying of the legal and regulatory process governing

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the mortgage sector, for transparency, efficiency and certainty.

- Stabilization of the lending interest rates.

e) Mortgage Risk Characteristics

Institutions indicated the following as the main risk factors that are examined more closely before a mortgage loan to a household is approved: -

- Capability of the repayment by the prospective borrowers based on their incomes.
- Sustainability of source of funds.
- For salaried individuals, the nature and duration in employment.
- Age of the borrower.
- Borrower's character based on the credit history and Credit scores.
- Ratio of monthly loan instalment to disposable income.
- Ease of property disposal in the event of default.
- Value, type, and location of property.

The main risk factors examined more closely by financial institutions before a mortgage loan to a business is approved include: -

- Ability to pay from the available cash flows generated by business operations.
- The organizational structure of the business and its corporate governance.
- Property use status- residential or commercial.
- Type of the business and business risk associated.
- Business profitability.
- Current business turnovers.
- Past loan repayment records of the company directors.

- Future projections of business income.
- Duration in which the business has been in operation.
- Experience of the business proprietor in the respective field and the quality of management.
- Industry performance.
- Geographical location of the property in question (urban or rural).

f) Mortgage Refinancing

The survey indicated that seven institutions had been advanced mortgage refinancing from the Kenya Mortgage Refinance Company (KMRC) in 2024, the same number of institutions it was in 2023. The seven institutions had outstanding facilities amounting to Ksh.10.0 billion in 2024 as compared to Ksh.7.9 billion in December 2023.

g) Mortgage Outlook for 2025

The mortgage market is expected to remain stable and the demand for mortgage loans is expected to increase on the back of:

- Increased government focus on affordable housing.
- Faster turnaround in closure of land transactions due to the ongoing digitization of processes at the Ministry of Lands.
- Availability of discounted long-term financing from institutions like KMRC and partnership of developers with financiers to provide affordable housing.
- Interest rates are expected to stabilize.

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2.10.2 Innovation Survey 2024

In February 2025, CBK conducted an Innovation Survey, which was aimed at collecting present and forward-looking information on Fintech developments in the Kenyan financial sector in the year ended December 31, 2024. The survey collected data on the state of innovation from 37 commercial banks, 1 mortgage finance institution, and 14 Microfinance Banks (MFBs).

The survey was a follow-up to the 2018-2023 annual Innovation Surveys. The 2024 Innovation Survey was undertaken against the backdrop of the resilience of the banking sector and enhanced technological growth in data science and analytics globally. Below is a summary of the survey results.

- i. **Business Strategies:** According to their business strategies, 75 percent of the institutions considered themselves as “better banks”, 11 percent as “distributed banks” and 10 percent as “new banks”.²⁶ In the 2023 Innovation Survey, 79 percent of the respondents considered

²⁶ **Better Bank** – An institution seeks to become a ‘better bank’ by leveraging on enabling financial technologies (Fintech) to digitize and modernize its operations and business practices. Its market knowledge and Fintech investment will significantly improve its banking services and products offering.

New Bank – An institution seeks to become a ‘new bank’ by creating a ‘built for digital’ banking platform. The institution shall apply advanced Fintech to provide banking services, minimize operational costs, improve customer experience, and market their products through social media.

Distributed Bank – An institution seeks to become a ‘distributed bank’ through collaboration and partnership with Fintech start-ups. The institution seeks to compete for the ownership of the customer relationship by providing niche banking services. Such joint ventures will allow consumers to use multiple financial service providers, through a ‘plug and play’ digital interface.

Relegated Bank – An institution seeks to become a ‘relegated bank’ by allowing Fintech start-ups and third-parties to provide and manage direct customer relationships through ‘frontend’ digital platforms. The institution will be relegated to offering commoditized banking functions such as deposit-taking, lending, and risk management, to the digital platforms that own and manage the customer relationships.

themselves as “better banks”, 9 percent as “distributed banks” and 8 percent as “new banks”. Accordingly, the Kenyan banking institutions are increasingly evolving towards better banking in order to offer a wide array of services through leveraging Fintechs to digitize and modernise operations and business practices.

- ii. **Innovation Units:** The survey noted that 65 percent of the respondents had a dedicated function that spearheaded innovation activities compared to 87 percent in the 2023 Innovation Survey. The decrease in institutions with a dedicated innovation function was attributed to a decrease in dedicated innovation teams in Microfinance Banks (MFBs) from 100 percent in 2023 to 57 percent in 2024. The decrease was largely due to the cost of maintaining manpower dedicated to the innovation function. Most banks noted that the main role of the innovation function is to modernize banking platforms, enhance customer experience through digital channels and improve operational efficiency. On average, innovation function teams constitute 53 percent male and 47 percent female staff.

- iii. **Innovation Priorities:** Credit, deposit, and capital-raising services was the functional area where most commercial banks and MFBs introduced an innovative product in the period January 1 to December 31, 2024, with 58 percent of commercial banks and 64 percent of MFBs innovating in this area in 2024, compared with 74 percent of banks and 64 percent of MFBs in 2023, respectively.

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While 98 percent of the banks surveyed had adopted or developed a mobile banking solution (app or USSD) for banking and customer relationship services, 35 percent of the banks noted that credit business remained the least digitized area of their operations, similar to the findings of the 2021, 2022 and 2023 surveys.

Chart 5a: Classification of Fintech Products Introduced by Banks

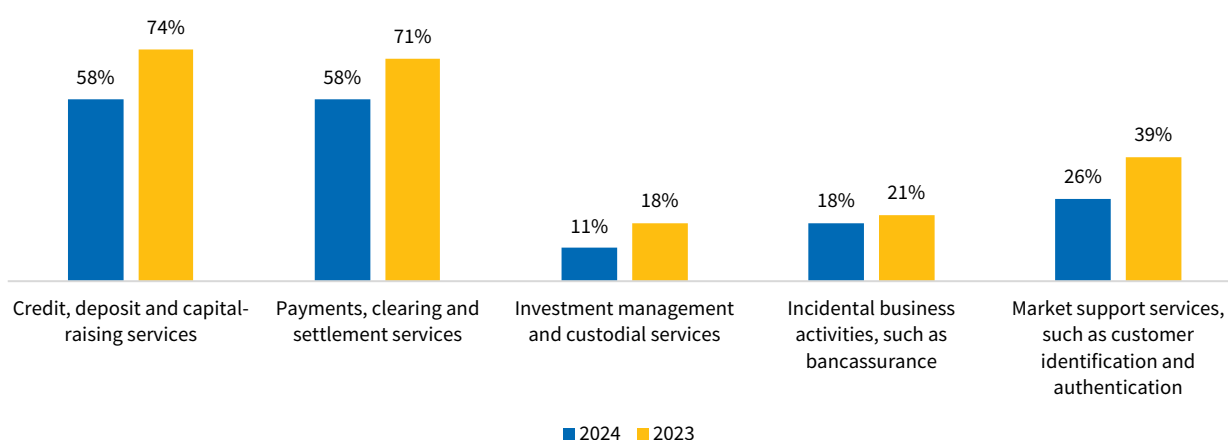
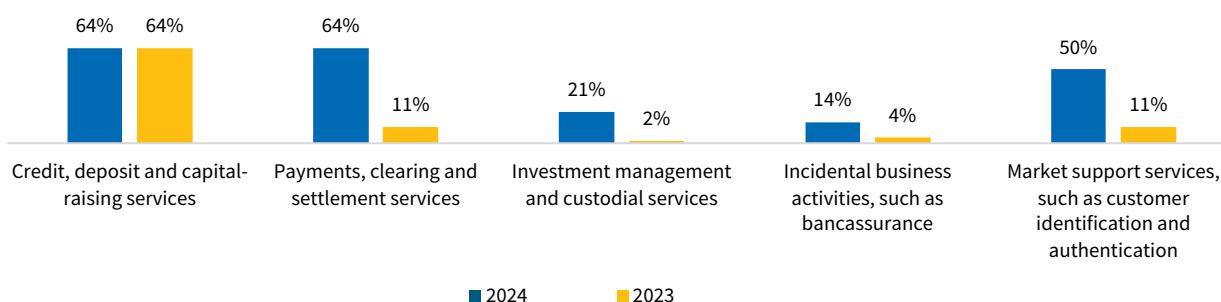


Chart 5b: Classification of Fintech Products Introduced by MFBs



- Technological Developments:** Application Programming Interfaces (APIs) have been adopted by most banks with a 79 percent and 64 percent adoption rate by commercial banks and MFBs respectively. This was followed by Cloud Computing, Biometrics Technology and Big Data and Data Analytics with an adoption rate of 42 percent, 40 percent, and 40 percent, respectively across all banks. The banking

sector noted the potential opportunities of virtual assets in enhancing financial access to the unbanked by providing alternative payment and investment channels, improving transaction speed, and reducing transaction costs. Conversely, they highlighted that virtual assets bear risks such as challenges in AML and CFT controls, cybersecurity risks, fraud, and high volatility among others.

DEVELOPMENTS IN THE BANKING SECTOR

- **Innovation Risks:** Given the increased innovation in the banking sector, and reliance on APIs, Big Data, Data Analytics, and cloud computing, cyber-risk turned out to be the key risk area for institutions in their innovation endeavours. Of the institutions surveyed, 89 percent of commercial banks and 91 percent of MFBs identified it as one of the top three innovation-related risks. Cyber risk was also the top risk identified in the 2018-2023 Innovation Surveys. A further analysis indicated that compliance risk was identified as the second highest key risk area by 63 percent of commercial banks, a shift from focus on operational risks which was the second highest risk for banks in 2023. The focus on compliance by commercial banks is primarily because of efforts to enhance compliance with Anti-Money Laundering (AML), Counter Financing of Terrorism (CFT) and Counter Proliferation Financing (CPF) requirements.
- **Public Support, Policy and Regulation:** Banks indicated that the top three forms of public support based on the 2024 survey were: provision of infrastructure and services (62 percent), direct funding support (62 percent) and demand-side support (56 percent). The banks identified digital innovation, cyber security and data privacy, and Fintech-friendly regulations as the policy focus areas that regulatory agencies need to address.
- **Climate Action and Sustainability:** Of the banks surveyed, 61 percent of commercial banks and 36 percent of microfinance banks indicated that they had innovated or are in the process of innovating a climate change related product. This was an increase from 58 percent for commercial banks and a decrease from 57 percent for microfinance banks in 2023. The upward trend in commercial banks is indicative of a growing awareness and commitment within the financial sector to address environmental challenges. Commercial banks cited the CBK Guidance on Climate-Related Risk Management issued in 2021, as well as the Draft Climate Risk Disclosure Framework for the Banking Sector issued in 2024 as influential in their sustainability practices. Some of the climate change-related initiatives included Environmental, Social and Governance (ESG) frameworks, green financing for renewable energy and climate-smart solutions, and partnerships for sustainable practices and programmes such as environmental conservation.
- **Afro-Asia Fintech Festival:** The institutions surveyed recommended that the following solutions would transform the banking sector, and should be incorporated in the next Afro-Asia Fintech Festival: -
 - ✓ Data Analytics and Artificial Intelligence (AI).
 - ✓ Virtual Asset Technologies and Central Bank Digital Currencies (CBDCs).
 - ✓ Open Finance and Banking as a Service (BaaS).
 - ✓ Shariah Compliant Banking.
 - ✓ Cybersecurity.
 - ✓ Regulatory Technology (RegTech).
 - ✓ Mobile Money and Financial Inclusion.
 - ✓ Cross-Border Payment Innovations.
 - ✓ Regulatory Reforms.
 - ✓ Digital Identity Solutions.
 - ✓ Distributed Ledger Technology (DLT).

Conclusion

The Innovation Survey 2024 indicated that the banking sector is evolving towards better banking in order to offer a wide array of services through leveraging fintechs to digitize and modernise operations and business practices. However, there is a slight shift towards becoming distributed banks to offer embedded, customised, and convenient banking services through collaboration and partnership with fintech start-ups. Further, there is an increased interest in becoming new banks by creating banking platforms to offer digital-first experiences for customers to minimise costs and improve customer experiences.

2.10.3 MSME Survey 2024

Pursuant to its strategic objective of promoting a sound and inclusive banking sector, the Central Bank of Kenya (CBK) conducts a bi-annual **FinAccess Business Supply-Side Survey (FinAccess Business Survey)** on the state of financing for the Micro, Small and Medium Enterprises (MSMEs) in the banking industry. The survey monitors trends in the modes and level of financing available to MSMEs from commercial banks, mortgage finance institutions and microfinance banks (MFBs). The ultimate objective of the survey is to identify the main barriers to MSME financing with the aim of addressing the same through appropriate policy interventions.

a) About the 2024 FinAccess Business Supply-Side Survey

The 2024 MSME Survey is the fifth survey, aimed at updating the findings of the previous surveys by determining the MSME financing status in the banking sector as at December 2024. The findings will inform CBK's policy

responses aimed at addressing the constraints facing MSMEs in accessing bank credit.

The 2024 MSME FinAccess Business Survey sought the following data:

- The value of banks' MSME loan portfolios as at December 2024, and their sectoral distribution.
- Value and proportion of overall income (interest, fees, and commissions) generated by lending institutions from their MSMEs loan portfolios.
- Average tenors and pricing of MSME credit facilities.
- Type of credit facilities offered by banks to MSMEs in each of the recognized economic sectors.
- Total number and value of the MSME credit facilities outstanding in each sector as at December 31, 2024.
- Total number and value of non-performing credit facilities to MSMEs as at December 31, 2024.
- Average pricing for each type of MSME credit facility offered in each sector.
- The collateral: loan value ratio for each type of MSME credit facility offered in each sector.

The data obtained will facilitate a review of developments in the banking sector MSME financing as well as the effectiveness of policy initiatives aimed at enhancing access.

b) Survey Findings

The last FinAccess Business survey conducted in 2024 assessed the status of MSME financing as at December 2024. The key findings were as follows:

-
- There were 0.89 million active MSME loan accounts in the banking industry as at December 2024, with a total value of Ksh.784.4 billion. This was a 24.7 percent decrease from 1.18 million active loan accounts valued at Ksh.783.3 billion as at the last MSME lending survey in December 2022. The decline was driven by clean-ups of historical non-performing loan portfolios, including removal of duplicates, and increased repayments and loan closures. Of this total, commercial banks, and mortgage finance companies, cumulatively, disbursed Ksh.760.8 billion (97 percent) while MFBs disbursed Ksh.23.7 billion (3 percent).
 - The active MSME loan accounts as at December 2024 constituted a 24.7 percent decrease from 1.18 million active loan accounts existing as at December 2022. The cumulative value of the MSME loan portfolio as at December 2024 was Ksh.784.3 billion, a marginal increase of 0.1 percent from Ksh.783.3 billion reported in December 2022.
 - The proportion of the MSME loans by value to the total banking sector loan portfolio as at December 2024 stood at 21.4 percent, a marginal increase from 21.3 percent in December 2022.
 - The banking sector generated approximately Ksh.91.8 billion in revenue in the 12 months to December 2024 from the MSME loan portfolio, up from Ksh.79.1 billion in the same period to December 2022. This represented 35.3 percent of the banking sector's overall lending-related income for the year, which stood at Ksh.260 billion, compared to 32.9 percent in 2022, when the total lending income stood at Ksh.240.4 billion.
 - The average loan tenor for MSMEs across both commercial banks and microfinance banks (MFBs) stood at 33 months in December 2024, a modest increase from 27 months in December 2022. Within commercial banks, loan tenors ranged from a minimum of 29 months for micro enterprises to a maximum of 47 months for medium enterprises. In contrast, MFBs offered shorter tenors, ranging from a minimum of 15 months for micro enterprises to a maximum of 36 months for medium enterprises.
 - MSMEs continued to be a significant source of funding for the banking industry, accounting for 16.9 percent and 79.7 percent of total customer deposits held in commercial banks and MFBs, respectively.
 - Banks have developed a range of products tailored to the specific needs of the MSME sector. Over 55 percent of commercial banks offer products that serve all three MSME categories - micro, small, and medium enterprises. In contrast, 13 percent focus exclusively on medium-sized enterprises, while 16 percent provide products targeting only the small and medium segments. Among microfinance banks (MFBs), 36 percent offer products for all three categories, whereas 21 percent target only micro and small enterprises.
 - The largest proportion of MSME loans from commercial banks was extended to the Trade sector (39.5 percent), followed closely by Real Estate, and Transport and Communication sector at 18 percent and 9.3 percent, respectively. The Energy, Financial Services and Mining sectors had the lowest allocation at 3.3 percent, 2.9 percent, and 1.3 percent, respectively.

- In MFBs, the largest proportion of the MSME loan portfolio was extended to the Trade sector (44.2 percent), followed distantly by Agriculture, and Building and Construction sectors with 13.5 percent, and 11.5 percent, respectively. The Energy and Mining sectors had the lowest allocation at 1.6 percent and 0.7 percent, respectively.
- In 2024, most respondents reported a moderate impact of COVID-19 pandemic on MSMEs' access to finance, a shift from the high impact noted in 2022. Among commercial banks, 67 percent rated the impact as moderate, 29 percent as high, and 5 percent as low. Similarly, 62 percent of MFBs reported a moderate impact, 24 percent high, and 14 percent low.
- A total of 12,500 MSME loan facilities in the banking industry valued at Ksh.38.2 billion were restructured in 2024. These constituted 0.08 percent of total loan accounts and 1.04 percent of the total value of the gross loan portfolio as of December 2024. The restructuring was largely aimed at enabling borrowers to better manage their credit performance. This marked an increase from 4,899 facilities valued at Ksh.28.4 billion restructured in 2023, but significantly lower in value than 2022, when 6,572 facilities worth Ksh.122.5 billion were restructured.
- Of the 0.89 million MSME loan accounts in the banking sector, 252,502 accounts

(valued at Ksh.149.8 billion) were classified as non-performing. This represents 28.4 percent of total MSME loan accounts and 19.1 percent of the total value of outstanding MSME loans. NPLs in MSMEs accounted for 21.5 percent of the total banking industry NPLs, which stood at approximately Ksh.697.3 billion in December 2024. By comparison, the level of MSME NPLs in December 2022 was lower, at Ksh.90.4 billion, or 17.5 percent of the total banking industry NPLs, which stood at Ksh.515.7 billion.

- In the 12 months to December 2024, a total of 95,179 loans valued at Ksh.8.8 billion were written off, with commercial banks and MFBs writing off Ksh.7.7 billion and Ksh.1.1 billion, respectively. The total accounts written off constituted 10.8 percent of total MSME loan accounts and 1.1 percent by value. This was a significant increase in number and decrease in value of loans from 2022, when 18,105 MSME loans valued at Ksh.9.6 billion were written off.

2.11 Employment Trends in the Banking Sector

The banking sector staff levels increased by 907 (2.4 percent) from 37,933 in December 2023, to 38,840 in December 2024 (**Table 12**). Management, Supervisory, and Secretarial and other staff cadres increased by 938, 368 and 314 respectively. Large peer group banks had the largest increase in the total number of staff.

Table 12: Employment in the Banking Sector				
	2023	2024	Change	Percentage Change (%)
Management	11,469	12,407	938	8.2
Supervisory	8,657	9,025	368	4.3
Clerical	12,882	12,169	-713	-5.5
Secretarial and other Staff	4,925	5,239	314	6.4
Total	37,933	38,840	907	2.4
Source: CBK				

2.12 Future Outlook

The Central Bank of Kenya (CBK) remains steadfast in its commitment to promoting financial stability, inclusivity, digital transformation, service excellence, and integrity. Through the adoption of innovation and utilization of data-driven strategies, CBK strives to nurture a robust and inclusive financial sector supporting sustainable economic growth.

CHAPTER 3

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BANK SUPERVISION ANNUAL 2024

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

3.1 Global Economic Conditions

According to the IMF World Economic Outlook (WEO) released in April 2025, global growth is projected to slow down to 2.8 percent in 2025, from 3.3 percent in 2024, before modestly recovering to 3.0 percent in 2026. This represents a substantial downward revision of 0.5 percentage points from the January 2025 forecast, primarily driven by escalating geopolitical tensions, tighter global financial conditions, and ongoing trade disruptions.

Growth in the advanced economies is forecasted to decline to 1.4 percent in 2025 from 1.8 percent in 2024 and to moderate further to 1.2 percent in 2026. The United States economy is expected to expand at only 1.8 percent in 2025, reflecting diminished consumer confidence, rising interest rates, and slowing industrial output. Meanwhile, the Euro Area and the United Kingdom continue to face headwinds from weak manufacturing sectors and fragile domestic demand, with downward revisions exacerbated by uncertainties surrounding energy supplies and inflation pressures. Emerging markets and developing economies,

which had sustained stronger growth through recent years, are also expected to face slower expansion, with growth projected to ease from 4.3 percent in 2024 to 3.7 percent in 2025, before edging up to 3.9 percent in 2026. China's growth outlook remains particularly constrained, with forecasts trimmed to 4.0 percent for both 2025 and 2026. Challenges such as persistent weakness in the property market, unfavorable demographic trends, and slower productivity gains continue to weigh on China's potential growth trajectory, dampening prospects for broader regional spillovers. India, on the other hand, remains a relative bright spot, supporting growth in emerging Asia.

The IMF further highlights that global trade growth is projected to slow significantly to 1.7 percent in 2025, down from earlier estimates, amid heightened trade tensions and protectionist measures that are disrupting supply chains and dampening investment.

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

Table 13: World Economic Outlook Projections

Real GDP Growth (% change)

	Year over Year				
	Actual	Projections		Difference from January 2025 WEO Projections	
		2024	2025	2026	
		2024	2025	2026	2025 2026
World Output	3.3	2.8	3.0	-0.5	-0.3
Advanced Economies	1.8	1.4	1.5	-0.5	-0.3
United States	2.8	1.8	1.8	-0.9	-0.4
Euro Area	0.9	0.8	1.2	-0.2	-0.2
Germany	-0.2	0.0	0.9	-0.3	-0.2
France	1.1	0.6	1.0	-0.2	-0.1
Italy	0.7	0.4	0.8	-0.3	-0.1
Spain	3.2	2.5	1.8	-0.2	0.0
Japan	0.1	0.6	0.6	-0.5	-0.2
United Kingdom	1.1	1.1	1.4	-0.5	-0.1
Canada	1.5	1.4	1.6	-0.6	-0.4
Emerging Market and Developing Economies	4.3	3.7	3.9	-0.5	-0.4
China	5.0	4.0	4.0	-0.6	-0.5
India	6.5	6.2	6.3	-0.3	-0.2
Russia	4.1	1.5	0.9	0.1	-0.3
Brazil	3.4	2.0	2.0	-0.2	-2.0
Mexico	1.5	-0.3	1.4	-1.7	-0.6
Saudi Arabia	1.3	3.0	3.7	-0.3	-0.4
Sub-Saharan Africa	4.0	3.8	4.2	-0.4	0.0
Nigeria	3.4	3.0	2.7	-0.2	-0.3
South Africa	0.6	1.0	1.3	-0.5	-0.3

Source: IMF World Economic Outlook (WEO) April 2025 update

3.2 The Regional Economy

In Sub-Saharan Africa (SSA), economic growth is projected to rise from an estimated 3.8 percent in 2024 to 4.2 percent in 2025 and 2026, respectively. Growth has been revised downwards by 0.2 percentage points in 2026 than in the October 2024 WEO attributed to a drag in growth prospects in Nigeria and South Africa due to weakness in domestic economic activity. Nigeria and South Africa are expected to grow by 3.2 percent and 1.5 percent in 2024, respectively. The IMF projections show that Kenya's real GDP growth is expected to remain strong in 2024 and above the global growth, SSA and emerging market and developing economies average growth rates.

3.3 The Domestic Economy

The economy recorded decelerated growth in 2024, with a notable contraction in construction and mining and quarrying sectors and a general slowdown in economic activity. It grew by 4.7 percent, compared to a revised growth of 5.7 percent in 2023.

Agriculture sector performance was resilient and grew by 4.6 percent in 2024, compared to 6.6 percent in 2023. Growth was supported by favorable weather conditions and government interventions, particularly subsidized fertilizer, which boosted crop production.

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

However, the non-agriculture sector recorded decelerated growth of 4.7 percent in 2024 compared to 5.5 percent in 2023. This was on account of subdued industrial activity. The industrial sector grew by 0.8 percent compared to 1.9 percent in 2023. Growth was constrained by contraction of construction and mining and quarrying sectors, and deceleration of electricity and water supply. However, the manufacturing sector improved modestly to

grow by 2.8 percent compared to 2.2 percent in 2023, boosted by increased activity in agro-processing and non-food manufacturing. Services grew by 6.0 percent in 2024, compared to 7.0 percent in 2023. All sectors recorded decelerated growth except wholesale and retail trade, public administration, education, health, social sectors, and taxes on products (Table 14).

GROWTH RATES										
	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4	2023 Annual	2024 Annual
1. Agriculture	6.5	7.9	5.1	6.3	5.6	4.5	4.0	4.3	6.6	4.6
2. Non-Agriculture (o/w)	5.2	5.0	6.0	6.0	4.8	4.6	4.3	5.3	5.5	4.7
2.1 Industry	1.2	1.3	3.2	2.3	0.4	0.2	-0.4	3.1	2.0	0.8
Mining & Quarrying	-10.6	-8.1	0.6	-7.5	-16.1	-5.5	-12.2	-2.3	-6.5	-9.2
Manufacturing	2.1	2.0	2.8	1.8	1.9	3.2	2.3	3.9	2.2	2.8
Electricity & water supply	3.8	3.1	3.8	2.0	2.8	1.2	0.9	2.7	3.2	1.9
Construction	1.4	1.4	4.1	4.9	0.4	-3.7	-2.6	2.9	3.0	-0.7
2.2 Services	6.9	6.4	7.3	7.5	6.4	6.1	5.4	6.1	7.0	6.0
Wholesale & Retail Trade	3.7	2.8	3.7	3.0	3.6	2.5	2.6	6.4	3.3	3.8
Accommodation & Food Services	46.3	42.3	34.5	18.9	38.1	35.0	22.9	10.9	33.6	25.7
Transport & Storage	6.8	3.8	4.5	7.2	4.1	3.4	4.6	5.6	5.5	4.4
Information & Communication	10.4	8.4	9.8	12.5	9.2	6.7	6.9	5.6	10.3	7.0
Financial & Insurance	4.7	11.1	13.7	10.7	9.6	8.0	7.3	6.0	10.1	7.6
Public administration	8.4	4.0	5.0	3.0	7.5	9.0	7.3	9.2	5.0	8.2
Professional, Admin. & Support Services	8.6	6.7	10.1	13.7	9.4	6.7	4.5	4.7	9.9	6.2
Real estate	6.6	7.5	7.8	7.3	6.9	5.9	4.8	3.6	7.3	5.3
Education	3.6	2.9	2.6	2.5	2.4	3.2	4.8	5.4	2.9	3.9
Health	4.8	4.2	4.5	4.5	5.4	8.1	6.2	5.6	4.5	6.3
Other services	4.1	3.0	6.3	3.9	5.1	4.8	4.9	4.0	4.3	4.7
FISIM	0.4	5.1	8.2	-2.0	15.4	10.3	11.0	0.7	2.7	9.0
2.3 Taxes on products	2.7	3.0	3.1	3.7	2.9	3.8	6.3	4.5	3.2	4.4
Real GDP Growth	5.4	5.5	5.9	6.1	4.9	4.6	4.2	5.1	5.7	4.7

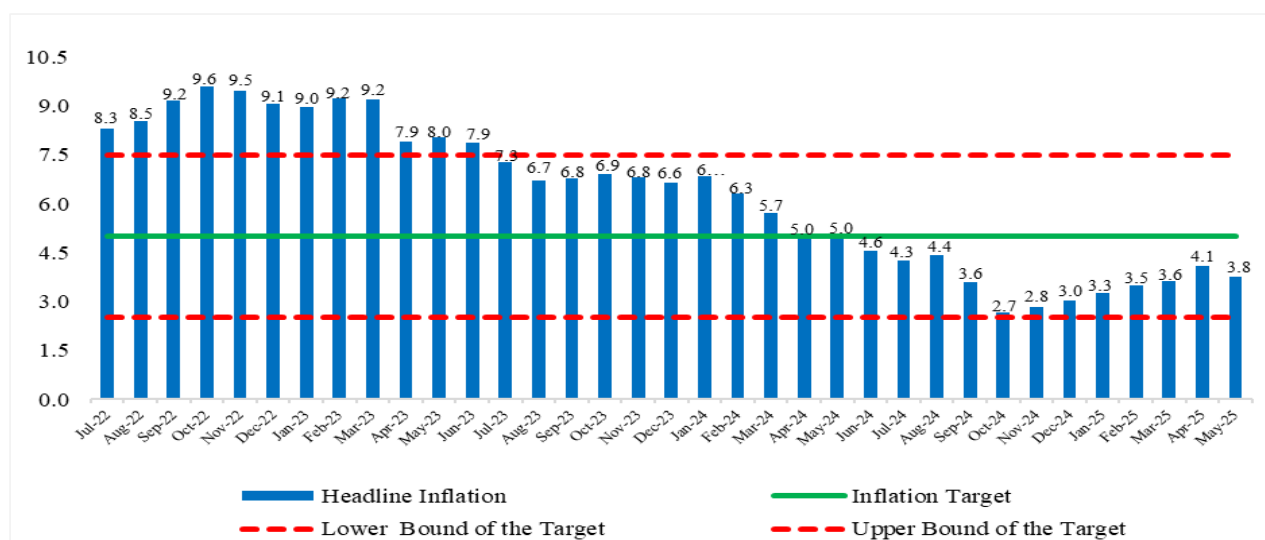
MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

3.4 Inflation

Overall inflation declined significantly from its peak of 9.6 percent in October 2022 to 3.8 percent in May 2025, reflecting decreases in both core and non-core inflation components. The decline is attributed to tighter monetary policy which tempered demand and unwinding of supply side pressures. In addition,

lower energy prices have contributed to lower production and transportation costs, while increased food supply arising from favorable weather conditions and Government investments in agriculture have helped to ease prices of staple food items. Moreover, exchange rate appreciation and subsequent stability since April 2024 has significantly moderated the pass-through of external price pressures.

Chart 6a: Developments in Headline Inflation (y/y, percent)



Core Inflation

Core inflation narrowed to 2.8 percent in May 2025 from a peak of 5.6 percent in June 2023, supported by the gradual pass-through impact of monetary policy tightening and exchange rate stability. More recently, core inflation has gradually picked from 1.9 percent in February 2025 to 2.8 percent in May 2025, reflecting the impact of monetary easing since August 2024 and an uptick in prices of processed food items in the core Consumer Price Index (CPI).

Non-Core Inflation

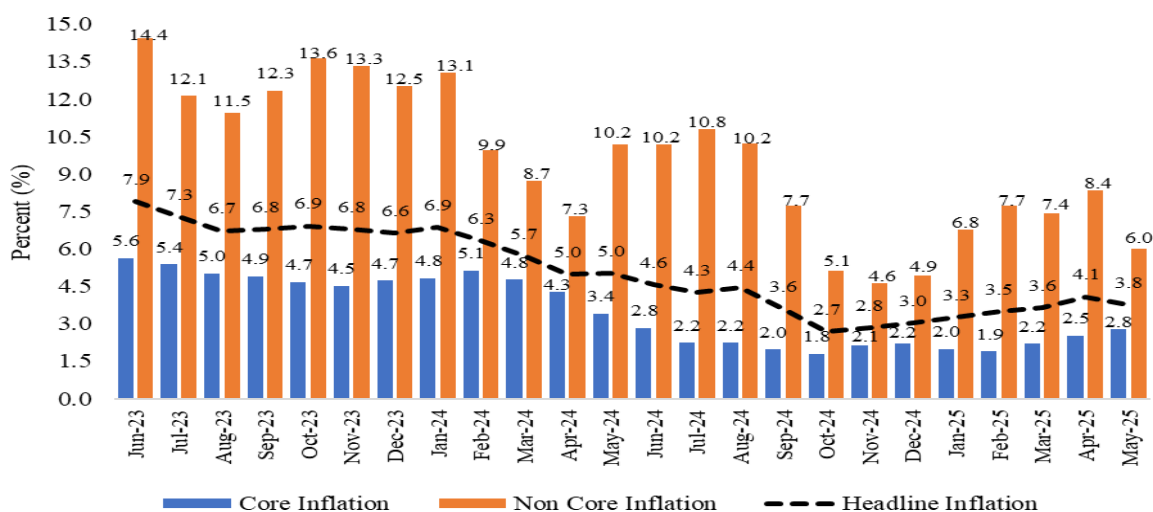
Non-core CPI component is largely comprised of fresh farm produce including vegetable items, energy items and select transport components, which are predominantly driven by domestic weather conditions and global energy prices, respectively. Non-core inflation declined from a peak of 14.4 percent in June 2023 to 6.0 percent in June 2025. The decline is largely due to the deflationary effect of energy prices since September 2024, mainly on account of exchange rate appreciation and moderation of international oil prices. Food prices have also played a significant role in driving developments in non-core inflation.

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

Their evolution mainly reflects seasonal weather patterns. In the recent period, food inflation component in the non-core CPI has

eased largely on account of favorable weather conditions particularly the March-April-May long rains.

Chart 6b: Developments in Broad Components of Inflation (y/y, Percent)



Source: Kenya National Bureau of Statistics and Central Bank of Kenya

Inflation Outlook

Inflation is expected to remain low and stable in the near-term supported by muted demand pressures and prudent monetary policy actions, easing international oil prices, and favorable weather outlook. Risks to the outlook include uncertainty in the global environment, including ongoing geopolitical conflicts and trade wars.

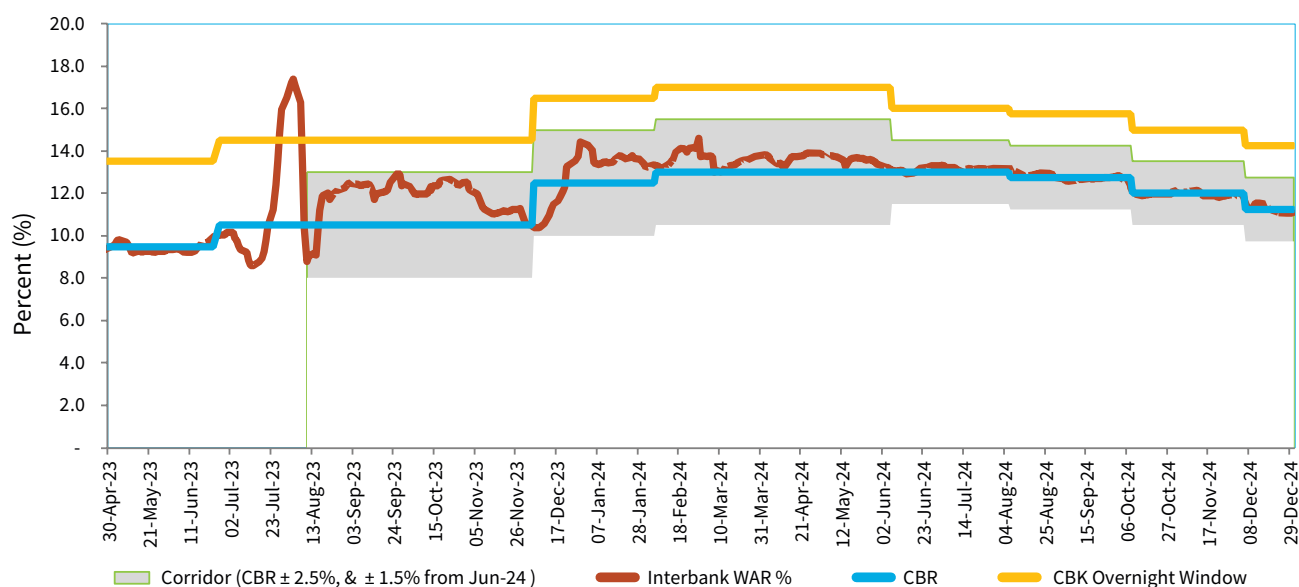
3.5 Modernization of Monetary Policy Implementation Framework

The Central Bank of Kenya adopted a new monetary policy implementation framework in August 2023, to enhance monetary policy transmission. The framework, grounded on inflation targeting, introduced an interest rate corridor around the Central Bank Rate (CBR). Initially set at ± 250 basis points, the corridor was reduced to ± 150 basis points in

June 2024 to further enhance transmission. To support these reforms, the CBK Discount Window, which serves as a backup source of liquidity for the banking system, was made more accessible and the applicable interest rate was lowered to 300 basis points above the CBR, down from the previous 600 basis points. Since the introduction of the interest rate corridor around the CBR, monetary policy operations have been strengthened, ensuring that the interbank rate, as the operating target, closely tracks the CBR, and improved monetary policy transmission (**Chart 7**).

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Chart 7: Interbank rate, interest rate corridor and Overnight Discount Window Rate



3.6 Exchange Rate

The Kenya Shilling exchange rate strengthened against major international currencies during 2024, reflecting increased foreign exchange inflows, impact of monetary policy measures, effects of reforms in the foreign exchange market, and the buyback of the June 2024 Eurobond by the Government. It exchanged at an average of Ksh.134.8 in 2024, against the US dollar, from an average of Ksh.139.8 in 2023 (**Table 15**).

Table 15: Exchange Rate Developments

Exchange rate									
	USD Dollar	Sterling Pound	EURO	JYP YEN(100)	SA RAND	USHS	TSHS	RWF	BIF
Q1 2023	126.4	153.5	135.6	95.6	7.1	29.3	18.5	8.6	16.4
Q2 2023	137.1	171.6	149.3	100.0	7.4	27.2	17.2	8.2	18.2
Q3 2023	144.0	182.4	156.8	99.7	7.7	25.7	17.2	8.2	19.7
Q4 2023	151.8	188.5	163.3	102.7	8.1	24.9	16.5	8.1	18.7
2023	139.8	174.0	151.3	99.5	7.6	26.8	17.4	8.3	18.3
Q1 2024	149.6	189.7	162.5	100.9	7.9	25.9	17.1	8.6	19.2
Q2 2024	130.9	165.2	141.0	84.0	7.0	29.0	19.9	9.9	21.9
Q3 2024	129.5	168.3	142.2	87.0	7.2	28.4	20.3	10.6	22.7
Q4 2024	129.3	165.8	138.0	85.0	7.2	28.4	20.3	10.6	22.7
2024	134.8	172.3	145.9	89.2	7.3	27.9	19.4	9.9	21.6

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

3.7 Interest Rates

Interest rates were relatively high in most of 2024, reflecting the tight monetary policy stance and liquidity conditions in the market. The Monetary Policy Committee (MPC) sustained the tight monetary stance to anchor inflation expectations with the Central Bank Rate (CBR) raised by 50 basis points in February 2024 to 13.0 percent. The MPC held CBR at 13.0 percent in April and June meetings noting that its previous measures have lowered overall inflation to the mid-point of the target range, stabilized the exchange rate, and anchored inflationary expectations.

Since August 2024, interest rates, particularly the short-term interest rates, declined in line with the easing of monetary policy stance and improved liquidity conditions. The CBR was lowered cumulatively by 1.75 percent in August, October and December 2024, to 11.25 percent. The MPC noted that overall inflation was expected to remain below the midpoint of the target range in the near term, supported by low fuel inflation, stable food inflation, and exchange rate stability. Additionally, the Committee noted that economic growth in the first half of 2024 had decelerated, and therefore concluded that there was scope for easing

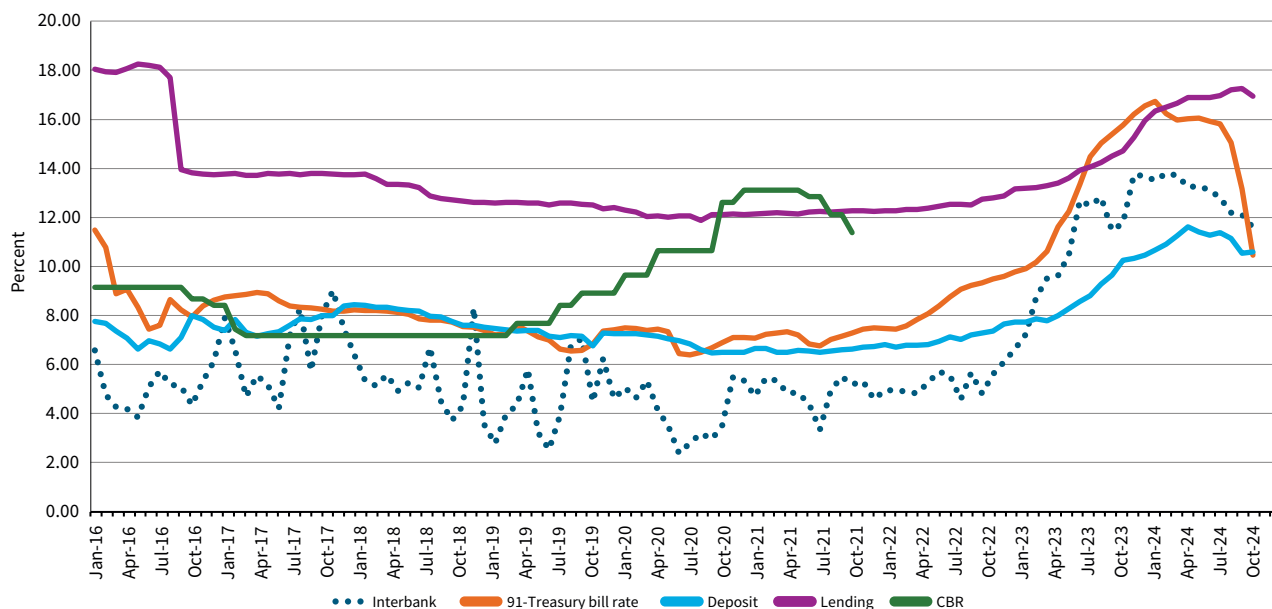
of the monetary policy stance to support economic activity, while ensuring exchange rate stability.

The weighted average interbank interest rate decreased to 11.45 percent in December 2024 compared to a high of 13.17 percent in July 2024, and 11.65 percent in December 2023, and it was within the prescribed interest rate corridor band around the CBR. Similarly, the interest rates on Government securities declined, with the 91-day Treasury bill rate at 10.32 percent in December 2024 compared to 16.0 percent in July 2023 and 15.70 percent in December 2023.

Commercial banks' average lending rates declined marginally in December 2024, to 16.89 percent compared to 17.22 percent in November 2024, reflecting monetary policy stance but remained elevated compared to 14.63 percent in December 2023. The deposit rate also decreased to 10.45 percent in December 2024 compared to a high of 10.48 percent in June 2024, while it was elevated compared to 10.10 percent in December 2023. Consequently, the interest spread increased to an average of 5.77 percent in 2024 compared to 5.30 percent in 2023 (**Chart 8**).

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

Chart 8: Interest Rates (percent)

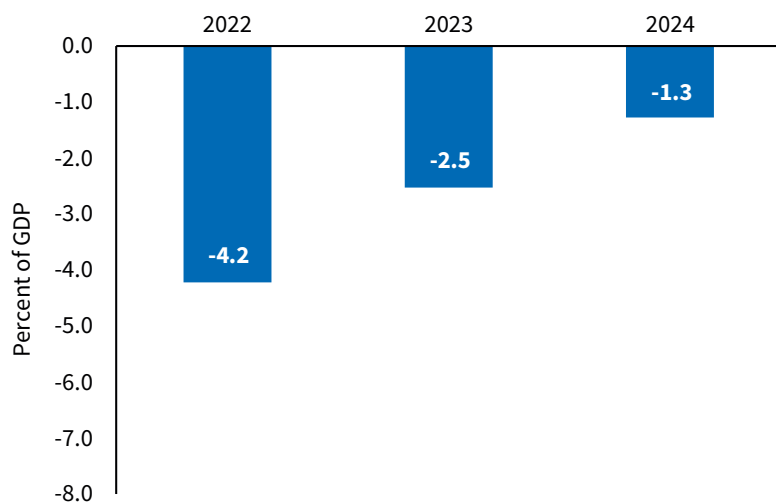


Source: Central Bank of Kenya

3.8 Balance of Payments

The current account deficit narrowed to 1.3 percent of GDP in 2024 from 2.5 percent of GDP in 2023. This reflected improvement in exports of goods and services and resilient remittance inflows. Goods exports increased by 13.4 percent while services exports increased by 13 percent in 2024. Imports of goods improved by 8.0 percent in 2024.

Chart 9: Current account balance



3.9 Fiscal Developments

Total government revenues and grants amounted to Ksh.1,383.9 billion in the first half of FY 2024/25, representing a 4.9 percent increase from Ksh.1,318.7 billion collected in a similar period in 2023/24 (**Table 16**). Tax revenue was below its target set. Total expenditure and net lending increased by 14.7 percent during the first half of FY 2024/25 to Ksh.1,955.9 billion from Ksh.1,704.7 billion over a similar period in FY 2023/24 largely on account of increases in recurrent and development expenditure and County transfers. Total expenditure and net lending were above target, reflecting overperformance in both

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recurrent and development spending. However, County transfers were below target. Consequently, Government budgetary operations resulted in a lower deficit of Ksh.446.9 billion (2.5 percent of GDP) on a cash basis compared to a deficit of Ksh.204.3 billion (1.3 percent of GDP) incurred over the same period in FY 2023/24. The deficit was above the target of 1.9 percent of GDP.

Table 16: Fiscal Developments

Ksh Bn	FY 2023/24			FY 2024/25				Over (+) /	%
	Q1	Q2	Cumulative to Dec-2023	Q1	Q2	Cumulative to Dec-2024	Target	Below (-) Target	Variance
1. TOTAL REVENUE & GRANTS	589.5	729.3	1,318.7	698.8	685.1	1,383.9	1,456.3	(72.4)	(5.0)
Ordinary Revenue	536.8	551.9	1,088.7	590.9	566.9	1,157.8	1,251.0	(93.2)	
Tax Revenue	514.1	536.3	1,050.4	525.3	556.1	1,081.4	1,174.5	(93.0)	
Non Tax Revenue	22.7	15.6	38.3	65.5	10.8	76.3	76.5	(0.2)	
Appropriations-in-Aid	49.3	175.3	224.6	106.6	104.8	211.4	191.3	20.1	
External Grants	3.4	2.0	5.5	1.4	13.4	14.8	14.0	0.8	
2. TOTAL EXPENSES & NET LENDING	643.9	1,060.8	1,704.7	890.2	1,065.7	1,955.9	1,796.0	159.9	8.9
Recurrent Expenses	516.9	779.5	1,296.3	691.7	798.3	1,490.0	1,331.2	158.8	
Development Expenses	65.9	200.0	265.9	134.9	139.4	274.3	244.5	29.8	
County Transfers	61.1	81.4	142.5	63.6	128.0	191.6	219.2	(27.6)	
Others	-	-	-	-	-	-	1.0	(1.0)	
3. DEFICIT (INCL. GRANTS) (1-2)	(54.4)	(331.5)	(385.9)	(191.4)	(380.6)	(572.0)	(339.7)	(232.3)	68.4
As percent of GDP	(0.3)	(2.1)	(2.5)	(1.1)	(2.1)	(3.2)	(1.9)	(1.3)	
4. ADJUSTMENT TO CASH BASIS	-	181.7	181.7	-	125.1	125.1	0.0	125.1	
5. DEFICIT INCL. GRANTS ON A CASH BASIS	(54.4)	(149.8)	(204.3)	(191.4)	(255.5)	(446.9)	(339.7)	(107.2)	31.6
As percent of GDP	(0.3)	(1.0)	(1.3)	(1.1)	(1.4)	(2.5)	(1.9)	(0.6)	
6. DISCREPANCY: Expenditure (+) / Revenue (-)	12.6	(35.0)	(22.4)	-	(55.6)	(55.6)	0.0	(55.6)	
7. FINANCING	67.0	114.8	181.8	339.7	226.9	391.3	339.7	51.6	15.2
Domestic (Net)	93.3	116.7	210.0	54.9	178.7	399.4	54.9	344.5	
External (Net)	(26.3)	(1.9)	(28.2)	284.8	48.2	(8.1)	284.8	(293.0)	
Other Dom. Financing (domestic loan receipts)	-	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	-	

GDP figures Provisional Dec 2024 BOT

Source: The National Treasury-Dec 2024Provisional BOT

3.10 Performance of the Banking Sector

The banking sector recorded a strong performance in the year ended December 2024 against a backdrop of a challenging business and operating environment. The banking sector registered an increase in profitability in 2024, with profit before tax increasing by Ksh.41.0 billion (18.2 percent) from Ksh.219.2 billion in December 2023, to Ksh.260.0 billion

in December 2024. The increase in profitability was attributed to a higher increase in total income (Ksh.50.1 billion) compared to the increase in total expense (Ksh.9.1 billion).

The increase in total income was mainly attributed to an increase in interest income on loans and advances 24.0 percent and interest on government securities 13.5 percent.

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3.11 Commercial Banks Balance Sheet Analysis

The banking sector registered marginal decline in financial strength in 2024, with total net assets recording a decrease of Ksh.122.7 billion (1.6 percent) from Ksh.7,690.7 billion in December 2023 to Ksh.7,568.0 billion in December 2024 (**Table 17**). This is attributable to decrease in loans and advances by Ksh.160.3

billion (4.2 percent), placements by Ksh.103.9 billion (18.0 percent), other assets by Ksh.1.2 billion (07 percent) and balances at Central Bank by Ksh.1.1 billion (0.4 percent).

Net loans and advances, government securities and other assets accounted for 48.1 percent, 27.9 percent, and 9.9 percent of the total net assets, respectively and remained the main components of the banks' balance sheet.

Table 17: GLOBAL BALANCE SHEET ANALYSIS (Ksh.M)

	December2023	December 2024	% of Total Assets/Total Liabilities (%)
Cash	95,760	97,874	1.3
Balances at Central bank	310,699	309,568	4.1
Placements	577,453	473,598	6.3
Government Securities	1,882,868	2,114,752	27.9
Investments	179,280	180,560	2.4
Loans and Advances (Net)	3,801,723	3,641,392	48.1
Other assets	842,875	750,219	9.9
Total Assets	7,690,658	7,567,962	100.0
Liabilities and Shareholders' Funds			
Customer Deposits	5,595,754	5,480,812	72.4
Other liabilities	1,113,991	903,587	11.9
Capital and Reserves	980,913	1,183,564	15.6
Total liabilities and Shareholders' Funds	7,690,658	7,567,962	100.0

Source: CBK

Customer deposits, which are the main source of funding for the banks decreased by Ksh.114.9 billion (2.1 percent) from Ksh.5,595.8 billion in December 2023 to Ksh.5,480,812 billion in December 2024.

In 2024, the banking sector capital and reserves increased by Ksh.202.7 billion (20.7 percent) from Ksh.980.9 billion in December 2023 to Ksh.1,183.6 billion in December 2024. The increase in capital and reserves is attributable

to increase in retained earnings and paid-up capital. Retained earnings increased by Ksh.79.4 billion from Ksh.627.2 billion in December 2023 to Ksh.706.6 billion in December 2024. Paid up capital increased by Ksh.10.3 billion from Ksh.223.5 billion in December 2023 to Ksh.233.8 billion in December 2024. Proposed Dividends increased by Ksh.22.6 billion from Ksh.50.8 billion in December 2023 to Ksh.73.4 billion in December 2024.

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3.12 Sectoral Distribution of Gross loans, Loan Accounts and Gross Non-Performing Loans

The largest proportion of the banking industry's gross loans and advances were channeled to the Personal and Household, Trade, Manufacturing and Real Estate Sectors. In total, these four economic sectors accounted for 70.2 percent of gross loans in December 2024, as indicated in **Table 18**. Personal and Household, Trade and Agriculture sectors accounted for the highest number of loan accounts with a total of 98.5 percent. Trade, Real Estate Manufacturing, and

Personal and Household sectors accounted for the highest value of non-performing loans by registering 72.5 percent. This was mainly due to a challenging business environment.

The concentration of non-performing loans was mainly in Trade, Real Estate, Manufacturing and Personal and Household sectors in December 2024. CBK will closely monitor the four economic sectors to ensure that commercial banks make adequate provisions for the loans in the four economic sectors to mitigate the risk of default.

Table 18: Sectoral Distribution of Loan Accounts, Gross Loans and NPLs-December 2024

	No. of Loan A/Cs	% of Total (%)	Gross Loans Ksh. Million	% of Total (%)	Gross NPLs Ksh. Million	% of Total (%)
Agriculture	117,524	1	180,603.6	4.4	31,552.3	4.5
Building and Construction	17,116	0.1	165,755.9	4.1	54,902.3	7.9
Energy and water	4,789	0	123,692.6	3	14,844.4	2.1
Financial Services	22,055	0.2	237,587.5	5.8	8,351.6	1.2
Manufacturing	32,006	0.3	640,925.7	15.7	124,615.6	17.9
Mining and Quarrying	4,613	0	54,968.1	1.4	7,727.9	1.1
Personal and Household	10,724,514	92.6	943,843.4	23.2	100,975.4	14.5
Real Estate	29,744	0.3	477,557.0	11.7	128,976.8	18.5
Tourism, Restaurant and Hotels	9,582	0.1	108,600.8	2.7	19,619.5	2.8
Trade	566,390	4.9	798,095.1	19.6	150,880.7	21.6
Transport and Communication	52,704	0.5	338,549.0	8.3	54,847.0	7.9
Total	11,581,037	100	4,070,178.8	100	697,293.7	100

3.12.1 Risk Classification of Assets, Provisioning and Limitation on Interest Recoverable on Non-Performing Loans

CBK's Prudential Guideline on Risk Classification of Assets, Provisioning and Limitation on Interest Recoverable on Non-Performing Loans (CBK/ PG/ 04), requires commercial banks to classify loans and advances extended to their customers based on performance. The performance criteria is based on the repayment capability of the borrowers. The loans are classified as either normal, watch, substandard, doubtful or loss.

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- **Normal:** Loans performing in accordance with the contractual terms and are up to date on repayments and are expected to continue in this condition.
- **Watch:** Loans which are generally past due by between 30 days and 90 days.
- **Substandard:** Loans which are generally past due for more than 90 days but less than 180 days.
- **Doubtful:** Loans which are generally past due for more than 180 days but less than 360 days.
- **Loss:** Loans which are generally past due for 360 days or more.

The loans and advances in the Normal, Watch and Substandard categories decreased by 2.7 percent, 15.1 percent and 11.4 percent respectively. The loans and advances in the Doubtful and Loss category increased by 18.0

percent, 1.3 percent respectively (**Table 19**). The normal category accounted for 72.4 percent of the total loans in 2024, compared to 72.5 percent in 2023 whereas, the watch category accounted for 10.4 percent of the total loans in 2024, compared to 12.0 percent in 2023. The substandard, doubtful and loss categories accounted for 3.0 percent, 9.4 percent, and 4.6 percent of the loan book in 2024, compared to 3.3 percent, 7.8 percent, and 4.5 percent in 2023.

The increase in the non-performing loans was mainly occasioned by challenges in the business environment.

The amount of loans in all categories increased in 2024, with exception of substandard category as shown in **Table 19** and **Chart 10**.

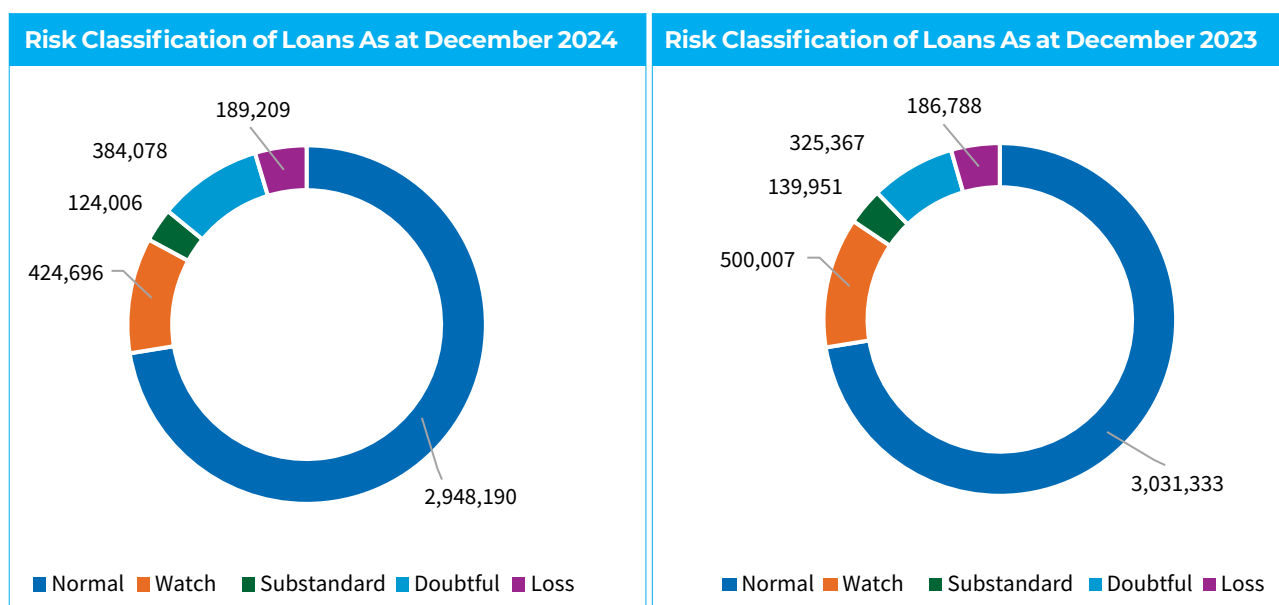
Table 19: Risk Classification of Loans and Advances

	2023		2024		Change Ksh' Million	% Change
	Amount Ksh' Million	% of Total	Amount Ksh' Million	% of Total		
	A		B		C=B-A	D=C/A
Normal	3,031,333	72.5	2,948,190	72.4	-83,143	-2.7
Watch	500,007	12.0	424,696	10.4	-75,311	-15.1
Substandard	139,951	3.3	124,006	3.0	-15,945	-11.4
Doubtful	325,367	7.8	384,078	9.4	58,711	18.0
Loss	186,788	4.5	189,209	4.6	2,421	1.3
Total	4,183,446	100	4,070,179	100.0	-113,267	-2.7

Source: CBK

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Chart 10: Risk Classification of Loans and Advances



3.13 Asset Quality

The stock of non-performing loans (NPLs) increased by 7.0 percent to Ksh.697.3 billion in December 2024 from Ksh.651.8 billion in December 2023. Asset quality, which is measured by the ratio of gross NPLs to gross loans deteriorated with gross NPLs to gross loans ratio increasing to 17.1 percent in December 2024 from 15.6 percent in December 2023 as shown in **Table 20** and **Appendix III**. This was mainly due to an increase in gross non-performing loans (7.0 percent) as compared to the decrease in gross loans (2.7 percent). The deterioration in asset quality was mainly due to a challenging business environment.

	December 2023	December 2024	% Change (%)
Net Assets	7,690,658	7,567,962	-1.6
Gross Loans and Advances	4,183,446	4,070,179	-2.7
Total Loans	4,088,693	3,956,340	-3.2
Net Loans	3,801,723	3,641,373	-4.2
Gross Non-Performing Loans	651,814	697,294	7.0
Interest in Suspense	94,753	113,839	20.1
Total Non-Performing Loans	557,061	583,455	4.7
Total Provisions	286,970	314,967	9.8
Net Non- Performing Loans	270,091	268,488	-0.6
Gross Loans/Net Assets (%)	54.4	58.4	4.0
Gross NPLs/Gross Loans (%)	15.6	17.1	1.5
Net NPLs/Gross Loans (%)	6.5	6.6	0.1

Source: Banks and Mortgage Finance Companies Published Financial Statements

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3.14 Capital Adequacy

The CBK Prudential Guideline on Capital Adequacy (CBK/PG/04) requires banks to adhere to the prescribed capital adequacy ratios. The current minimum regulatory capital adequacy ratios for Core Capital to Total Deposits, Core Capital and Total Capital to Total Risk Weighted Assets are 8.0 percent, 10.5 percent, and 14.5 percent respectively.

Core Capital to Total Risk Weighted Assets ratio increased from 15.4 percent in December 2023

to 17.3 percent in December 2024. The Total Capital to Total Risk Weighted Assets ratio increased from 18.6 percent in December 2023 to 19.6 percent in December 2024. The core capital to total deposits ratio also increased slightly from 16.0 percent in December 2023 to 17.2 percent in December 2024. The Kenyan banking industry was therefore fully compliant with the capital adequacy ratios in 2024. **Table 21** presents the Kenyan banking sector capital adequacy trend from 2018 to 2024.

Table 21: Capital Adequacy Ratios

	2018	2019	2020	2021	2022	2023	2024	Minimum Capital Adequacy Ratios (%)
Core Capital/TRWA (%)	16.6	16.6	16.6	16.6	16.0	15.4	17.3	10.5
Total Capital/TRWA (%)	19.5	18.8	19.0	19.5	18.9	18.6	19.6	14.5
Core Capital/Total Deposits (%)	17.9	17.9	17.1	16.9	17.1	16.0	17.2	8.0
Key: TRWA-Total Risk Weighted Assets								
Source: CBK								

3.15 Liquidity

Liquidity held by commercial banks depicts their ability to fund increases in assets and meet obligations as they fall due. Liquidity is one of the important financial stability indicators. Liquidity shortfall in one bank can cause systemic crisis in the banking sector due to their interconnected operations.

The average liquidity ratio as at December 2024, stood at 56.0 percent compared to 51.0 percent registered in December 2023. The increase in the liquidity ratio is mainly attributed to a higher growth in total liquid assets as compared to the growth in short-term liabilities. Total liquid assets grew by 8.3 percent while the short-term liabilities decreased by 1.0 percent. The banking sector's average liquidity in 2024 was way above the statutory minimum requirement of 20 percent.

3.16 Profit and Loss

The banking sector registered an increase in profitability in 2024 with profit before tax increasing by Ksh.41.0 billion (18.87 percent) from Ksh.219.3 billion in December 2023 to Ksh.260.3 billion in December 2024 as shown in **Table 22**. The increase in profitability was attributed to a higher increase in total income (Ksh.155.1 billion) compared to the increase in total expense (Ksh.114.0 billion).

3.16.1 Income

Total income for the banking sector increased by 17.2 percent to Ksh.1,054.4 billion in December 2024 from Ksh.899.3 billion in December 2023 as shown in **Table 22**. The increase in income was largely attributed to an increase in interest on advances (Ksh.104.8 billion), interest on placements (Ksh.13.4 billion), interest on government securities

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(Ksh.31.2 Billion) and other fees and commission income (Ksh.8.6 billion) between December 2023 and December 2024.

Table 22: Income and Expenditure Items as a Percentage of Total Income/Total Expenses				
	Dec-23		Dec-24	
Income	Ksh.M	% of Total Income/total expenses	Ksh.M	% of Total Income/total expenses
Interest on Advances	436,094	48.50	540,888	51.3
Fees and Commission for Loans and Advances	46,237	5.10	45,233	4.3
Other Fees and Commission Income	64,139	7.10	72,707	6.9
Interest on Government Securities	231,125	25.70	262,322	24.9
Interest on Placement	26,587	3.00	39,971	3.8
Other Income	95,144	10.60	93,286	8.8
Total Income	899,326	100.00	1,054,406	100.0
Expenses				
Interest Expenses	280,871	41.3	385,810	48.6
Bad Debts Charge	109,649	16.1	83,733	10.5
Salaries and Wages	134,453	19.8	147,077	18.5
Other Expenses	155,054	22.8	177,456	22.3
Total Expenses	680,027	100.0	794,077	100.0
Profit Before Tax	219,299		260,329	

Source: Banks and Mortgage Finance Companies Published Financial Statements

3.16.2 Expenses

Banking sector total expenses increased by Ksh.114.0 (16.8 percent) from Ksh.680.0 billion in December 2023 to Ksh.794.1 billion in December 2024 (**Table 22**). The increase was largely attributed to increased interest expenses (Ksh.104.9 billion), other expenses (Ksh.22.4 billion) and salaries and wages (Ksh.12. billion) in 2024. Interest expenses accounted for 37.4 percent of the total banking sector expenses in 2024. Interest expense as a ratio of income increased to 36.6 percent in 2024 from 31.2 percent in 2023.

Other expenses including training, advertising, printing and management fees increased by Ksh.22.4 billion (14.4 percent) from Ksh.155.0 billion in December 2023 to Ksh.177.5 billion in

December 2024. Salaries and wages increased by Ksh.12.6 billion (9.4 percent) to Ksh.147.1 billion in December 2024 from Ksh.155.1 billion in December 2023. Salaries and wages as a ratio of income decreased from 15.0 percent in 2023 to 13.9 percent in 2024 reflecting a lower increase in staffing costs compared to the increase in income.

3.17 Performance Rating

The Central Bank of Kenya (CBK) uses the Capital Adequacy, Asset Quality, Management Quality, Earnings strength, and Liquidity position (CAMEL) rating system in assessing the soundness of the commercial banks. Commercial banks are ranked in a 5-scale rating as shown in **Table 23**.

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The banking sector was on overall rated satisfactory in 2024 as was in 2023. The institutions rated strong, satisfactory, fair, marginal and unsatisfactory in December 2024 were 11, 18, 8, 1 and 1 respectively, as compared to 11, 15, 11, 1 and 1 in December 2023, respectively (**Table 23**). The number of institutions rated satisfactory increased

from 15 in December 2023 to 18 in December 2024. The number of institutions rated fair decreased from 11 in December 2023 to 8 in December 2024. However, the market share for banks rated satisfactory decreased to 54.2 percent in December 2024, from 55.3 percent in December 2023.

Table 23: Banking Sector Performance Rating

Performance Rating	2023			2024		
	No. of Institutions	Total Net Assets (Ksh 'Million)	Market Share (%)	No. of Institutions	Total Net Assets (Ksh 'Million)	Market Share (%)
Strong	11	2,802,675	36.44	11	2,942,970	38.89
Satisfactory	15	4,251,814	55.29	18	4,102,383	54.21
Fair	11	620,532	8.07	8	496,237	6.56
Marginal	1	15,481	0.20	1	26,296	0.35
Unsatisfactory	1	155	0.00	1	76	0.00
Total		7,690,658	100.00		7,567,962	100.00
Overall Rating	Satisfactory			Satisfactory		

Source: CBK

3.18 Compliance with Supervisory and Regulatory Requirements

Eleven commercial banks were in violation of the Banking Act and CBK Prudential Guidelines as at December 31, 2024, compared to twelve commercial banks as at December 31, 2023. Most of the violations were with respect to breach of single obligor limit due to decline in core capital in some banks that reported losses. The specific incidents of non-compliance noted as at December 31, 2024, were as follows:

i) Single Obligor Limit

Nine commercial banks were in violation of Section 10 (1) of the Banking Act due to breach of the single obligor limit of 25 percent of core capital.

ii) Insider Lending

- Two banks were in violation of Section 11(1) (f) of the Banking Act due to breach of the single insider borrower limit of 20 percent of the core capital.
- One bank was in violation of Section 11(1) (g) of the Banking Act due to breach of the total insider borrower limit of 100 percent of the core capital.

iii) Prohibited Business

- Two commercial banks were in violation of Section 12 (c) of the Banking Act and CBK Prudential Guideline on Prohibited Business, CBK/PG/07, Clause 3.4.1 (c) for investing more than 20 percent of the core capital in land and buildings.

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- Five commercial banks were in violation of CBK Prudential Guideline on Prohibited Business, CBK/PG/07, Clause 3.3, which restricts aggregate credit facilities to all large exposures to not more than 5 times of the institution's core capital.

iv) Capital Adequacy Requirements

- Three commercial banks were in violation of Section 7(1) of the Banking Act due to failure to maintain the minimum core capital required of Ksh.1 billion.
- Five commercial banks were in violation of Section 18 of the Banking Act and CBK Prudential Guideline on Capital Adequacy, CBK/PG/03, Clause 4.1.2 due to failure to meet the total capital to total risk weighted assets ratio of 14.5 percent and core capital to total risk weighted assets ratio of 10.5 percent. While four commercial banks failed to meet the core capital to total deposit ratio of 8 percent.

v) Foreign Exchange Exposure

Two commercial banks were in violation of Central Bank of Kenya Prudential Guideline on Foreign Exchange Exposure (CBK/PG/06) that requires institutions to maintain foreign exchange exposure at not more than 10 percent of core capital.

vi) Liquidity Management

Three commercial banks were in violation of Section 19 (1) of the Banking Act due to failure to maintain the minimum statutory liquidity ratio of 20 percent.

vii) Corporate Governance

Three banks were in violation of Section 13 (1) of the Banking Act and CBK/PG/07, Clause 3.5 which restricts ownership of an institution to any one person to a maximum of 25 percent.

Appropriate remedial actions were taken on the institutions concerned by the CBK in respect of the violations.

3.19 Performance of Microfinance Banks

The performance of Microfinance banks (MFBs) deteriorated in the year ended December 31, 2024. As illustrated in **Table 24**, the sector recorded a combined loss before tax of Ksh.3.5 billion, an increase from the Ksh.2.4 billion loss reported in 2023. Out of the 14 licensed MFBs, only four institutions posted profits, while the remaining ten incurred losses. The largest contributors to the sector's overall loss were Kenya Women Microfinance Bank Limited, Faulu Microfinance Bank Limited, and SMEP Microfinance Bank Limited, which reported pre-tax losses of Ksh.1.6 billion, Ksh.719 million, and Ksh.409 million, respectively.

The decline in the performance of microfinance banks in 2024 is primarily attributed to a 12.1 percent reduction in total income. This was largely driven by a 16 percent contraction in net advances, which fell from Ksh. 37.5 billion in 2023 to Ksh. 31.2 billion in 2024. The reduced lending activity, aimed at managing funding constraints, led to a 12.3 percent drop in interest income from the loan portfolio—from Ksh. 9.4 billion to Ksh. 8.3 billion.

The return on assets marginally declined by two percent from negative four percent in 2023 to negative six percent in 2024 due to a decrease in total assets by 9.8 percent and a 48 percent decline in profitability in 2024. Similarly, the return on equity declined by 43 percent from negative 35 percent in 2023 to negative 78 percent in 2024. This deterioration was largely due to erosion by 33.6 percent of shareholders' funds, following losses amounting to Ksh.3.5 billion in 2024.

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Table 24: Performance of Microfinance Banks - Ksh. 'M'

Parameter	2023	2024	% Change
Pre-tax Profits	(2,391)	(3,531)	(48)
Customer Deposits	43,863	42,998	(2)
Loan Portfolio (Net)	37,467	31,180	(17)
Core Capital/Total Risk Weighted Assets (%)	10	6	(4)
Total Capital/Total Risk Weighted Assets (%)	12	7	(5)
Return on Assets (%)	(4)	(6)	(2)
Return on Shareholders' Funds (%)	(35)	(78)	43
Number of Branches	115	107	

Source: CBK

In 2024, the ratios of core and total capital to total risk weighted assets declined by four percent and five percent to six percent and seven percent, respectively. This deterioration was primarily driven by sector-wide losses of Ksh.3.5 billion. As a result, the sector's capital adequacy ratios fell below the minimum requirements of 10 percent and 12 percent respectively. Consequently, 5 institutions were non-compliant with the capital adequacy requirements as detailed in **Appendix XII**.

The sector's liquidity ratio stood at 43.3 percent as at December 31, 2024, well above the statutory minimum of twenty percent. However, one institution failed to meet this requirement.

Operationally, the sector experienced a net reduction in physical presence, with the total number of branches down to 107. A total of ten branches were closed during the year. Caritas MFB opened two new branches while Faulu closed nine branches and Choice closed one branch.

The number of marketing offices reduced to 37 in 2024 from 48 in 2023, following the opening of three marketing offices and closure of 14. Similarly, the agency network contracted decreasing to 540 in 2024 from 677 in 2023. This was the result of the onboarding of 38 new third-party agents while discontinuing 175 agents.

3.20 Agency Banking

The delivery of financial services through the agent banking model continued to increase in 2024. During the year, 16 commercial banks and 5 microfinance banks (MFBs) contracted 89,167 and 539 bank agents, respectively. As at December 2023, commercial

banks recorded 87,531 bank agents, while MFBs agents were 677. The change was an increase of 1,636 commercial bank agents (1.9 percent) and a decrease of 138 MFB agents (20.4 percent).

Over 90 percent of the approved bank agents were concentrated in 3 banks with the largest physical branch presence namely, Equity Bank with 37,704 agents, KCB Bank Kenya Limited with 23,336 agents and Cooperative Bank of Kenya Limited with 18,207 agents. On the other hand, for the MFBs, over 90 percent of the agents were contracted by the three largest MFBs – Faulu Microfinance Bank Limited (244 agents), Caritas Microfinance Bank Limited (161 agents), and Kenya Women Microfinance Bank Limited (127 agents).

Number of Transactions

The number of banking transactions undertaken through bank agents decreased by 2.1 percent from approximately 145.3 million transactions recorded in 2023, to 142.3 million transactions in December 2024. A brief summary is provided in **Table 25 (a)** below:

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

Table 25 (a): Agency Banking Data for Banks- No. of Transactions

Type of Transactions	Number of Transactions			
	2023	2024	% Change	Cumulative (2010-2024)
Cash Deposits	69,429,982	67,245,416	-3.1	732,152,071
Cash Withdrawals	39,172,763	38,943,373	-0.6	456,254,573
Payment of Bills	3,439,493	2,502,851	-27.2	24,781,357
Payment of Retirement and Social Benefits	2,087,191	2,660,581	27.5	17,750,360
Transfer of Funds	11,416	10,637	-6.8	262,065
Account balance enquiries	30,742,994	30,750,372	0.0	265,066,193
Mini statement requests	356,446	145,685	-59.1	5,057,553
Collection of loan applications forms	-	-	0.0	62,746
Collection of account opening application forms	25,916	16,536	-36.2	1,856,248
Collection of debit and credit card application forms	-	-	0.0	119,876
Collection of debit and credit cards	-	-	0.0	60,580
Others	81,199	52,487	-35.4	1,012,914
Total	145,347,400	142,327,938	-2.1	1,504,436,536
Number of Agents	87,531	89,167	1.9	

Source: CBK

The decrease in total transactions was mainly as a result of decreases in transactions relating to cash deposits, cash withdrawals, and payment of bills. The decrease was attributed to an increase in competition from other competing transaction channels such as mobile money and internet banking.

Table 25 (b): Agency Banking Data for Banks- Value of Transactions (Ksh.'M')

Type of Transactions				
	2023	2024	% Change	Cumulative (2010 to 2024)
Cash Deposits	1,350,453	1,419,611	5.1	10,283,589
Cash Withdrawals	261,811	255,671	-2.3	2,693,679
Payment of Bills	26,647	20,856	-21.7	185,526
Payment of Retirement and Social Benefits	11,292	6,299	-44.2	93,604
Transfer of Funds	690	679	-1.6	6,274
Total	1,650,892	1,703,116	3.2	13,262,672

Source: CBK

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

In 2024, the value of banking transactions undertaken through agents increased from Ksh.1.65 trillion (USD 12.7 billion) in December 2023 to Ksh.1.70 trillion (USD 13.1 billion) in December 2024, **Table 25 (b)** above. The increase was attributed to fewer but larger transactions conducted through agents.

3.21 Credit Reference Bureaus

Credit reports requests increased by 6 percent from 36.4 million requests in 2023 to 38.6 million requests in 2024.

The number of third-party data sources stood at 2,824 in the year 2024 having increased from 2,138 in the previous year. The increase was driven by non-deposit taking Saccos, which increased by 48.4 percent from 1,375 in 2023 to 2,040 in 2024. Credit Reference Bureaus (CRBs) onboarded more third-party data sources to help disseminate credit reports and clearance certificates thus boost their revenues. The distribution of the third-party data sources in 2024 is shown in **Table 26 (a)**.

Table 26 (a): Distribution of Third-Party Data Sources in 2024

Type of Data Source	Number of Data Sources
Non-deposit taking Saccos	2,040
Trade companies	702
Insurance providers	56
Development finance institutions	10
Self-Help Groups	8
Community-Based Organizations	1
Parastatals	6
Learning institutions	1
Total	2,824

Source: CBK

The third-party data sources serve to complement information provided by mandatory CRB subscribers including commercial banks, microfinance banks, deposit-taking SACCOs and digital credit providers.

The number of credit reports requested by banks increased by 6 percent from 36.4 million in 2023 to 38.6 million in 2024. Similarly, the requests for credit reports by individual customers increased by 13 percent from 822,747 in 2023 to 927,394 in 2024 as indicated in **Table 26 (b)**. The increase in credit reports was mainly in the second half of 2024 as credit demand picked up. Credit demand in the first half of 2024 was dampened by high interest rates.

Table 26 (b): Number of credit reports requested since August 2015

Period	Banks*	% Change	Individual Customers	% Change
August - December 2015	3,088,523	-	43,440	-
January - December 2016	4,943,173	60	84,412	94
January - December 2017	4,404,654	-11	131,587	56
January - December 2018	12,404,219	182	149,558	14
January - December 2019	26,822,614	116	661,891	343
January - December 2020	30,220,808	13	889,849	34
January - December 2021	38,665,162	28	1,152,368	30
January - December 2022	37,525,912	-3	951,740	-17
January - December 2023	36,356,016	-3	822,747	-14
January - December 2024	38,618,370	6	927,394	13
Total	233,049,451		5,814,986	

Source: CBK

*Commercial and Microfinance banks

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

Table 26 (c) and **Chart 11** below shows the monthly credit reports requests by commercial banks in 2024. The requests for credit reports declined by 11 percent from 9.3 million in quarter one to 8.3 million in quarter two.

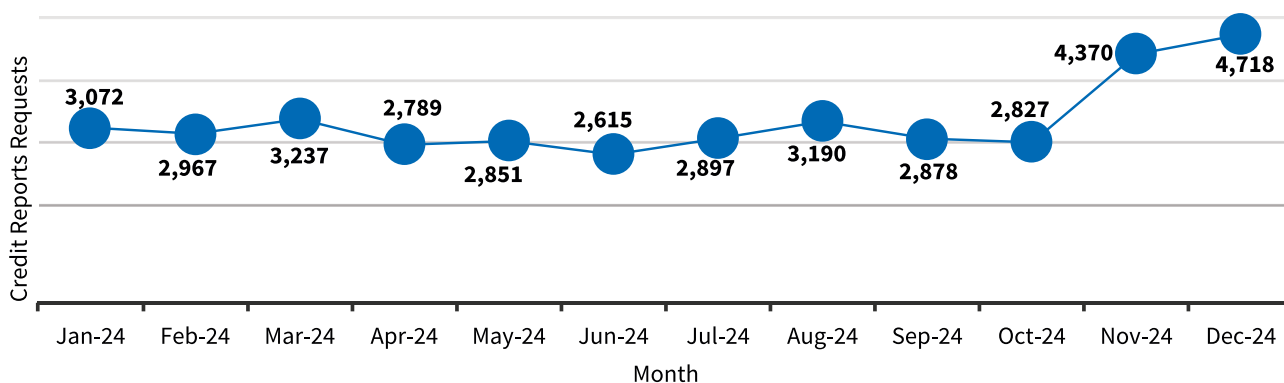
However, the requests rose again from quarter three through to quarter four. Quarter four registered the highest requests of 11.9 million where the month of December led with 4.7 million requests.

Table 26 (c): Credit reports requests by banks in 2024

Month	Number of Credit Reports Requested
January	3,071,778
February	2,966,771
March	3,237,409
April	2,789,425
May	2,850,838
June	2,615,362
July	2,896,945
August	3,189,821
September	2,878,427
October	2,826,566
November	4,369,889
December	4,717,894

Source: CBK

Chart 11: Monthly credit report requests by banks CRBs in 2024



3.22 Money Remittance Providers

Remittance inflows are a significant source of foreign exchange to the country's economy and amounted to Ksh.633 billion in 2024.

Remittance flows through MRPs amounted to Ksh.440 billion while outflows amounted to Ksh.92 billion in 2024 as shown in **Table 27**.

MACROECONOMIC CONDITIONS AND BANKING SECTOR PERFORMANCE

Table 27: Total Remittance Inflows and Outflows, 2023 and 2024 (Ksh. “000”)

Month	2023		2024	
	Inflows	Outflows	Inflows	Outflows
January	28,167,756	6,617,024	33,591,391	3,432,453
February	21,840,572	5,826,600	30,704,285	8,630,941
March	27,995,587	8,325,731	79,217,723	9,515,448
April	24,280,673	6,325,813	31,629,902	7,946,494
May	30,585,798	6,761,684	31,775,972	13,344,968
June	29,003,823	7,242,839	31,740,710	8,035,228
July	37,855,196	6,868,764	31,457,865	7,948,779
August	31,799,091	7,940,093	37,327,256	6,991,395
September	31,579,144	7,524,655	25,725,481	6,431,515
October	33,272,860	7,478,715	35,424,439	6,239,503
November	28,688,169	7,882,635	35,347,275	6,787,487
December	36,894,151	8,205,444	36,241,303	6,543,988
Total	362,910,096	86,999,997	440,183,602	91,848,199

Source: CBK

Remittance inflows increased from Ksh.363 billion in 2023 to Ksh.440 billion in 2024. The major sources of diaspora remittances are North America (United States of America and Canada) and Europe. Total remittance outflows increased from Ksh.87 billion in 2023 to Ksh.92 billion in 2024 mainly attributed to increased remittances within the East African region.

Digital channels are the most popular mode of transfers due to ease of access and speed of delivery of funds to beneficiaries. The Government efforts to facilitate labour migration and establish bilateral agreements with other countries including the Middle East aim to further enhance these flows.

3.23 Mortgage Refinance Companies

A Mortgage Refinance Company (MRC) is established with the principal objective of provision of long-term finance to primary

mortgage lenders (commercial banks, mortgage finance companies, microfinance banks and Savings and Credit Co-operatives) to increase the availability and affordability of mortgage loans to the public. The objectives of MRCs include: -

- **Addressing maturity mismatch** – Primary mortgage lenders (PMLs) often rely on short-term deposits to finance long-term mortgage loans. This creates a mismatch where liabilities (short-term deposits) mature much earlier than assets (long-term mortgage loans). MRCs therefore provide long-term funding to align the maturities of both.
- **Enhancing mortgage affordability** – By offering long-term funding, MRCs enable lenders to extend mortgage repayment periods, reducing monthly instalments, ultimately making home loans more affordable for borrowers.

- **Liquidity for Lenders** – Many banks and mortgage lenders rely on short-term deposits to fund long-term mortgage loans, creating a mismatch. MRC provides long-term funding, allowing lenders to offer more mortgages.
- **Lower Interest Rates** – By accessing stable and affordable long-term financing, mortgage lenders can pass on lower interest rates to borrowers, making home loans more affordable.
- **Deepening the Capital Markets** – MRCs raise funds by issuing bonds or other long-term securities. This not only provides them with sustainable capital but also helps develop local capital markets by offering investors long-term investment opportunities.

As part of its long-term development agenda, the Kenya Government identified the provision of Affordable Housing as one of its main development priorities alongside manufacturing, Universal Health Care and food security. The Government seeks to realize the housing goal through, among other strategies, addressing challenges in the domestic mortgage market. It was in this regard, that the National Treasury initiated amendments to the Central Bank of Kenya (CBK) Act, through the Finance Act, 2018. The CBK Act was amended to provide for licensing and regulation of the mortgage refinance business in Kenya. To effect the amendment, CBK formulated the CBK (Mortgage Refinance Companies) Regulations, 2019, which were published as Legal Notice No. 134 of 2019, in the Kenya Gazette in August 2019.

Subsequently, CBK licensed the Kenya Mortgage Refinance Company (KMRC) as the first MRC on September 18, 2020. KMRC is a non-deposit taking financial institution whose

mandate is to provide long-term funds to Primary Mortgage Lenders (PMLs) to increase the availability of affordable home loans to Kenyans. KMRC provides concessional, fixed, long-term finance to the PMLs, who then transfer the same benefits to their customers. This contributes towards making affordable home loans more accessible to especially the moderate to low-income earners in the country.

- **Shareholders:** KMRC currently has 23 shareholders. The National Treasury (25.0 percent), 2 Development Finance Institutions (DFIs) (22.9 percent), 8 commercial banks (43.6 percent), one microfinance bank (0.6 percent), and 11 SACCOs (7.9 percent).
- **Objective:** KMRC principal objective is to provide cheaper long-term finance to primary mortgage lenders (commercial banks, mortgage finance companies, microfinance banks and Savings and Credit Co-operatives). By doing so, KMRC enhances the availability and affordability of mortgages for the public while addressing the maturity mismatch between short-term deposits and long-term mortgage loans.
- **Regulation:** KMRC is regulated by CBK as non-deposit taking financial institution, under the CBK (Mortgage Refinance Companies) Regulations, 2019. The Capital Markets Authority (CMA) provides oversight over its bond issuance operations.
- **Funding of KMRC:** KMRC is funded through a combination of **equity** from shareholders, **debt** from development partners such as the World Bank and the African Development Bank (AfDB), and bond issuance.

In 2024, the significant developments in respect to KMRC include: -

- KMRC's total interest income in the year 2024, increased by Ksh.814.2 million to Ksh.3,214.9 million from Ksh.2,400.7 million reported in the year 2023. This was attributed to interest income on loans and advances issued to PMLs and interest income from investments in financial assets during the year.
- Profit before tax in the year 2024, increased by Ksh.742.5 million to Ksh.1,818.0 million from Ksh.1,075.5 million in the year 2023. The increase in profitability was attributed to an increase in KMRC's refinancing business to PMLs and investment income from financial assets.
- KMRC continues to push for the availability and affordability of home loans to Kenyans by providing low interest, fixed rate, and long-term financing to participating banks and Saccos. The PMLs then pass this benefit to their clients through the provision of fixed-rate home loans at single-digit interest rates. As of the end of December 2024, KMRC had cumulatively processed loan applications from 12 PMLs and disbursed loans amounting to Ksh.14.0 billion compared to loan disbursement of Ksh.9.6 billion in 2023.
- Additionally, KMRC's investment in financial assets in 2024, increased by 0.2 percent to Ksh.5.32 billion compared to Ksh.5.31 billion in 2023.
- KMRC registered a 24.5 percent growth in total assets in the year 2024. The total assets as at December 2024, stood at Ksh.32.3 billion, in comparison to Ksh.26.0 billion reported in the year ended 2023.

3.24 Digital Credit Providers

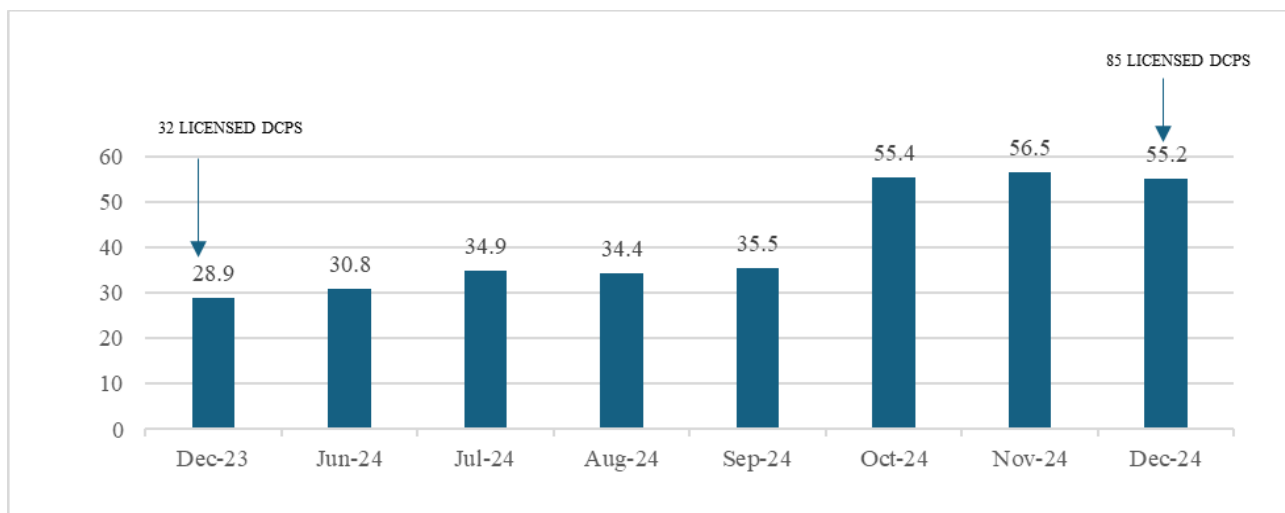
CBK has been at the forefront of advancing digital financial services. Through enabling regulation, the Bank has nurtured the growth of among others, digital lending. To this end, the year 2022 saw the implementation of the Central Bank of Kenya (CBK) Amendment Act, 2021. The Act and the Digital Credit Providers Regulations expanded CBK's regulatory and supervisory mandate by giving CBK the powers to license, regulate and supervise DCPs conducting digital credit business in Kenya.

As at December 31, 2024, CBK had licensed 85 DCPs. The DCPs predominantly carry out their lending activities digitally including via Unstructured Supplementary Service Data (USSD) codes. Loan products range from education loans, development loans, short term personal loans, agricultural loans, asset financing, business loans and emergency loans and motor vehicle loans.

With the shift of customers' preferences to more convenient delivery channels and increase in the number of licensed DCPs, the banking sector has witnessed expansion of digital lending by DCPs. Some highlights of the performance over the two periods (2023-2024) are indicated below: -

- Lending by Digital Credit Providers (DCPs) continued to grow, driven by an increase in the number of licensed providers, as illustrated in **Chart 12** below. Gross outstanding loans rose by 91 percent, from Ksh.28.9 billion in December 2023 to Ksh.55.2 billion in December 2024. The number of licensed DCPs increased from 32 to 85 over the same period.

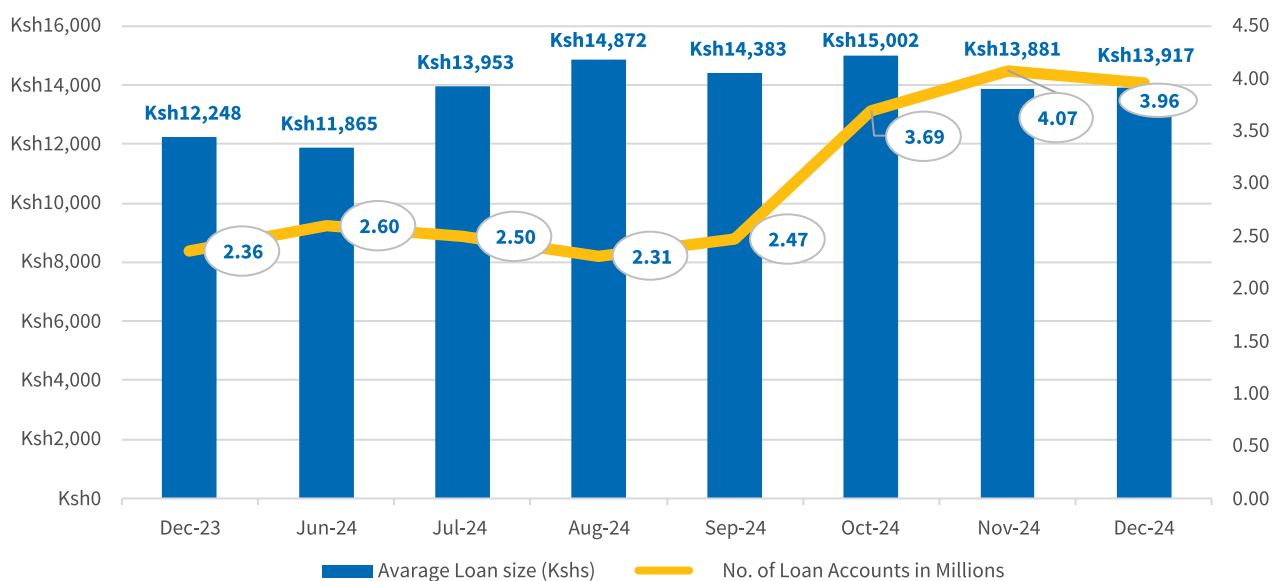
Chart 12: Outstanding credit by Digital Credit Providers (Billions)



Gross outstanding loans between Dec 2023 and December 2024

- The average number of loans increased by 68 percent to 3.9 million in December 2024, from 2.3 million in December 2023. The average loan size remained largely unchanged as shown on the graph in **Chart 13** below:

Chart 13: No. of Loans Accounts and Average Loan Sizes for Digital Credit Providers



CHAPTER 4

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BANK SUPERVISION ANNUAL 2024

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

4.1 Introduction

A raft of regulatory reforms were undertaken in 2024 to ensure that the banking sector remained stable and resilient. The amendments were contained in the Business Laws (Amendment) Act, 2024, assented to by His Excellency the President on December 11, 2024, and became effective on December 27, 2024. The Act amended several laws including the CBK Act, Banking Act and the Microfinance Act, affecting institutions under the purview of the CBK.

4.2 Amendments to the Banking Act, Central Bank of Kenya Act and Microfinance Act

4.2.1 Amendments to the Banking Act

Over time, it had been noted that there were instances where the financial benefit derived by banks in violating the law far outweighed the maximum penalty prescribed in law. To address this concern, the Banking Act was amended through the Business Laws (Amendment) Act, 2024, to allow for penalties to be assessed as the higher of the maximum penalty prescribed for the violations, or the financial benefit derived, or loss avoided from a violation of the law, capped at three times the gross amount of the monetary gain made or loss avoided. This was intended to ensure that the penalty regime in the Banking Act is effective, proportionate and dissuasive as required by global standard setting bodies.

Additionally, the Business Laws (Amendment) Act, 2024, amended the Banking Act to require Kenyan banks to progressively increase their minimum core capital. This was to enable the banks to sustain growth and enhance their resilience amid increasing risks. Specifically, the reforms raised the minimum core capital

requirement for commercial banks and mortgage finance institutions from Ksh.1.0 billion to Ksh.10.0 billion.

The increase will be made progressively over 5 years as depicted in **Table 28** below to ensure that the banks are able to mobilize the additional capital.

Table 28: Proposed Progressive increase in Commercial Banks Minimum Core Capital

Year	Minimum core capital, Ksh. Billion	Increased amount, Ksh. Billion
December 31, 2025	3.0	2.0
December 31, 2026	5.0	2.0
December 31, 2027	6.0	1.0
December 31, 2028	8.0	2.0
December 31, 2029	10.0	2.0

4.2.2 Amendments to the Central Bank of Kenya Act

In 2024, CBK amended the Central Bank of Kenya Act to entrench the legal framework for non-deposit taking credit providers, formerly known as Digital Credit Providers (DCPs). The amendment widens the scope of the credit providers legal framework, to cover all forms of non-deposit credit providers. The salient amendments are detailed below:

- The term “*digital*” used in the CBK Act, was replaced with the term “*non-deposit taking*” since this gave the impression that the law only applies to “*digital loans or credit*” as understood in the general sense.
- The law was widened to include all kinds of non-deposit taking credit providers thus clarifying that certain credit businesses such as buy-now-pay-later (BNPL) credit

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

services, peer-to-peer lending and asset financing are covered under this law.

- The amendments empowered CBK to issue an enforceable Code of Conduct to guide non-deposit taking credit providers in carrying on their business.
- A tiered approach to the regulation and oversight of non-deposit taking credit providers was introduced. CBK was empowered to register non-deposit taking credit providers in addition to licensing of non-deposit taking credit providers which was already provided for.

The CBK Act was also amended to incorporate credit guarantee business. The law allows credit guarantee companies to wholly or partially guarantee lenders in case of default by borrowers. Credit Guarantee Companies operating in Kenya will require to be licensed or registered under this legal framework.

4.2.3 Amendments to the Microfinance Act

The legal framework for the licensing and regulation of non-deposit taking microfinance business was amended through the Business Laws (Amendment) Act, 2024. The amendments clarified that “*non-deposit taking microfinance business*” include the provision of physical credit involving the acceptance of a movable or immovable security. The reforms also enhanced the consumer protection framework.

4.3 Host Country Assessments

In March 2015, as part of the implementation of Risk Based Supervision Framework on Consolidated Supervision, CBK in partnership with IMF's AFRITAC East developed a structured

approach for the assessment of the quality of supervision undertaken by host countries where Kenyan banks have establishments. Assessment on the quality of host country supervision is required under Basel Core Principle (BCP) 12, on consolidated supervision.

The host country assessments entail review of the legal and regulatory frameworks, and supervisory practices of the host countries. The assessments assist CBK to identify vulnerabilities in banking groups with cross border establishments, which is key in the development of effective supervision strategies for the banking groups. Assessments also assist CBK to develop structured supervisory mechanisms to assess the quality of host country supervision practices, legal and bank's resolution frameworks.

Currently, Kenyan banking groups have establishments in seven foreign jurisdictions, both in EAC and beyond. Six out of the seven jurisdictions where Kenyan banks have establishments belong to the East Africa Community (EAC). Since the assessment criterion was developed in 2015, BSD has conducted assessments in all the seven (7) jurisdictions. The assessments are due for revision in order to take into account the recent developments in the legal and supervisory framework of these seven jurisdictions. CBK will undertake home-host assessments in two of the jurisdictions in 2025.

4.4 Greening of the Financial System

- CBK signed a Cooperation Agreement with the European Investment Bank (EIB) in September 2023, for EIB to provide technical assistance in the development of a Green Finance Taxonomy and an Enhanced Climate Risk Disclosure Framework. The

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

EIB-CBK technical team completed drafts of both the Kenya Green Finance Taxonomy (KGFT) and the Climate Risks Disclosure Framework (CRDF) in April and November 2024, respectively. The draft KGFT was released for stakeholder comments in April 2024 till June 2024, while the CRDF was available for comments from September 13 to October 31, 2024.

- The draft KGFT was piloted among selected commercial banks in October 2024 to test its usability. The pilot involved user training and guidance on tools to assess eligibility and alignment of participating bank operations and processes to the taxonomy. Valuable feedback was obtained from participating banks, which was used to further enhance the draft taxonomy.
- The draft KGFT and CRDF were at an advanced stage of finalization as at December 2024.

4.5 Liquidity Standards and Leverage Ratios

In order to strengthen the banking sector liquidity and capital adequacy, the Central Bank of Kenya (CBK) drafted guidelines on Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Leverage Ratio (LR) in 2023.

CBK circulated the draft guidelines and reporting templates to banks in November 2024 for review and comments. Comments on the impact of the proposed draft guidelines on banks' capital and liquidity were received by CBK in December 2024.

4.5.1 Liquidity Coverage Ratio (LCR)

The LCR Guideline aims to promote the banks' short-term resilience by requiring maintenance of sufficient high-quality liquid assets that enable banks to survive acute stress lasting 30 calendar days. The LCR will be reported to CBK on a monthly basis.

4.5.2 Net Stable Funding Ratio (NSFR)

The NSFR Guideline aims to promote resilience over a longer-term horizon by incentivizing banks to fund activities with more stable sources of funding. Banks are to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. The NSFR should be reported semi-annually.

4.5.3 Leverage Ratio (LR)

The LR is designed to act as a supplementary measure to the risk-based capital requirements. It helps determine whether a bank has enough capital to handle financial risks. It also helps to reduce excessive borrowing and strengthen financial stability by providing a non-risk-based measure of a bank's capital adequacy. The LR measures the bank's core capital relative to its total exposure, without adjusting for risk. The guideline requires that banks meet a 4 percent leverage ratio at all times. The LR should be reported quarterly.

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

4.6 Developments in Anti-Money Laundering, Combating Financing of Terrorism and Combating Proliferation Financing

4.6.1 Grey-Listing of Kenya by the Financial Action Taskforce (FATF)

- On February 23, 2024, the Financial Action Task Force (FATF) placed Kenya on its grey list. Kenya made a high-level political commitment to address the deficiencies in its AML/CFT framework as outlined in a tailored action plan developed by the FATF in collaboration with the Kenyan authorities. The action plan focused on measures to further enhance the effectiveness of Kenya's AML/CFT/CPF system.

- Action items under each Immediate Outcomes under the FATF's Action Plan for Kenya that are applicable to CBK and financial institutions under its supervisory purview are:

- IO.1 Risk and Context:** Complete a terrorism financing (TF) risk assessment and consistently present the results of the National Risk Assessment (NRA) and other risk assessments to competent authorities and the private sector, while updating the national AML/CFT strategies.
- IO.3 Supervision:** Improve risk-based AML/CFT supervision of non-bank financial institutions (NBFIs) as well as adopt a legal framework for the licensing and supervision of Virtual Asset Service Providers (VASPs).
- IO.4 Preventive measures:** Enhance the understanding of preventive measures by financial institutions (Fis),

which includes increasing the filing of suspicious transaction reports (STRs) and promptly implementing targeted financial sanctions (TFS)

iv. **IO.10 Terrorism financing preventive measures and sanctions and IO.11 Proliferation financing sanctions:**

Ensure the targeted financial sanctions framework complies with FATF Recommendation (Targeted financial sanctions related to terrorism and terrorism financing) and Recommendation 7 (Targeted sanctions related to proliferation financing) ²⁷.

4.6.2 Actions taken by CBK in 2024 to address the FATF Action Plan for Kenya

In 2024, CBK took the following actions to address the action items relevant to it under the FATF's Action Plan for Kenya:

- ²⁷ **FATF Recommendation 6** requires countries to impose targeted financial sanctions in line with UN Security Council resolutions to combat terrorism financing. This includes freezing, without delay or prior notice, the assets of individuals and entities designated by the UN. Countries must also have clear procedures for listing, delisting, and handling requests related to frozen assets.
- FATF Recommendation 7** calls for the implementation of targeted sanctions to prevent the proliferation of weapons of mass destruction, in accordance with UN resolutions. Countries must freeze the assets of individuals and entities involved in proliferation, such as those sanctioned under resolutions concerning North Korea and Iran. They must also prohibit financial support to these parties and establish systems to enforce the sanctions effectively.

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

- Reviewed the institutional ML/TF/PF risk profiles of financial institutions licensed by CBK to incorporate the findings of the updated national risk assessment of 2023.
- Implemented a series of strategic initiatives that aim to enhance BSD's capacity to conduct risk-based AML/CFT/CPF supervision. This includes:
 - Increasing the resource allocation for human resource to support standalone on-site supervision team and providing additional financial support for AML/CFT/CPF supervision activities.
 - Initiating the automation of AML/CFT/CPF returns in order to improve data management, facilitate data analysis, and streamline off-site AML/CFT/CPF supervisory activities.
 - Participating in a series of training under a technical assistance programme with His Majesty's Treasury (HM Treasury), United Kingdom geared towards supporting CBK's efforts to effectively implement actions and appropriately reporting progress under the FATF's International Country Risk Guide (ICRG) process. This included training sessions that covered various topics including targeted financial sanctions related to terrorism financing and proliferation financing, enforcement actions, data collection and analysis.
 - Conducted a survey on AML/CFT/CPF Preventive Measures in December 2024. The results of the survey shall inform targeted guidance on preventive measures to be issued to the banking sector.
- As CBK's representative to a multi-agency task force appointed by the National Treasury and Economic Planning to develop the policy and legal framework governing Virtual Assets (VAs) and Virtual Assets Service Providers (VASPs), BSD contributed to:
 - The development of a National Policy on VAs and VASPs that will provide guidance on the creation of a legal framework for VAs and VASPs.
 - Drafting of the Virtual Assets Service Providers Bill of 2025. The Bill outlines licensing requirements, market entry controls, supervision, monitoring, and the implementation of AML/CFT preventive measures for VASPs.

4.6.3 Updates to the National Risk Assessment (NRA)

Kenya updated its 2023 Terrorism Financing (TF) national risk assessment to improve understanding of the country's TF landscape and support effective counter-financing of terrorism (CFT) measures. The assessment highlighted various mechanisms and actors involved in financing terrorism while also identifying emerging vulnerabilities and threats in specific sectors. This updated information enhanced the 2023 National CFT Strategy and Action Plan, helping to implement effective risk-based mitigation measures and address the FATF's recommended action item under Kenya's Action Plan on the need to complete the TF risk assessment.

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

4.6.4 Progress on Virtual Assets and Virtual Assets Services Providers Proposed Legal and Regulatory Framework

In September 2023, Kenya concluded its Money Laundering and Terrorism Financing (ML/TF) risk assessment on VAs and VASPs,²⁸ which identified and assessed the ML and TF threats and vulnerabilities associated with VAs and VASPs. The risk assessment was conducted in response to the findings and recommendations of Kenya's Mutual Evaluation, whose report was adopted by the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) in September 2022.

The risk assessment found that there was continued adoption of VAs in the country and, due to their inherent vulnerabilities, including the ability to transact rapidly, pseudonymously/ anonymously, and the cross-border nature of such transactions, coupled with a lack of regulatory framework, the VA and VASP activities could be exploited by criminals for nefarious purposes. Consequently, it was recommended that Kenya regulate virtual asset activities to address such risks and strengthen the overall AML/CFT framework.

In March 2024, the National Treasury and Economic Planning, established a Multi-Agency Task Force to develop a Policy and Regulatory Framework for Virtual Assets and Virtual Asset Service Providers. Spearheaded by the National Treasury, the Task Force members included CBK, Capital Markets Authority (CMA), Insurance Regulatory Authority (IRA), SACCO Societies Regulatory Authority (SASRA), Retirement Benefits Authority (RBA), Financial Reporting Centre (FRC), State Law

Office, State Department for ICT and the Digital Economy (SDICT&DE), Kenya Revenue Authority (KRA), and the National Computer and Cybercrime Coordination Committee (NC4). This was to comprehensively address the VA-related concerns of different stakeholders and to provide a coordinated approach towards developing an all-inclusive policy and regulatory framework.

In January 2025, Kenya issued the draft national Policy on Virtual Assets (VAs) and Virtual Asset Service Providers (VASPs), and the Draft Virtual Asset Service Providers Bill, 2025, for public comments. The Bill proposes CBK and CMA as the relevant regulatory authorities, with clear responsibilities based on the VASP activities. The Bill also proposes measures for prevention of money laundering, terrorism financing and proliferation financing by Virtual Asset Service Providers. Once enacted, VASPs will be required to apply for licensing and comply with the Proceeds of Crimes and Anti-Money Laundering Act.

4.6.5 Granular Data Integration project and Enterprise Data Warehouse (EDW)

An **Enterprise Data Warehouse (EDW)** is a centralized system designed to integrate and organize data from disparate sources. By employing advanced data integration, transformation, and storage technologies, an EDW enables seamless access to high-quality, structured data for analytics, reporting, and business intelligence. This unified approach eliminates data silos, enhances consistency, and empowers organizations with real-time, actionable insights to drive strategic decision-making.

²⁸ https://www.frc.go.ke/wp-content/uploads/2024/02/VAs-and-VASPs-ML_TF-Risk-Assessment-Report-1.pdf

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

Central Bank of Kenya (CBK) Initiatives

Aligned with its vision to become a world-class, data-driven institution, the Central Bank of Kenya (CBK) embarked on an Enterprise Data Warehouse (EDW) implementation project in 2018. A key part of this initiative is the Granular Data Integration (GDI) framework, which complements the EDW system. GDI aims to transform CBK into an information-centric central bank, that leverages technology and data to generate insights and meet supervisory requirements. This will revolutionize CBK's data infrastructure by enabling:

- **Real-time and near-real time data ingestion** via secure Application Programming Interfaces (APIs), reducing latency in financial reporting.
- Automated data validation and transformation, ensuring accuracy and compliance with regulatory standards.
- Enhanced supervisory capabilities through deeper, more granular insights into financial institutions.

This transformation positions CBK as an information-centric regulator, leveraging cutting-edge technology to monitor risks, detect anomalies, and enforce compliance with unprecedented efficiency.

Key Benefits to the Banking Sector

The EDW offers several key benefits to the Banking Sector:

- **Operational efficiency:** The automation of reporting processes reduces manual errors, saves time, and enhances the accuracy and speed of data submissions.

- **Streamlined Workflows:** By minimizing the need for ad-hoc data requests, the EDW simplifies interactions between financial institutions and CBK.
- **Enhanced Data Quality:** Granular data collection provides better insights into the financial system, supporting improved decision-making and more informed strategies.
- **Reduced Reporting Requirements:** The EDW decreases the number of returns financial institutions need to submit to CBK, simplifying reporting obligations.
- **Adoption of International Standards:** Data collected is aligned with international standards, such as International Standard Industrial Classification (ISIC) and System of National Accounts (SNA), ensuring consistency and comparability across institutions and regions.
- **Improved Data Validation:** The system provides feedback on data submissions, helping financial institutions improve the accuracy and quality of their data.

Overall, the EDW and GDI initiative supports CBK's vision to become a world-class central bank by providing a robust framework for data-driven decision-making and ensuring the timely dissemination of industry insights. This ultimately benefits the financial industry and enhances market stability.

DEVELOPMENTS IN THE SUPERVISORY FRAMEWORK

4.7 Credit Information Sharing (CIS)

The Central Bank of Kenya (CBK) continued with the journey of refining the Credit Information Sharing Framework (CIS) to achieve the intended objective of managing credit risk. To address strategic and operational challenges hampering the operation of the CIS mechanism, CBK with technical assistance of International Finance Corporation (IFC) launched the Kenya Credit Reporting Strengthening Project (KCRSP). The project, currently in Phase 2 running from 2023 to 2026, aims at achieving the following milestones:

- a) Supporting the CIS mechanism through enhancing predictiveness of credit scores, building transparency, enhancing CIS resilience against future crises and expanding the CIS regulatory perimeter through on-boarding digital lenders.
- b) Implementing risk-based credit pricing to support implementation of the CBK Banking Sector Charter, 2019 by commercial banks and non-bank lenders.
- c) Supporting Micro, Small and Medium Enterprises (MSMEs) through promoting the use of alternative data in credit scoring to widen sources of credit information.

CHAPTER 5

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REGIONAL AND INTERNATIONAL DEVELOPMENTS AND INITIATIVES

REGIONAL AND INTERNATIONAL DEVELOPMENTS AND INITIATIVES

5.1 Introduction

CBK is dedicated to fostering financial stability, regional integration, and sustainable finance in Kenya and the wider region. In 2024, CBK participated in a number of regional and global initiatives that fall within its supervisory mandate, either by virtue of its membership in regional/global forums or by invitation. Through these engagements, CBK stays updated on regional and global regulatory changes, keeps abreast with emerging issues, gains exposure to international developments, and offers opportunities to enhance the capacity of CBK staff.

In 2024, CBK hosted and participated in various meetings and training forums which were held both in person and virtually. In the regional and global arena, BSD participated in forums hosted by the Alliance for Financial Inclusion (AFI), International Monetary Fund (IMF)'s African Training Institute, the COMESA Competition Commission, COMESA Financial System Development and Stability Sub-Committee, Association of African Central Banks (AACB), Financial Reporting Centre (FRC), Financial Sector Deepening Kenya (FSD-K), Islamic Financial Services Board (IFSB), European Investment Bank (EIB), Group on Financial Inclusion Policy (EGFIP), and COMESA Monetary Institute. These forums discussed various issues affecting the financial sector locally, regionally and globally. The areas of engagement included capacity building, policy development, climate-related risk management, sustainable finance, digital finance, Supervisory Technologies, liquidity management innovation as well as financial inclusion.

BSD also participated in meetings under the auspices of the Monetary Affairs Committee

(MAC) whose aim was to promote convergence of regulatory and supervisory frameworks as East African Community region moves towards the establishment of the proposed East African Monetary Union. Further, Bank Supervision staff continued to enhance their skills and knowledge on regulatory and supervisory matters through the Financial Stability Institute's (FSI) on-line learning tool, FSI Connect.

5.2 Regional and International Initiatives

5.2.1 Monetary Affairs Committee (MAC)

The Monetary Affairs Committee (MAC) of the East African Community (EAC) is a committee within EAC that is responsible for overseeing the monetary policies and financial stability of the EAC member states. MAC is composed of Governors of the Central Banks from the eight EAC Partner States²⁹. The main task of MAC is to coordinate efforts by EAC Central Banks towards developing and implementing monetary policies that promote price stability, financial stability, development and economic growth in the region. MAC aims at facilitating the establishment of the envisaged East African Monetary Union (EAMU).

MAC initiatives focus on areas pertinent to financial stability as well as emerging cross-cutting issues. Some of the key initiatives include harmonization of monetary policies and supervisory rules and practices, the establishment of a regional payment and settlement system, financial sector development, capacity building, and regional integration. These initiatives are implemented through committees or Technical Working

²⁹ Kenya, Uganda, Tanzania, Rwanda, Burundi, South Sudan, Democratic Republic of Congo, and Somalia.

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Groups (TWG) composed of technical officials from the member Partner States. The technical officials undertake various assignments and initiatives, which are then overseen by the Governors.

In 2024, BSD participated in various MAC activities focused on reviewing progress made in various initiatives as well as addressing challenges being faced in the process. These activities included the following regional technical workshops, MAC sub-committee meetings, and capacity-building initiatives.

- The 27th Ordinary Meeting of MAC on April 29 to May 3, 2024, in Juba, South Sudan. The meeting discussed progress made on the implementation of various initiatives as well as challenges faced by the member Partner States.
- Financial Soundness Indicators (FSI) Technical Working Group (TWG) meeting held in June 2024, in Entebbe, Uganda, the Partner States Central Banks reviewed progress made in the compilation of quarterly statistics as well as issues touching on data gaps.
- The Crisis Management TWG meeting held in June 2024 and November 2024, in Arusha, Tanzania and Juba, South Sudan respectively. The meetings reviewed among others, progress made on the development of the national crisis management framework and the status of implementation of harmonized criteria for deposit protection schemes.
- The Macro-Prudential Analysis, Stress Testing and Statistics TWG meetings held in June 2024 and November 2024, in Entebbe, Uganda and Juba, South Sudan respectively. The meetings discussed the status of the

implementation of Key Recommendations for the Compilation of Financial Soundness Indicators (FSI) for the EAC.

- Capacity Building Workshop on Standing Facilities and Collateral Management Frameworks on September 16-20, 2024, in Kampala, Uganda. The aim of the Workshop was to enhance the understanding and implementation of Standing Facilities and Collateral Management Frameworks among the EAC Partner States.
- The EAC Regional Workshop on Sustainable Government Financing, held in Mombasa on November 25–29, 2024. At the workshop, BSD shared its experiences on its journey towards greening the financial sector.

5.2.2 East African Monetary Union (EAMU)

The EAMU Protocol which was adopted in accordance with the EAC Treaty and signed on November 30, 2013, was ratified in January 2015, aimed to achieve a single currency within 10 years, targeting 2024. However, due to delays in meeting the convergence criteria and setting up necessary institutions, the EAC has extended this deadline to 2031. This extension allows member states additional time to harmonize monetary and fiscal policies, establish requisite institutions like the East African Monetary Institute, and ensure macroeconomic stability across the region.

CBK continues to participate in various meetings organized by MAC as part of ensuring the operationalization of the Protocol by 2031. As of end of 2024, the operationalization of EAMU was in progress.

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5.2.3 Common Market for Eastern and Southern Africa (COMESA)

In 2024, CBK participated in the following training programmes organised by the COMESA Monetary Institute at the CBK Institute of Monetary Studies (CBK- IMS):

- (i) Validation workshop for the studies on the *“Impact of Sovereign - Bank Nexus on Financial System Stability”* held from September 30 to October 1, 2024.
- (ii) *18th Meeting of the Financial System Development and Stability (FSDS) Sub-Committee* held on October 2 - 3, 2024.
- (iii) Meeting of the *Financial Stability Report (FSR) Task Force to finalize the 2023 COMESA-wide FSR* held on October 4 - 5, 2024.

5.2.4 Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG)

Kenya is a member of the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), one of the nine regional bodies affiliated with the Financial Action Task Force (FATF), the global standard-setting body AML/CFT/CPF measures. In 2024, BSD participated in the following ESAAMLG meetings as CBK’s representative to the National Taskforce on Anti-Money Laundering, Combating the Financing of Terrorism, and Financing the Proliferation of Weapons of Mass Destruction (NTF):

- The 47th ESAAMLG Task Force of Senior Officials Meetings, held on April 5-12, 2024, in Lubango, Angola.

Key Highlights of the meetings are as follows:

i) Kenya’s Mutual Evaluation and Follow-Up Progress:

In January 2023, following legislative reforms enacted through the AML/CFT (Amendment) Act, 2023, Kenya submitted its first Follow-Up Report (FUR) to the ESAAMLG post mutual evaluation and requested re-rating for 15 recommendations. Based on assessments conducted by expert reviewers:

- 13 recommendations were upgraded to either compliant or largely compliant.
- Two recommendations, Rec.6 (relating to targeted financial sanctions for terrorism) and Rec.22 (relating to customer due diligence for Designated Non-Financial Businesses and Professions) remained partially compliant. As a result, for Kenya, the number of recommendations rated technically compliant increased from 3 in 2022 to 16.

ii) FATF’s Revised Assessment Methodology:

The FATF Secretariat presented on changes to its mutual evaluation methodology, which will take effect from 2025. Key updates include:

- Shortening the evaluation cycle from 10 years to 5 years, placing greater emphasis on a country’s specific money laundering, terrorist financing, and proliferation financing (ML/TF/PF) risks, context and introducing a more targeted follow-up process.

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- The revised methodology will separately evaluate the effectiveness of both financial and non-financial sectors, allowing for more tailored and actionable recommendations.

iii) **ESAAMLG Surveys and Typologies**

Projects: The meeting considered progress on several typologies and survey projects in which the CBK is expected to make contributions.

- **4th ESAAMLG De-Risking Survey:** Since 2017, ESAAMLG has monitored de-risking practices among its member states. De-risking refers to the withdrawal or restriction of financial services to perceived high-risk clients or jurisdictions, often undermining financial access and transparency, particularly in Sub-Saharan Africa. The fourth survey, covering the period 2023–2024, has been approved for distribution, with the findings scheduled for discussion at the April 2025 ESAAMLG meetings in Uganda.
- **Survey on Fintech Opportunities and Challenges:** The Taskforce adopted a report on a regional ESAAMLG survey that assessed the opportunities and challenges associated with fintech developments. Moving forward, ESAAMLG will continue to monitor the fintech landscape through a tracking mechanism to be circulated to financial regulators across member countries, ensuring ongoing oversight of this rapidly evolving sector.

- **Typologies project on “Illicit Cross Border Cash Movement of Cash in the ESAAMLG Region.”**

This project was proposed by Kenya and approved at the ESAAMLG Plenary in September 2023, in Kasane, Botswana. A project team co-chaired by Kenya and Madagascar was subsequently constituted. The Taskforce plenary approved the concept note and a questionnaire developed by the project team to be circulated to member countries by May 2024. The questionnaire targeted financial sector regulators, customs authorities, law enforcement agencies and financial intelligence units. It is expected that the final report highlighting the outcomes of the typologies project will be discussed at the April 2025 ESAAMLG meetings scheduled to be held in Uganda.

- The ESAAMLG 24th Council of Ministers Meetings, 48th Taskforce of Senior Officials Meetings and the 7th Public Private Sector Dialogue (PPSD) held on August 25-31, 2024, in Diani, Kenya.

Key highlights of the meetings are as follows:

- i) **Hosting of the ESAAMLG 24th Taskforce of Senior Officials Meetings, 48th Taskforce of Senior Officials, and the 7th Public-Private Sector Dialogue by the Government of Kenya on August 25-31, 2024, in Diani, Kenya:** Kenya hosted the following Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) meetings in Diani, Kwale County:

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- The 48th Taskforce of Senior Officials Meetings on August 23 – 30, 2024.
- The 24th Council of Ministers Meetings on August 30, 2024.
- The 7th Public-Private Sector Dialogue (PPSD) on August 30 – 31, 2024.

The meetings, were attended by over 800 delegates drawn from national multi-agency AML/CFT committees/taskforces from the twenty-one ESAAMLG member countries, cooperating partners and supporting nations such as the World Bank, IMF, COMESA GIZ, US Treasury and UK Treasury. the FATF President and FATF Secretary. The meeting also commemorated the ESAAMLG's 25th Silver Anniversary since the formation of the ESAAMLG.

- ii) 7th Public-Private Sector Dialogue (PPSD):** The 7th PSD took place from August 30-31, 2024, immediately following the conclusion of the Council of Ministers Meeting on August 30, 2024. It was hosted by the CBK in collaboration with the ESAAMLG Secretariat. The Dialogue brought together financial sector regulators, financial institutions, and designated non-bank financial businesses and persons (DNFBPs) from ESAAMLG member countries and around the globe. The theme of the dialogue was” ***Strengthening Counter-Terrorism Financing (CFT) Efforts in the ESAAMLG Region through Enhanced Collaboration***”.

The dialogue covered a range of topics aimed at, enhancing the detection and

prevention of terrorist financing by leveraging on new technologies and the unique insights and capabilities of each sector.

Key takeaways from the dialogue were as follows:

- Combating the financing of terrorism is a shared goal between the public and private sectors, hence the need for collaboration, information sharing and cooperation. Both formal and informal frameworks and mechanisms that enable information sharing are key to achieving this goal.
- Combating terrorism financing should not only be taken as a compliance obligation but also as a moral obligation for both the private and public sectors to safeguard lives, livelihoods and economies.
- Capacity building for both private and public sector players is key given the glaring knowledge gap on CFT measures across the region, both at public and private levels.
- There is need to build trust for enhanced cooperation and information sharing between public and private sectors while leveraging on technology to counter the financing of terrorism and promote financial inclusion.

- iii) Progress with the ESAAMLG 2nd Round of Mutual Evaluations:** The Taskforce noted progress with the Mutual Evaluations of Eritrea and Rwanda respectively. The completion of these two assessments will mark the conclusion of the ESAAMLG's 2nd Round of Mutual Evaluations.

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iv) Kenya's Follow Up Reports (FURs) and Requests for Re-Ratings: The mutual evaluation report (MER) of Kenya was adopted by the ESAAMLG plenary in September 2022. Based on its technical compliance results, Kenya was placed by the ESAAMLG on enhanced follow-up. This was due to the fact that it was rated non-compliant (NC) with 11 FATF Recommendations and partially compliant (PC) with 26 FATF Recommendations, largely compliant (LC) with one recommendation and compliant (C) with two Recommendations. As a result, the country is required to report progress to ESAAMLG meetings bi-annually. The expectation is that all technical compliance deficiencies outlined in the country's MER will be addressed within 3 years. In 2024, Kenya made progress as follows:

- o The ESAAMLG Taskforce of Senior Officials considered two follow up reports and re-rating requests from Kenya at the meetings held in Angola and Kenya, respectively. Each request included 15 FATF Recommendations that were previously rated partially compliant (PC) or non-compliant (NC) in Kenya's mutual evaluation report (MER) that was published in September 2022. For a Recommendation to be considered compliant it must be rated compliant (C) or largely compliant (LC).
- o Based on the analysis conducted by expert reviewers from ESAAMLG member countries and feedback from the FATF Global Network, the total number of Recommendations rated technically compliant increased from 3 Recommendations as at

September 2022 when the Mutual Evaluation Report (MER) for Kenya was published, to 28 Recommendations as at August 2024.

v) The Revised FATF Assessment Methodology: The FATF Secretariat highlighted to the ESAAMLG plenary key changes to the FATF's assessment methodology that take effect in 2025. This includes:

- o Shortening of the mutual evaluation cycle from 10 years to 5 years.
- o Increased focus on a country's specific ML/TF/PF risks and context, which will call for countries to implement more targeted and context-specific AML/CFT/CPF measures.
- o Financial and non-financial sectors will be evaluated separately, which will require countries to strengthen regulatory AML/CFT/CPF oversight across a broader range of sectors.

vi) ESAAMLG Surveys/Typologies Projects: The ESAAMLG conducts typologies studies to identify specific methods and patterns of illicit financial activity that are unique to or prevalent within ESAAMLG member states. In 2024, CBK participated in the following Surveys/Typologies Project that were considered by the ESAAMLG:

- o **The 4th ESAAMLG De-Risking Survey:** This survey was approved for circulation to member countries and will be discussed in April 2025 at ESAAMLG meetings in Uganda. Since 2017, the ESAAMLG has been monitoring de-risking trends among its members, targeting financial

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sector regulators and institutions such as banks and remittance providers. De-risking refers to the practice of financial institutions terminating or restricting relationships with certain countries or customer categories to mitigate risks related to ML/TF/PF risks. Globally, the regions most affected by de-risking include the Caribbean, South Pacific, and Sub-Saharan Africa.

- **ESAAMLG Survey Report on Fintech Opportunities and Challenges:** In April 2024, the ESAAMLG approved the circulation of this report which highlights the trends, use cases, opportunities, challenges and risks of Virtual Assets (VAs) and Virtual Asset and Service Providers (VASPs) within the ESAAMLG region. VAs and VASPs in ESAAMLG member states are still developing and show limited integration with traditional financial sectors such as banking, insurance and securities. The lack of comprehensive regulatory frameworks and knowledge increases the vulnerability of VAs and VASPs to illicit activities and risks like fraud. Despite the significant opportunities for innovation that VAs and VASPs present, many member countries have not adequately evaluated the associated money laundering, terrorist financing, and proliferation financing risks in their national assessments.
- **Project on the Illicit Cross-Border Movement of Cash:** This project was undertaken by a project team co-chaired by Kenya and Madagascar.

The Taskforce approved the concept note and the development of a questionnaire that was circulated to member countries in 2024. The questionnaire targeted financial sector regulators, customs authorities, law enforcement agencies and financial intelligence units. The final draft report highlighting the findings of the survey will be discussed at the April 2025 ESAAMLG meetings in Uganda.

5.2.5 Alliance for Financial Inclusion (AFI)

AFI is a policy leadership alliance owned and led by member central banks and financial regulatory institutions. It was launched in September 2008, with the aim of making financial services more accessible to the world's unbanked. The AFI network is currently composed of a voluntary membership with CBK being a member of AFI since its inception.

Over its 14 years of existence, AFI has facilitated the implementation of impactful financial inclusion policy changes by providing a platform for peer learning, knowledge sharing and peer transformation across its network. This has been achieved through a cooperation model that is made up of: -

- a. **Country-led approaches**, which allows AFI members to support countries in identifying their unique needs and challenges and come up with customized high-impact solutions.
- b. **Peer-to-peer engagement**, which promotes a culture of equal opportunities for members by allowing all members to share their experiences as well as learn from each other

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AFI has seven working groups, which are the primary source of financial inclusion policy development and serve as communities of practice on key financial inclusion issues. The working groups provide a platform for knowledge exchange and peer learning, enabling policymakers to share, deliberate and deepen their knowledge and understanding of key financial inclusion issues.

CBK continues to benefit from its membership in AFI through various resources, support as well as participation in various forums as follows: -

- CBK participated in the annual Alliance for Financial Inclusion (AFI) Global Policy Forum (GPF) and related meetings held in San Salvador, El Salvador, from September 2-5, 2024. The Forum and meetings were co-hosted by AFI and the Banco Central de Reserva de El Salvador (BCR). The theme of the 2024 AFI GPF was “*Innovation for an Inclusive World*”. The GPF provides a platform for knowledge sharing, collaboration, and the development of practical solutions to advance financial inclusion globally and leaving no one behind in this global quest. During the 2024 GPF, global leaders, members, and partners discussed how to leverage digital tools and policies to integrate more people into the formal financial system, with sessions highlighting successful strategies from various countries in the different regions represented in AFI. By linking inclusivity with innovation, the global community can bridge gaps, overcome barriers, and ensure that progress benefits everyone. This approach not only drives economic growth but also strengthens social cohesion and empowers communities to thrive in a

rapidly evolving world.

- AFI provided support towards the conduct of the 2024 FinAccess Household Survey ³⁰. Specifically, AFI provided technical support by reviewing the questionnaire used in the Survey to collect data before it was circulated. AFI also provided financial support towards undertaking the Survey. The FinAccess Household Survey was initiated to enhance the measurement of financial inclusion; provide better understanding of the financial inclusion landscape indicators to track financial inclusion dynamics over time; and provide rich data to support evidence-based policy formulation and use by stakeholders. The financial inclusion measurement cuts across the four dimensions of: *Access, Usage, Quality and Impact/ Welfare*. The Survey is conducted in line with the Kenya Vision 2030 financial sector development agenda outlined in the various Medium-Term Plans (MTP) towards achieving an inclusive financial services ecosystem.
- Hosted and sponsored one BSD staff member to participate in the AFI Member Workshop for policymaking on making Climate Risk Disclosures work for Microfinance and Small Enterprises (MSMEs) held in Abidjan, Cote D’Ivoire in December 2024. During the workshop, AFI members explored the key components and provisions of climate risk disclosure standards, as well as the challenges which small businesses face in complying with standards and reporting requirements. Indeed, standards should be implemented in a way that prevents financial exclusion of MSMEs while simultaneously creating new financing opportunities for them.

³⁰ <https://www.centralbank.go.ke/wp-content/uploads/2024/12/2024-FINACCESS-HOUSE-HOLD-SURVEY-MAIN-REPORT.pdf>

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5.2.6 Financial Stability Board Regional Consultative Group for Sub-Saharan Africa

The Financial Stability Board (FSB), Regional Consultative Group for Sub-Saharan Africa was held in Dakar, Senegal in May 2024, and attended by representatives from FSB-member institutions in Sub-Saharan Africa. The meeting discussed FSB's main areas of strategic focus, including cross-border payments, artificial intelligence and climate-related risks. Among the meeting's highlights were the following:

- Review of progress being made under the G20 cross-border payments roadmap. Participants discussed initiatives being undertaken in their respective jurisdictions and exchanged views on actions members could take to address the frictions underlying the challenges in meeting the G20 quantitative targets for enhancing cross-border payments.
- Potential benefits and risks of greater use of Artificial Intelligence (AI) by financial institutions, central banks, and regulators, as well as implications for financial stability. Members took stock of new developments in AI and their potential implications for financial stability in the foreseeable future.
- Current challenges faced by member jurisdictions in addressing financial risks from climate change, the risks to financial stability and how transition planning was informing their assessments of climate-related financial risks.

Members resolved to continue their collaborative monitoring efforts towards promoting regional and global financial stability.

FSB Survey of Cross-Border Payments Receiver-Side Costs

CBK also participated in the FSB's *Survey of Cross-Border Payments Receiver-Side Costs* conducted in 2024. The purpose of the survey was to gather key information pertaining to fees charged by financial institutions (banks or non-banks) to receivers of retail cross-border payments (receiver-side costs). The survey covered activity on both inbound and outbound remittances.

5.2.7 IMF East Africa Technical Assistance Centre (East-AFRITAC)

IMF's East Africa Technical Assistance Centre (East-AFRITAC) is a Technical Assistance (TA) arm of the International Monetary Fund (IMF). The TA arm of the IMF's objective is to enhance financial sector capacity in eight Eastern Africa countries (Eritrea, Ethiopia, Kenya, Malawi, Rwanda, Tanzania, Uganda, and South Sudan). In 2024, CBK benefited from East AFRITAC's Technical Assistance (TA) and capacity building in various areas aimed at developing robust banking sector regulatory and supervisory frameworks. During the year, one BSD officer attended the AFRITAC East and AFRITAC West Joint Regional Workshop on Fintech on October 7 - 11, 2024.

As part of CBK's strategic objectives, continuously enhancing staff skills is essential to keeping pace with evolving industry trends. To support this goal, CBK, in collaboration with East AFRITAC, has scheduled the following training missions and workshops for 2025: -

- a) A follow-up Technical Assistance (TA) mission on Basel III Liquidity Standards and Leverage Ratio to the Central Bank of Kenya (CBK) in May 2025. The objective of the TA is to train CBK staff on the implementation

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and analysis of returns on the guidelines on Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Leverage Ratio (LR).

- b) Capacity building of BSD staff on the implementation of the Internal Liquidity Adequacy Assessment Process (ILAAP) framework. This will ensure staff are well-equipped to assess, challenge, and monitor banks' liquidity risk management frameworks.

5.2.8 The African Rural and Agricultural Credit Association (AFRACA)

The African Rural and Agricultural Credit Association (AFRACA) is a regional association of financial and nonfinancial institutions involved in promoting rural and agricultural finance in Africa. AFRACA was established in 1977 as a lead advocate and coordinator of rural and agricultural finance in their respective regions. AFRACA, whose Secretariat is based at the Central Bank of Kenya – Institute of Monetary Studies (CBK-IMS), Nairobi, has a membership of close to 40 entities. These constitute central banks, including CBK, commercial banks, development banks, cooperative banks, agricultural finance cooperation and rural finance institutions from 20 countries.

During the 90th AFRACA's Executive Committee (EXCOM) meeting held on February 2024, CBK was appointed as a permanent voting Ex-Officio member of AFRACA in recognition of the exemplary role played by CBK in hosting the Secretariat and providing support when requested. Being in EXCOM allows CBK to strengthen ties with other central

banks, development finance institutions, and stakeholders across Africa.

In 2024, AFRACA hosted a series of impactful activities throughout the year. In March, AFRACA organized an experiential study tour in Kenya centered on innovative agritech and fintech applications and models. The tour offered participants hands-on opportunities to engage with leading players in the rural and agricultural finance space. Additionally, AFRACA in collaboration with the United Nations (UN) Food and Agriculture Organization (FAO), hosted a webinar on 'Alternatives to Collateral and Women's Financial Inclusion' in March 2024. The event, attended by representatives from UN member states, focused on the challenges women face in accessing collateral, explored available alternatives, and discussed the strategies institutions are adopting to address these barriers.

5.2.9 Bank Supervision Application (BSA)

a) Background

The Bank Supervision Application (BSA) is a web-based software, facilitating offsite surveillance and onsite examination of financial institutions, to ensure a safe and sound financial system. The system was developed through a joint initiative of Eastern, Central and Southern Africa central banks to support the automation of Banking Supervision functions. Currently, the BSA application is being used

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by 18³¹ (eighteen) central banks and two regulatory authorities.

The BSA system is managed by Bank Supervision Application Support Office (BSO) domiciled at the Central Bank of Mozambique. BSO is responsible for BSA development, maintenance and providing support to BSA users.

BSO, as the lead developer of BSA together with the central banks using the system have continuously improved the BSA software. The software has evolved from BSA Version 1.0 in 2003 to the current BSA Version 5.0 launched in 2024.

b) BSA Version 5.0 Features

The BSA Version 5.0 represents a comprehensive upgrade from the previous version. This iteration incorporates multiple functional enhancements, designed to augment supervisory capabilities and operational efficiency. The key features include the following components:

Responsive Design Architecture: The platform has been engineered with adaptive interface capabilities, ensuring full compatibility across multiple device categories including desktop workstations, tablet devices, and mobile smartphones. This cross-platform functionality facilitates uninterrupted access for regulatory

personnel and authorized financial institutions, accommodating the dynamic requirements of contemporary financial supervision.

Post back Effects Mitigation System: Version 5.0 incorporates advanced interface protocols that eliminate unnecessary page refresh cycles during user interaction sequences. This technical refinement optimizes workflow continuity by maintaining screen state integrity during navigation and data selection processes.

Configurable Dashboard Interface: The system now provides authorized users with customizable workspace configurations, enabling personalized display parameters for critical monitoring metrics. This modular approach permits individual users to prioritize and organize information displays according to operational requirements and supervisory responsibilities.

Granular Access Control Framework: Enhanced security protocols have been implemented through a refined user permission architecture. This system allows for precise definition of access privileges at both functional and data levels, ensuring strict adherence to information security policies while maintaining operational flexibility.

Integrated API Connectivity Suite: The platform features standardized application programming interfaces that establish secure interoperability with external financial systems. This integration capability supports automated data synchronization processes and facilitates near real-time regulatory reporting mechanisms.

³¹ Banque de la République du Burundi, Banco de Cabo Verde, , Banque Centrale du Congo, Central Bank of the Republic of Djibouti, National Bank of Ethiopia, Central Bank of Haiti, Central Bank of Kenya, Central Bank of Lesotho, Central Bank of the Republic of Madagascar, Reserve Bank of Malawi, Banco de Moçambique, Bank of South Sudan, Bank of Uganda, Bank of Zambia, Reserve Bank of Zimbabwe, Central Bank of the Democratic Republic of Timor-Leste, Central Bank of Eswatini, Financial Services Regulatory Authority of Eswatini, Central Bank of Haiti, Central Bank of Comoros, and Mozambican Insurance Supervision Institute.

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Consumer Protection Monitoring System (CPS):

A dedicated regulatory module has been incorporated to oversee consumer financial protection compliance. This module provides comprehensive tools for grievance tracking, compliance verification analytics, consumer behavior pattern assessment, and automated response protocols for common regulatory inquiries.

These systematic enhancements collectively represent a significant evolution in regulatory technology infrastructure, providing supervisory authorities with advanced tools for effective financial oversight while maintaining robust compliance with established regulatory standards.

c) BSA Governance

The functioning of the BSA System is governed by the BSA Stakeholders and the BSA Executive Committee. The BSA Stakeholders are the Bank Supervision and Information Technology Directors from fourteen BSA founding Central Banks. The BSA Executive is composed of four central banks elected on a rotational basis from among the BSA Stakeholders every three years. The BSA Stakeholders and the BSA Executive Committee are responsible for strategic management of all BSA related activities.

d) BSA Activities in the year 2024

BSO organized a BSA stakeholder meeting, on September 20, 2024, in Lilongwe, Malawi. The main objective of the meeting was to review the BSO operational plan, strategic plan, BSO activities plan for 2025 and BSO budget for 2025.

5.2.10 Institute of International Finance (IIF)

CBK marked eight years since joining the International Institute of Finance (IIF) as an Associate Member. Over the previous eight years, the Bank has benefited from access to IIF's wide research and publications focusing on a broad range of topical issues relevant to CBK's regulatory mandate. In 2024, the Bank continued accessing content from the IIF's portal on a wide range of emerging areas of supervisory significance, with a view to enhancing staff skills and competencies.

5.2.11 Financial Stability Institute (FSI)

In 2024, CBK maintained its subscription to the Financial Stability Institute's (FSI) on-line learning tool, *FSI Connect*. Under *FSI Connect*, staff can pursue on-line courses in various areas of financial regulation. The courses apprise users of both the theoretical and practical aspects of financial regulation for continued learning and capacity development.

In 2024, 6 members of BSD's technical staff participated in **BIS-IMF Supervisory and Regulatory Online Course (SROC) for Banking Supervisors** offered through the *FSI Connect* Platform. The course is an interactive on-line programme organised jointly between the Bank of International Settlements (BIS) and the International Monetary Fund (IMF) from September 2024 through February 2025. The programme updated participants on the technical aspects of various supervisory topics.

5.2.12 COMESA Monetary Institute

In 2024, CBK participated in the following training programmes organised by the COMESA Monetary Institute at KSMS:

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- (i) Validation workshop for the studies on the *“Impact of Sovereign - Bank Nexus on Financial System Stability”* held from September 30 to October 1, 2024.
- (ii) *18th Meeting of the Financial System Development and Stability (FSDS) Sub-Committee* held on October 2 - 3, 2024.
- (iii) Meeting of the *Financial Stability Report (FSR) Task Force to finalize the 2023 COMESA-wide FSR* held on October 4 - 5, 2024.

5.2.13 Islamic Financial Services Board (IFSB)

CBK joined the Institute Financial Services Board (IFSB) in 2019 as an Associate Member. IFSB is an international standard-setting organization based in Kuala Lumpur, Malaysia for the Islamic financial services industry. It promotes the soundness and stability of the industry, by issuing global prudential standards and guidance for Islamic banking, Islamic capital markets and Takāful (Insurance) sectors.

Over the previous four years, the Bank has participated in surveys and conferences that focus on Islamic banking which is relevant to CBK's regulatory mandate. In October 2024, CBK gave feedback on the development of *IFSB's Strategy Note for the Preparation of the 2025-2027 IFSB Strategic Plan*. CBK also kept abreast of developments in IFSB's Standards and Guidance as updated through IFSB's virtual information dissemination channels.

5.2.14 Network for Greening the Financial System (NGFS)

- In April 2022, CBK officially became a member of the **Network for Greening the**

Financial System (NGFS), to benefit from the membership of NGFS by learning from and contributing to global efforts on Green Finance. NGFS is a voluntary, peer-to-peer network of Central Banks and regulators whose purpose is to share best practices and build technical capacity to address climate-related and environmental risks to the financial system. The Network also seeks to mobilize capital to support the transition towards a sustainable economy.

- NGFS delivers its objectives through the following workstreams: -

- a) **The workstream on microprudential and supervision**, which keeps track of supervisory developments and updates the mapping of supervisory practices for integrating climate-related and environmental risks into micro-prudential supervision.
- b) **The workstream on macrofinancial**, which provides guidance to central banks and supervisors on integrating climate risk analysis into macroeconomic and financial stability surveillance.
- c) **The workstream on scaling up green finance**, which promotes the adoption of sustainable and responsible principles in central banks' investment approaches, fostering the market transparency of green finance and encouraging the adoption of climate-related financial disclosure by central banks.
- d) **The workstream on bridging the data gaps**, which identify a list of data items needed for other NGFS workstreams.

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- e) **The workstream on research**, which ensures smooth coordination of research efforts within the NGFS working structures.

To this end, the Network defines and coordinates the implementation of the best practices in climate-risk management across member jurisdictions. To facilitate participation in NGFS activities, CBK nominated two representatives to the 2 NGFS Workstreams on *Financial Supervision* and *Scenario Design and Analysis*.

CBK's initiatives towards greening the Kenya's financial sector:

- CBK issued Guidance on Climate-Related Risk Management (Guidance) to commercial banks and mortgage finance companies on October 15, 2021. The Guidance set out how CBK expected institutions to consider climate-related risks when formulating and implementing their business strategy, governance, and risk management frameworks.
- CBK required commercial banks to benchmark their disclosures on climate-related information to
- In 2023, CBK partnered with the European Investment Bank (EIB) for the provision of TA to CBK on the development of a taxonomy framework and climate risk disclosure framework.
- In 2024, the CBK-EIB project team completed the draft Kenya Green Finance Taxonomy and climate risk disclosure frameworks, which were circulated for public consultation. By the end of the year, feedback from the consultation

process had been reviewed and was being incorporated into the drafts. The final versions of both frameworks are expected in the first quarter of 2025.

5.2.15 Knowledge Exchanges

In 2024, CBK hosted the following delegations that visited the Bank for knowledge exchange on various supervisory areas. These include the following:

- A Study Tour by a team from the Prudential Authority (PA) of the South African Reserve Bank of (SARB) in July 2024. The Study Tour related to conducting joint AML/CFT inspection with CBK of a bank. In addition, PA of SARB conducted a joint AML/CFT onsite examination with CBK for another bank in October 2024.
- A Peer Learning Visit for officers from the Sri Lanka led by the Sri Lanka's High Commissioner to Kenya on August 5, 2024, to explore investment opportunities in the Kenyan banking sector.
- A Study Tour by teams from the Bank of Tanzania and National Bank of Rwanda on September 23-26, 2024, on licensing and operations of digital credit providers in Kenya.
- A Knowledge Exchange visit from the financial sector in Ghana on September 25, 2024, on regulatory framework for microfinance institutions in Kenya.
- A Knowledge Exchange visit by Bank of Zambia held on October 18, 2024, to discuss how CBK relates with the Kenya Deposit Insurance Corporation.

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5.2.16 Memoranda of Understanding with other Regulatory Authorities/ Agencies

In an effort to enhance its relationship with foreign banking regulators, the Central Bank of Kenya continued to explore the possibility of entering into formal arrangements for supervisory cooperation with other banking regulators. This was aimed at promoting cross border banking supervisory cooperation as recommended by the Basel Committee on Banking Supervision. The MOUs with these regulators govern areas of mutual cooperation and collaboration, help define and guide the working relationships between regulators and enable the smooth exchange of supervisory information.

CBK continues to establish contacts with more central banks from various countries with a view to negotiating MOUs.

5.3 Kenyan Banks Regional Footprint

Some Kenyan banks have expanded in the East African Community (EAC) Partner States.

These banks include, KCB Group Holdings Plc, Diamond Trust Bank Group, NCBA Group Plc, Guaranty Trust Bank Kenya Limited, Equity Group Holdings Plc, I&M Group PLC, African Banking Corporation Limited and The Co-operative Bank of Kenya Limited.

They have positioned themselves to capitalize on the growing cross-border trade flows. This has in turn contributed to the deepening of customer relationships, the delivery of products and services. It has also led to utilization of host country resources, both capital and human, that has positively impacted market development and social economics.

The total number of branches of Kenyan banks subsidiaries in EAC Partner states and DRC reduced by 10.4 percent from 654 branches recorded as at December 31, 2023, to 586 branches recorded as at December 31, 2024. The decrease was mainly driven by rationalization of branches by KCB Group's, BPR Bank in Rwanda and Equity Bank Rwanda. The regional presence is as illustrated in **Table 29**.

Table 29: Branches of Kenyan Banks Subsidiaries in the Region

Country Presence	KCB Group Plc	Equity Group Holdings Plc	Diamond Trust Bank Group	NCBA Group Plc	I&M Group PLC	Guaranty Trust Bank	Co-operative Bank	ABC Bank	Total
Tanzania	17	15	29	8	8	-	-	-	77
Uganda	13	50	37	5	13	7	-	2	127
Rwanda	73	36	-	7	19	14	-	-	149
Burundi	8	-	4	-	-	-	-	-	12
South Sudan	16	5	-	-	-	-	5	-	26
Democratic Republic of Congo	109	79	-	-	-	-	-	-	188
Mauritius	-	-	-	-	7	-	-	-	7
Total 2024	236	185	70	20	47	21	5	2	586
Total 2023	302	195	69	17	42	22	4	3	654

Source: CBK

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In addition to having presence within the EAC Partner States, some of the Kenyan banks such as I&M Group PLC and Prime Bank Limited have expanded beyond the EAC jurisdictions. I&M Group PLC has 50 percent shareholding in Bank One Limited in Mauritius, Prime Bank Limited 10.6 percent shareholding in First Merchant Bank Limited (FMBL), a commercial bank in Malawi, 6.62 percent shareholding in Capital Bank, Gaborone, Botswana, 13.5 percent shareholding (5 percent directly and 8.5 percent indirectly) in Capital Bank Mozambique SA and 5.2 percent shareholding in Capital Bank Limited, Zambia.

5.3.1 Performance Highlights

5.3.1.1 Number of Employees

The subsidiaries of Kenyan banks had a combined employee count of 12,811 as at December 31, 2024, an increase of 11.8 percent compared to 11,460 employees in the preceding year. The growth was primarily driven by Equity Group Holdings Plc operations in Uganda and DRC. The employee count in subsidiaries shows that DRC had the highest number of employees at 3,754 as at December 2024 compared to 3,514 employees in 2023. DRC accounted for 29.3 percent of the total number of employees and has the largest proportion of subsidiaries and branches in the region.

Table 30 shows regional employee count for subsidiaries of Kenyan banks.

Country Presence	KCB Group Plc	Equity Group Holdings Plc	Diamond Trust Bank Group	NCBA Group Plc	I&M Group PLC	Guaranty Trust Bank	Co-operative Bank	ABC Bank	Total
Tanzania	326	501	617	200	197	-	-	-	1,841
Uganda	361	1,424	661	206	318	180	-	49	3,199
Rwanda	1,064	939	-	216	485	110	-	-	2,814
Burundi	196	-	25	-	-	-	-	-	221
South Sudan	244	149	-	-	-	-	169	-	562
Democratic Republic of Congo	1,759	1,995	-	-	-	-	-	-	3,754
Mauritius	-	-	-	-	420	-	-	-	420
Total 2024	3,950	5,008	1,303	622	1,420	290	169	49	12,811
Total 2023	3,920	3,843	1,315	484	1,415	287	153	43	11,460

Source: CBK

The increase in staff numbers between December 2023 and December 2024 was mainly due to branch and market expansion.

There was growth in support department functions to support the business expansion drive.

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5.3.1.2 Total Assets

Total assets of subsidiaries stood at Ksh.2,146 billion as at December 31, 2024, compared to Ksh.2,315 billion as at December 31, 2023. A significant contributor to the asset base was Equity Group Plc's subsidiary in DRC, Banque

Commerciale Du Congo - BCDC with total assets of Ksh.976 billion and KCB Groups Plc's subsidiary in DRC, Trust Merchant Bank with the total assets of Ksh.553 billion. Individual performance per country is as illustrated in **Table 31**.

Country presence	2023		2024		% Change of Total Assets from 2023
	Total Assets (Ksh.'000')	% of Total Assets	Total Assets (Ksh.'000')	% of Total Assets	
Burundi	23,725,912	1.0	22,201,321	1.03	-6.4
DRC	910,643,431	39.3	933,368,639	43.5	2.5
Mauritius	185,792,482	8.0	152,658,333	7.1	-17.8
Rwanda	372,497,946	16.1	315,550,410	14.7	-15.3
South Sudan	58,493,742	2.5	55,461,909	2.6	-5.3
Tanzania	340,737,700	14.7	305,351,732	14.2	-10.4
Uganda	423,176,345	18.3	362,264,837	16.9	-14.4
Grand Total	2,315,067,557	100.0	2,146,857,181	100.0	-7.3

Source: CBK

As shown in **Table 31**, DRC now accounts for most regional assets at 43.5 percent in 2024 compared to 39.3 percent in 2023.

The decline in gross total assets was mainly due to the strengthening of the Kenya shilling against respective regional currencies between December 2023 and December 2024.

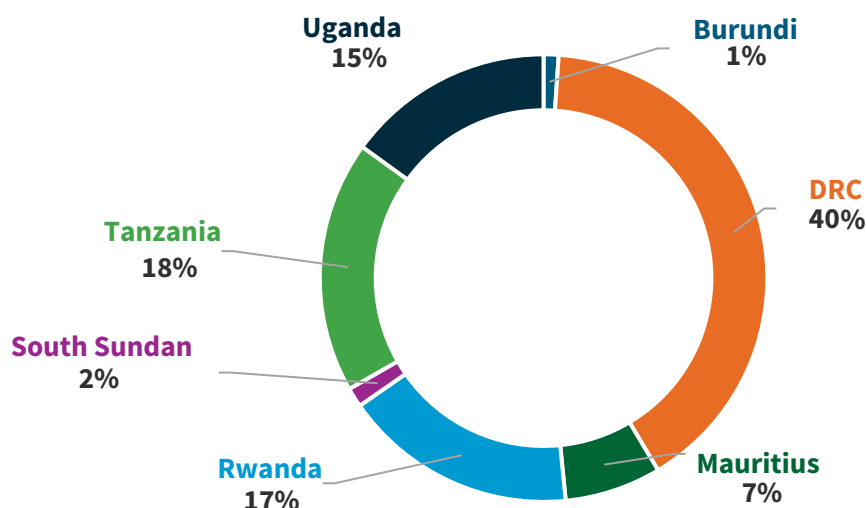
5.3.1.3 Gross Loans

The combined gross loans for the subsidiaries in the host countries stood at Ksh.967.68 billion as at December 31, 2024, a decrease of 12.4 percent from Ksh.1,105 billion as at December 31, 2023. The decline was mainly due to the strengthening of the Kenya shilling against

respective local currencies between December 2023 and December 2024. The Kenyan banks subsidiaries operating in DRC recorded the highest level of gross loans at Ksh.390 billion accounting for 40.4 percent of gross loans in all the subsidiaries outside Kenya. Followed by subsidiaries operating in Tanzania which accounted for 18.2 percent of the gross loans. Rwanda and Uganda accounted for 16.9 percent and 15.0 percent of the gross loans respectively. Mauritius recorded gross loans of Ksh.67.4 billion accounting for 7.0 percent of gross loans. **Chart 14** below shows the proportion of gross loans for subsidiaries in the host countries.

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Chart 14: Percent of Gross Loans per Host Country



Source: CBK

5.3.1.4 Deposits

The Kenyan banks subsidiaries accounted for a combined deposit base of Ksh.1,702 billion in December 2024 compared to Ksh.1,807 billion in December 2023. The main contributor of deposits was Equity Group Plc's subsidiary in DRC, Banque Commerciale Du Congo -BCDC

with total deposits of Ksh.542 billion or 32 per cent of the total deposits of subsidiaries in the host countries and KCB Group Plc's subsidiary in DRC, Trust Merchant Bank with total deposits of Ksh.224 billion or 13 per cent of the total deposits of subsidiaries in the host countries. The regional spread of deposits is as depicted in **Table 32**.

Table 32: Deposit Distribution Across Host Countries

Country Presence	2024	2024	2023	2023
	Gross Deposits	% of Gross	Gross Deposits	% of Gross
	(Ksh.'000)	Deposits	(Ksh.'000)	Deposits
Burundi	15,572,501	0.9	16,383,358	0.9
DRC	766,610,171	45.0	755,788,482	41.8
Mauritius	131,934,840	7.8	159,954,154	8.9
Rwanda	242,798,136	14.3	265,523,693	14.7
South Sudan	35,456,187	2.1	20,990,879	1.2
Tanzania	237,907,629	14.0	272,761,475	15.1
Uganda	271,981,445	16.0	316,295,766	17.5
Grand Total	1,702,260,909	100.00	1,807,697,808	100.0

Source: CBK

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The decline in deposits was mainly due to the strengthening of the Kenya shilling against regional currencies between December 2023 and December 2024

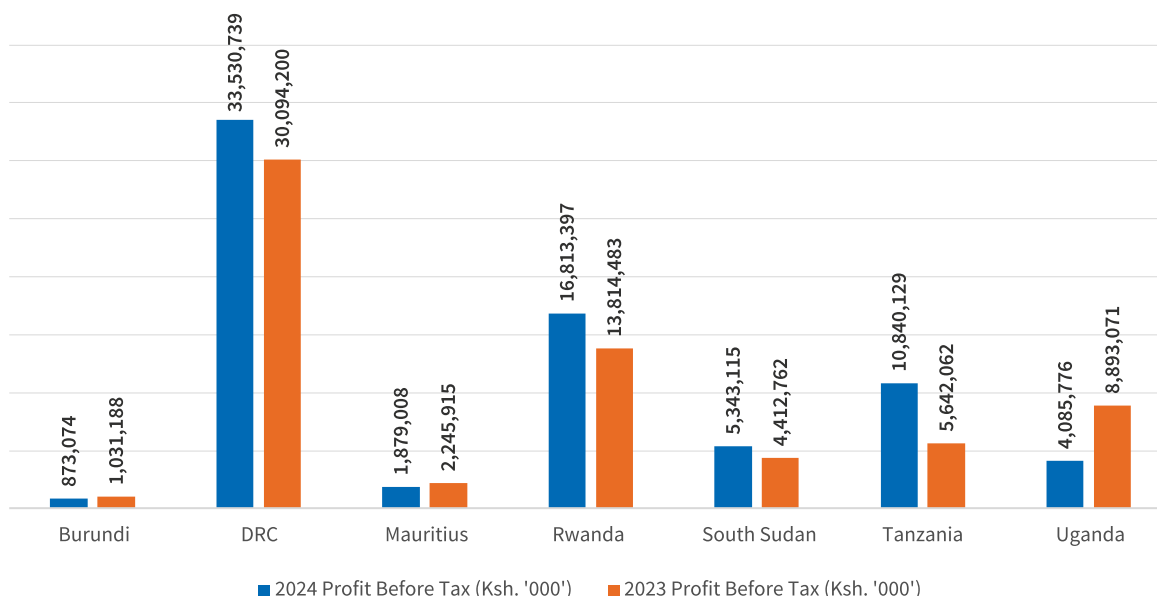
5.3.1.5 Profitability

The regional subsidiaries' profit before tax stood at Ksh.73.36 billion as at December 31, 2024, an increase of 10.9 percent from Ksh.66.13 billion reported in December 31, 2023. The increase was mainly due to higher net interest and non-funded income. DRC contributed to the highest earning capacity, recording Ksh.33 billion in profit, translating to 45.7 percent of the total profits. Subsidiaries operating

in Rwanda and Tanzania contributed 22.9 percent and 14.8 percent of the total profits respectively while subsidiaries in South Sudan contributed 7.3 percent of the total profits. The increase in profits for DRC, Rwanda and Tanzania were driven by KCB Bank, Equity Bank and KCB Bank respectively. Subsidiaries operating in Uganda, Mauritius and Burundi were the least profitable and contributed 5.6 percent, 2.6 percent and 1.2 percent of the total profits respectively. The decline in profits for Uganda was due to KCB Bank, Equity Bank and DTB Bank.

The profitability of the banks in their respective host countries is as shown in **Chart 15**.

Chart 15: Regional profitability Ksh. ('000')



Source: CBK

APPENDICES

APPENDIX I: BANKING SECTOR BALANCE SHEET - DECEMBER 2024-KSH.M

A	ASSETS	Dec-23				Dec-24			
		BANKS	NBFIS	GRAND TOTAL	% OF TOTAL	BANKS	NBFIS	GRAND TOTAL	% OF TOTAL
1	Cash (both Local & Foreign)	95,392	368	95,760	1.2	97,195	678	97,874	1.3
2	Balances due from Central Bank of Kenya	309,223	1,475	310,699	4	307,854	1,713	309,568	4.1
3	Kenya Government and other securities held for dealing purposes	29,085	-	29,085	0.4	90,865	-	90,865	1.2
4	Financial Assets at fair value through profit and loss	3,532	-	3,532	0	4,663	-	4,663	0.1
5	Investment Securities:	-	-	-	0	-	-	-	0.0
	a) Held to Maturity:	-	-	-	0	-	-	-	0.0
	a. Kenya Government securities	908,533	4,037	912,570	11.9	829,132	3,228	832,360	11.0
	b. other securities	14,424	-	14,424	0.2	43,663	-	43,663	0.6
	b) Available for sale:	-	-	-	0	-	-	-	0.0
	a. Kenya Government securities	935,568	5,645	941,214	12.2	1,177,786	13,742	1,191,527	15.7
	b. other securities	164,855	-	164,855	2.1	136,897	-	136,897	1.8
6	Deposits and balances due from local banking institutions	60,719	548	61,266	0.8	92,219	1,144	93,363	1.2
7	Deposits and balances due from banking institutions abroad	515,825	362	516,186	6.7	380,126	109	380,235	5.0
8	Tax recoverable	7,426	219	7,645	0.1	11,705	219	11,925	0.2
9	Loans and advances to customers (net)	3,762,935	38,788	3,801,723	49.4	3,601,594	39,798	3,641,392	48.1
10	Balances due from banking institutions in the group	314,630	-	314,630	4.1	224,197	-	224,197	3.0
11	Investments in associates	5,813	-	5,813	0.1	6,087	-	6,087	0.1
12	Investments in subsidiary companies	20,337	-	20,337	0.3	20,340	-	20,340	0.3
13	Investments in joint ventures	-	190	190	0	-	191	191	0.0
14	Investment properties	13,585	810	14,395	0.2	13,589	810	14,399	0.2
15	Property and equipment	70,123	769	70,892	0.9	76,580	838	77,418	1.0
16	Prepaid lease rentals	859	-	859	0	841	-	841	0.0
17	Intangible assets	41,030	277	41,307	0.5	42,530	308	42,838	0.6
18	Deferred tax asset	155,343	1,533	156,876	2	147,568	1,405	148,973	2.0
19	Retirement benefit asset	-	-	-	0	-	-	-	0.0
20	Other assets	202,274	4,126	206,399	2.7	194,972	3,377	198,349	2.6
21	TOTAL ASSETS	7,631,512	59,146	7,690,658	100	7,500,402	67,561	7,567,962	100.0
B	LIABILITIES								
22	Balances due to Central Bank of Kenya	197,336	1,500	198,836	3	-	82,983	82,983	1.3
23	Customer deposits	5,551,885	43,869	5,595,754	83.4	47,883	5,432,928	5,480,812	85.8
24	Deposits and balances due to local banking institutions	53,930	3	53,933	0.8	388	98,408	98,796	1.5
25	Deposits and balances due to foreign banking institutions	229,521	-	229,521	3.4	-	228,630	228,630	3.6
26	Other money market deposits	19,633	-	19,633	0.3	-	2,015	2,015	0.0
27	Borrowed funds	324,711	3,793	328,504	4.9	2,744	219,124	221,867	3.5
28	Balances due to banking institutions in the group	74,898	-	74,898	1.1	-	67,591	67,591	1.1
29	Tax payable	5,506	-	5,506	0.1	-	8,463	8,463	0.1
30	Dividends payable	273	-	273	0	-	198	198	0.0
31	Deferred tax liability	-	-	-	0	-	59	59	0.0
32	Retirement benefit liability	713	-	713	0	-	840	840	0.0
33	Other liabilities	200,495	1,679	202,174	3	1,751	190,394	192,145	3.0
	TOTAL LIABILITIES	6,658,901	50,844	6,709,745	100	52,766	6,331,632	6,384,398	100.0
C	SHAREHOLDERS' FUNDS								
35	Paid up /Assigned capital	218,421	5,090	223,511	2.9	10,820	222,946	233,766	3.1
36	Share premium/(discount)	114,212	3,514	117,726	1.5	3,514	115,539	119,052	1.6
37	Revaluation reserves	-46,600	611	-45,990	-0.6	611	(5,518)	(4,908)	-0.1
38	Retained earnings/Accumulated losses	632,611	-5,443	627,169	8.2	(5,115)	711,748	706,632	9.3
39	Statutory loan loss reserves	48,359	4,854	53,214	0.7	4,809	58,514	63,323	0.8
40	Other Reserves	-47,566	-324	-47,890	-0.6	157	(10,242)	(10,085)	-0.1
41	Proposed dividends	50,804	-	50,804	0.7	-	73,381	73,381	1.0
42	Capital grants	2,370	-	2,370	0	-	2,402	2,402	0.0
43	TOTAL SHAREHOLDERS' FUNDS	972,611	8,302	980,913	12.8	14,794	1,168,770	1,183,564	15.6
44	Minority Interest	-	-	-	-	-	-	-	-
45	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	7,631,512	59,146	7,690,658	100	7,500,402	67,561	7,567,962	100.0
Source: Commercial Banks Published Financial Statements									

APPENDICES

APPENDIX II: BANKING SECTOR PROFIT AND LOSS ACCOUNT-DECEMBER 2024-KSH.M									
		Dec-23				Dec-24			
		BANKS	NBFIS	GRAND TOTAL	% OF TOTAL	BANKS	NBFIS	GRAND TOTAL	% OF TOTAL
1	INTEREST INCOME								
1.1	Loans and advances	432,008	4,086	436,094	70.5	536,069	4,819	540,888	64.0
1.2	Government securities	229,980	1,146	231,125	37.4	260,738	1,583	262,322	31.0
1.3	Deposits and placements with banking institutions	26,560	27	26,587	4.3	39,914	57,775	39,971	4.7
1.4	Other Interest Income	1,508	-	1,508	0.2	1,776	0	1,776	0.2
1.5	Total interest income	690,055	5,259	695,314		838,497	6,460	844,957	
2	INTEREST EXPENSE								
2.1	Customer deposits	216,341	2,017	218,358	32.1	320,097	2,944	323,041	83.7
2.2	Deposits and placement from banking institutions	36,545	255	36,800	5.4	37,215	447,643	37,662	9.8
2.3	Other interest expenses	25,325	388	25,713	3.8	24,748	359,15	25,107	6.5
2.4	Total interest expenses	278,211	2,660	280,871	41.3	382,059	3,751	385,810	
3	NET INTEREST INCOME/(LOSS)	411,844	2,599	414,443		456,438	2,709	459,147	
4	NON-INTEREST INCOME								
4.1	Fees and commissions on loans and advances	46,014	222	46,237	7.5	45,015	217,999	45,233	21.6
4.2	Other fees and commissions	63,999	140	64,139	10.4	72,492	214,648	72,707	34.7
4.3	Foreign exchange trading income/(Loss)	69,985	174	70,159	11.3	62,520	191,127	62,711	29.9
4.4	Dividend Income	2,028	-	2,028	0.3	2,407	-	2,407	1.1
4.5	Other income	21,248	201	21,449	3.5	26,270	122,189	26,392	12.6
4.6	Total Non-interest income	203,275	738	204,012	33	208,703	745,963	209,449	
5	TOTAL OPERATING INCOME	615,118	3,337	618,455	100	665,141	3,455	668,595	
6	OTHER OPERATING EXPENSES								
6.1	Loan loss provision	109,340	309	109,649	16.1	83,369	364,46	83,733	20.5
6.2	Staff costs	129,782	1,441	131,223	19.3	142,136	1,644	143,780	35.2
6.3	Directors' emoluments	3,209	21	3,230	0.5	3,273	24,012	3,297	0.8
6.4	Rental charges	5,411	61	5,472	0.8	5,633	61,776	5,695	1.4
6.5	Depreciation charge on property and equipment	15,470	154	15,624	2.3	16,413	157,405	16,570	4.1
6.6	Amortisation charges	8,568	213	8,781	1.3	8,882	76,617	8,958	2.2
6.7	Other operating expenses	124,206	971	125,177	18.4	145,318	914,172	146,232	35.8
6.8	Total Other Operating Expenses	395,985	3,171	399,156	58.7	405,024	3,242	408,266	
	TOTAL EXPENSES (2.4+6.8)	674,196	5,831	680,027	100	787,084	6,993	794,077	
7	Profit/(loss) Before Tax and Exceptional Items	219,133	166	219,299		260,116	212,984	260,329	
8	Exceptional Items	1,337	5	1,341		-17	-1,412	-19	
9	Profit/(Loss) After Exceptional Items	217,797	161	217,958		260,133	214,396	260,348	
10	Current Tax	73,298	13	73,312		60,073	11,82	60,085	
11	Deferred Tax	-26,616	-40	-26,656		-7,790	-78,627	-7,869	
12	Profit/(Loss) After Tax and Exceptional Items	171,115	187	171,302		207,850	281,203	208,132	
13	Minority Interest			-				-	
14	Profit/(loss) after tax, exceptional items and Minority Interest	171,115	187	171,302		207,850	281,203	208,132	
15	Other Comprehensive Income								
15.1	Gains/(Losses) from translating the financial statements of foreign operations	-222	-	-222		-950,771	-	-950,8	
15.2	Fair value changes in available for sale financial assets	-43,594	-379	-43,972		82,934	687,796	83,621	
15.3	Revaluation surplus on Property, plant and equipment	222	20	242		5,326	-	5,326	
15.4	Share of other comprehensive income of associates	-	-	-		-	-	-	
15.5	Income tax relating to components of other comprehensive income	5,755	111	5,866		-10,768	-206,339	-10,974	
16	Other Comprehensive Income for the year net of tax	-37,838	-248	-38,086		76,541	481,457	77,022	
17	Total comprehensive income for the year	133,276	-61	133,215		284,391	762.66	285,154	
Source: Commercial Banks Published Financial Statements									

APPENDICES

APPENDIX III: BANKING SECTOR OTHER DISCLOSURES – DECEMBER 2024

Figures in Ksh. Millions																																																							
	Dec-23			Dec-24																																																			
	BANKS	NBFIS	GRAND TOTAL	BANKS	NBFIS	GRAND TOTAL	ANNUAL PERCENTAGE CHANGE (%)																																																
NON-PERFORMING LOANS AND ADVANCES																																																							
(a) Gross Non-performing loans and advances	640,994	10,820	651,814	685,296	11,964	697,261	7.0																																																
(b) Less: Interest in Suspense	91,651	3,102	94,753	110,587	3,252	113,839	20.1																																																
(c) Total Non-Performing Loans and Advances (a-b)	549,343	7,717	557,060	574,709	8,713	583,422	4.7																																																
(d) Less: Loan Loss Provision	281,972	4,998	286,970	309,793	5,156	314,948	9.8																																																
(e) Net Non-Performing Loans and Advances(c-d)	267,371	2,720	270,090	264,916	3,557	268,473	(0.6)																																																
(f) Discounted Value of Securities	245,851	2,720	248,571	248,855	3,557	252,412	1.6																																																
(g) Net NPLs Exposure (e-f)	21,520	0	21,520	16,061	0	16,061	(25.4)																																																
INSIDER LOANS AND ADVANCES																																																							
(a) Directors, Shareholders and Associates	82,335	1,010	83,345	69,292	1,030	70,322	(15.6)																																																
(b) Employees	84,280	1,253	85,532	89,476	1,395	90,871	6.2																																																
(c) Total Insider Loans and Advances and other facilities	166,615	2,262	168,877	158,768	2,425	161,193	(4.6)																																																
OFF-BALANCE SHEET ITEMS																																																							
(a) Letters of credit, guarantees, acceptances	1,186,732	2,468	1,189,200	834,814	703	835,517	(29.7)																																																
(b) Forwards, swaps and options	402,154	290	402,443	382,132	989,271	383,121	(4.8)																																																
(c) Other contingent liabilities	23,479	-	23,479	18,286	0	18,286	(22.1)																																																
(d) Total Contingent Liabilities	1,612,365	2,758	1,615,123	1,235,231	1,692	1,236,923	(23.4)																																																
CAPITAL STRENGTH																																																							
(a) Core capital	891,550	2,082	893,633	980,572	8,667	989,239	10.8																																																
(b) Minimum Statutory Capital	1,000	1,000	1,000	1,000	1,000	1,000	-																																																
(c) Excess/(Deficiency) (a-b)	891,550	1,082	892,633	980,572	7,667	988,239	(8.1)																																																
(d) Supplementary Capital	180,703	1,465	182,167	128,175	1,279	129,454	(97.8)																																																
(e) Total Capital (a+d)	1,072,253	3,547	1,075,800	1,108,747	9,946	1,118,693	4.0																																																
(f) Total risk weighted assets	5,744,951	39,372	5,784,324	5,669,308	40,507	5,709,815	(1.3)																																																
(g) Core Capital/Total Deposits Liabilities	16.1	4.7	16	18.0%	18.1%	18.0%																																																	
(h) Minimum statutory Ratio	8	8	8	8	8	8																																																	
(i) Excess/(Deficiency) (g-h)	8.1	-3.3	8	10	10	10																																																	
(j) Core Capital / Total Risk Weighted Assets	15.5	5.3	15.4	17	21	17																																																	
(k) Minimum Statutory Ratio	10.5	10.5	10.5	11	11	11																																																	
(l) Excess (Deficiency) (j-k)	5	-5.2	4.9	7	11	7																																																	
(m) Total Capital/Total Risk Weighted Assets	18.7	9	18.6	20	25	20																																																	
(n) Minimum statutory Ratio	14.5	14.5	14.5	15	15	15																																																	
(o) Excess/(Deficiency) (m-n)	4.2	-5.5	4.1	5	10	5																																																	
LIQUIDITY																																																							
(a) Liquidity Ratio	51.2	23.9	51	51	24	51																																																	
(b) Minimum Statutory Ratio	20	20	20	20	20	20																																																	
(c) Excess (Deficiency) (a-b)	31.2	3.9	31	31	4	31																																																	
Performance Indicators																																																							
Yield on Earning Assets	10.2	9.1	10.2	12	10	12																																																	
Cost of Funding Earning Assets	4.1	4.6	4.1	6	6	6																																																	
Interest Margin on Earning Assets	6.1	4.5	6.1	7	4	7																																																	
Yield on Advances	10.4	8.7	10.4	13	10	13																																																	
Cost of Deposits	4.8	6.1	4.8	7	8	7																																																	
Return on Assets (ROA)	2.9	0.3	2.9	3	0	3																																																	
Return on Equity (ROE)	22.5	2	22.4	22	1	22																																																	
Overheads to Earnings	44.3	52.9	44.4	39	45	39																																																	
Gross NPLs/Gross Loans	15.5	23.1	15.6	17	25	17																																																	
RATINGS																																																							
Capital Adequacy	2	4	2	1	1	1																																																	
Asset Quality	2	2	2	2	2	2																																																	
Earnings	2	4	2	1	4	1																																																	
Liquidity	1	3	1	1	3	1																																																	
Composite Score	2	3	2	1.25	2.5	1.25																																																	
Performance Category	Satisfactory	Fair	Satisfactory	Strong	Fair	Strong																																																	
<table border="1"> <thead> <tr> <th>Ratings</th> <th>PERFORMANCE CATEGORY</th> <th>CAPITAL ADEQUACY (Total Capital/ TRWA) (%)</th> <th>ASSET QUALITY (NPLs-Provisions/ Gross Loans (%)</th> <th>EARNINGS Net Profits/ Total Assets (%)</th> <th>LIQUIDITY (Total Liquid Assets/Total Short-term Liabilities) (%)</th> <th>MANAGEMENT (Total weighted Score)</th> <th>COMPOSITE SCORE (Average Score)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Strong</td> <td>19.50 and above</td> <td>0 - 5</td> <td>Over 3%</td> <td>Over 34</td> <td>1.0 - 1.4</td> <td>1.0 - 1.4</td> </tr> <tr> <td>2</td> <td>Satisfactory</td> <td>15.60 – 19.49</td> <td>5.1 – 10.0</td> <td>2.0%-2.9%</td> <td>26 - 34</td> <td>1.5 - 2.4</td> <td>1.5 - 2.4</td> </tr> <tr> <td>3</td> <td>Fair</td> <td>12.00 – 15.59</td> <td>10.1 – 15.0</td> <td>1.0%-1.9%</td> <td>20 - 25</td> <td>2.5 - 3.4</td> <td>2.5 - 3.4</td> </tr> <tr> <td>4</td> <td>Marginal</td> <td>8.31 – 11.99</td> <td>15.1 – 20.0</td> <td>0.0%-0.9%</td> <td>15 - 19</td> <td>3.5 - 4.4</td> <td>3.5 - 4.4</td> </tr> <tr> <td>5</td> <td>Unsatisfactory</td> <td>8.30 and below</td> <td>Over 20</td> <td>Net Loss</td> <td>Under 15</td> <td>4.5 - 5.0</td> <td>4.5 - 5.0</td> </tr> </tbody> </table>								Ratings	PERFORMANCE CATEGORY	CAPITAL ADEQUACY (Total Capital/ TRWA) (%)	ASSET QUALITY (NPLs-Provisions/ Gross Loans (%)	EARNINGS Net Profits/ Total Assets (%)	LIQUIDITY (Total Liquid Assets/Total Short-term Liabilities) (%)	MANAGEMENT (Total weighted Score)	COMPOSITE SCORE (Average Score)	1	Strong	19.50 and above	0 - 5	Over 3%	Over 34	1.0 - 1.4	1.0 - 1.4	2	Satisfactory	15.60 – 19.49	5.1 – 10.0	2.0%-2.9%	26 - 34	1.5 - 2.4	1.5 - 2.4	3	Fair	12.00 – 15.59	10.1 – 15.0	1.0%-1.9%	20 - 25	2.5 - 3.4	2.5 - 3.4	4	Marginal	8.31 – 11.99	15.1 – 20.0	0.0%-0.9%	15 - 19	3.5 - 4.4	3.5 - 4.4	5	Unsatisfactory	8.30 and below	Over 20	Net Loss	Under 15	4.5 - 5.0	4.5 - 5.0
Ratings	PERFORMANCE CATEGORY	CAPITAL ADEQUACY (Total Capital/ TRWA) (%)	ASSET QUALITY (NPLs-Provisions/ Gross Loans (%)	EARNINGS Net Profits/ Total Assets (%)	LIQUIDITY (Total Liquid Assets/Total Short-term Liabilities) (%)	MANAGEMENT (Total weighted Score)	COMPOSITE SCORE (Average Score)																																																
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Source: Commercial Banks Published Financial Statements (December 2024)

APPENDICES

APPENDIX IV: BANKING SECTOR MARKET SHARE - DECEMBER 2024

		Mar- ket size index	Mar- ket Rank index (%)	Total Net Assets	% of the mar- ket	Total De- posits	% of the mar- ket	Total Sharehold- ers' funds	% of the mar- ket	Number of Deposit accounts	% of the mar- ket	Number of loan accounts	% of the Mar- ket
				Ksh.M		Ksh.M		Ksh.M					
	Weighting (%)			0.33		0.33		0.33		0.005		0.005	
Large Peer Group >5													
1	KCB Bank Kenya Limited	16.6	1	1,277,767	16.9	988,509	0.2	183,715	15.5	53,688,652	47.0	1,425,388	12.3
2	Equity Bank Kenya Ltd	12.8	2	1,027,680	13.6	843,563	0.1	123,102	10.4	14,403,872	12.6	844,445	7.3
3	Co-operative Bank of Kenya Ltd	9.6	3	687,823	9.1	482,660	0.1	134,988	11.4	3,871,922	3.4	2,195,741	19.0
4	NCBA Bank Kenya PLC	8.3	4	588,703	7.8	462,377	0.1	96,560	8.2	33,087,517	29.0	6,078,860	52.5
5	Absa Bank Kenya PLC	6.6	5	506,129	6.7	378,919	0.1	80,177	6.8	2,405,546	2.1	338,911	2.9
6	Stanbic Bank Kenya Ltd	5.7	6	445,248	5.9	332,128	0.1	65,417	5.5	321,906	0.3	54,006	0.5
7	I & M Bank Limited	5.4	7	414,873	5.5	314,134	0.1	66,222	5.6	339,531	0.3	69,335	0.6
8	Standard Chartered Bank (K) Ltd	5.4	8	385,206	5.1	295,997	0.1	71,503	6.0	317,965	0.3	68,169	0.6
9	Diamond Trust Bank Kenya Limited	5.2	9	381,137	5.0	305,169	0.1	65,537	5.5	572,439	0.5	36,012	0.3
	Sub-Total	75.6		5,714,565	75.5	4,403,456	0.8	887,222	75.0	109,009,350	95.4	11,110,867	95.9
Medium Peer Group (1-5%)													
1	Prime Bank Ltd	2.9	10	188,807	2.5	143,779	0.0	43,595	3.7	51,342	0.0	4,697	0.0
2	Bank of Baroda (Kenya) Limited	2.7	11	200,538	2.6	166,016	0.0	33,276	2.8	70,470	0.1	557	0.0
3	Citibank N.A. Kenya	2.6	12	171,822	2.3	130,043	0.0	38,159	3.2	2,318	0.0	252	0.0
4	Family Bank Ltd.	2.1	13	168,414	2.2	134,268	0.0	21,722	1.8	2,925,798	2.6	203,051	1.8
5	National Bank of Kenya Ltd	1.6	14	148,255	2.0	110,553	0.0	13,040	1.1	511,772	0.4	132,578	1.1
6	Bank of India	1.6	15	90,543	1.2	59,270	0.0	29,998	2.5	12,505	0.0	542	0.0
7	Ecobank Kenya Ltd	1.1	16	102,634	1.4	95,864	0.0	5,222	0.4	298,921	0.3	3,569	0.0
8	SBM Bank Kenya Ltd	1.1	17	101,385	1.3	69,872	0.0	9,133	0.8	135,287	0.1	8,859	0.1
9	HFC Ltd	1.0	18	67,561	0.9	48,271	0.0	14,794	1.2	250,203	0.2	11,417	0.1
	Sub-Total	16.7		1,239,958	16.4	957,936	0.2	208,940	17.7	4,258,616	3.7	365,522	3.2
Small Peer Group < 1%													
1	Victoria Commercial Bank Limited	0.8	19	64,953	0.9	51,450	0.0	8,280	0.7	8,250	0.0	1,685	0.0
2	Sidian Bank Ltd	0.7	20	60,020	0.8	45,768	0.0	6,868	0.6	172,288	0.2	21,203	0.2
3	Gulf African Bank	0.6	21	44,916	0.6	35,824	0.0	8,199	0.7	91,752	0.1	19,841	0.2
4	Bank of Africa Ltd	0.6	22	54,037	0.7	36,516	0.0	6,295	0.5	58,825	0.1	11,780	0.1
5	Guaranty Trust Bank	0.6	23	34,058	0.5	17,713	0.0	11,138	0.9	23,433	0.0	1,090	0.0
6	African Banking Corporation Ltd	0.6	24	50,089	0.7	39,524	0.0	4,083	0.3	26,351	0.0	847	0.0
7	Habib Bank AG Zurich	0.5	25	37,853	0.5	34,284	0.0	3,377	0.3	6,316	0.0	515	0.0
8	DIB Bank Kenya Ltd	0.4	26	28,848	0.4	22,735	0.0	5,615	0.5	7,763	0.0	911	0.0
9	Kingdom Bank Limited	0.4	27	41,186	0.5	21,632	0.0	3,045	0.3	271,659	0.2	28,192	0.2
10	Premier Bank	0.3	28	25,060	0.3	14,757	0.0	4,860	0.4	72,439	0.1	1,639	0.0
11	Credit Bank Ltd	0.3	29	26,296	0.3	19,666	0.0	2,945	0.2	44,572	0.0	2,229	0.0
12	Guardian Bank Limited	0.2	32	16,126	0.2	11,981	0.0	3,720	0.3	10,765	0.0	1,509	0.0
13	Development Bank of Kenya Ltd	0.3	30	21,233	0.3	13,630	0.0	3,865	0.3	2,031	0.0	1,195	0.0
14	Commercial International Bank (CIB) Kenya Ltd	0.3	31	17,103	0.2	13,263	0.0	3,616	0.3	4,232	0.0	389	0.0
15	Paramount Bank Ltd	0.2	33	15,902	0.2	12,815	0.0	2,915	0.2	6,952	0.0	2,185	0.0
16	M-Oriental Commercial Bank	0.2	34	13,789	0.2	10,099	0.0	3,542	0.3	5,039	0.0	616	0.0
17	Middle East Bank (K) Ltd	0.2	35	16,346	0.2	11,862	0.0	2,345	0.2	4,716	0.0	1,689	0.0
18	UBA Kenya Bank Ltd	0.2	36	13,701	0.2	10,494	0.0	1,494	0.1	14,010	0.0	228	0.0
19	Access Bank (Kenya) PLC	0.2	37	14,331	0.2	13,116	0.0	810	0.1	98,486	0.1	2,103	0.0
20	Consolidated Bank of Kenya Limited	0.2	38	17,516	0.2	11,733	0.0	486	0.0	46,366	0.0	4,802	0.0
21	Spire Bank	(0.0)	39	76	0.0	-	-	(96)	(0.0)	-	-	-	-
	Sub-Total	7.7		613,439	8.1	448,861	0.1	87,402	7.4	976,245	0.9	104,648	0.9
	Grand-Total	100.0		7,567,962	100.0	5,810,253	1.0	1,183,564	100.0	114,244,211	100.0	11,581,037	100.0

Source: Commercial Banks Published Financial Statements (December 2024)

APPENDICES

Appendix V: BANKING SECTOR PROFITABILITY - DECEMBER 2024

		Profit/(Loss) Before Tax (Ksh.M)	Return on Assets		Return on Equity	
			Total Assets (Ksh.M)	(1/2) (%)	Total Shareholder's Funds (Ksh.M)	(1/4) (%)
		1	2	3	4	5
1	KCB Bank Kenya Ltd	58,375	1,277,767	4.6	183,715	31.8
2	Co-operative Bank of Kenya Ltd	31,303	687,823	4.6	134,988	23.2
3	Absa Bank Kenya Plc	27,975	506,129	5.5	80,177	34.9
4	Standard Chartered Bank Kenya Ltd	27,849	385,206	7.2	71,503	38.9
5	Equity Bank Kenya Ltd	26,661	1,027,680	2.6	123,102	21.7
6	NCBA Bank Kenya PLC	20,763	588,703	3.5	96,560	21.5
7	Stanbic Bank Kenya Ltd	18,804	445,248	4.2	65,417	28.7
8	Citibank N.A. Kenya	15,290	171,822	8.9	38,159	40.1
9	I&M Bank Ltd	14,115	414,873	3.4	66,222	21.3
10	Diamond Trust Bank Kenya Ltd	6,539	381,137	1.7	65,537	10.0
11	Bank of Baroda (Kenya) Limited	5,008	200,538	2.5	33,276	15.1
12	Prime Bank Ltd	4,376	188,807	2.3	43,595	10.0
13	Bank of India	3,694	90,543	4.1	29,998	12.3
14	Family Bank Ltd	3,668	168,414	2.2	21,722	16.9
15	Gulf African Bank Ltd	1,966	44,916	4.4	8,199	24.0
16	Kingdom Bank Ltd	1,002	41,186	2.4	3,045	32.9
17	National Bank of Kenya Ltd	921	148,255	0.6	13,040	7.1
18	Habib Bank A.G. Zurich	593	37,853	1.6	3,377	17.6
19	Guaranty Trust Bank (K) Ltd	581	34,058	1.7	11,138	5.2
20	Victoria Commercial Bank Plc	556	64,953	0.9	8,280	6.7
21	Guardian Bank Ltd	541	16,126	3.4	3,720	14.5
22	Sidian Bank Ltd	410	60,020	0.7	6,868	6.0
23	Paramount Bank Ltd	308	15,902	1.9	2,915	10.6
24	Middle East Bank (K) Ltd	270	16,346	1.7	2,345	11.5
25	M-Oriental Bank Kenya Ltd	222	13,789	1.6	3,542	6.3
26	HFC Ltd	213	67,561	0.3	14,794	1.4
27	Bank of Africa (K) Ltd	150	54,037	0.3	6,295	2.4
28	DIB Bank Kenya Ltd	103	28,848	0.4	5,615	1.8
29	Development Bank of Kenya Ltd	70	21,233	0.3	3,865	1.8
30	Spire Bank Limited	(98)	76	-128.8	(96)	102.1
31	Consolidated Bank of Kenya Ltd	(148)	17,516	-0.8	486	-30.4
32	Premier Bank Kenya Ltd	(454)	25,060	-1.8	4,860	-9.4
33	UBA Kenya Bank Ltd	(587)	13,701	-4.3	1,494	-39.3
34	African Banking Corporation Ltd	(594)	50,089	-1.2	4,083	-14.6
35	Commercial International Bank (CIB) Kenya Ltd	(1,020)	17,103	-6.0	3,616	-28.2
36	Access Bank (Kenya) Plc	(1,287)	14,331	-9.0	810	-159.0
37	Credit Bank Plc	(1,467)	26,296	-5.6	2,945	-49.8
38	SBM Bank Kenya Ltd	(1,595)	101,385	-1.6	9,133	-17.5
39	Ecobank Kenya Ltd	(4,748)	102,634	-4.6	5,222	-90.9
	Total	260,329	7,567,962	3.4	1,183,564	22.0

Source: Commercial Banks Published Financial Statements (December 2024)

APPENDICES

Appendix VI: BANKING SECTOR GROSS LOANS AND NON-PERFORMING LOANS- DECEMBER 2024					
	BANKS	Gross Loans and Advances, Ksh.M		Gross Non-Performing Loans, Ksh.M	
		Dec-23	Dec-24	Dec-23	Dec-24
1	KCB Bank Kenya Ltd	843,001	853,079	166,262	176,811
2	Equity Bank Ltd.	489,241	478,787	79,843	92,985
3	Co - operative Bank of Kenya Ltd	396,508	399,951	62,804	66,952
4	Absa Bank Kenya Plc	358,919	337,123	35,255	42,471
5	NCBA Bank Kenya Plc	318,113	289,956	40,462	35,512
6	Stanbic Bank (Kenya) Ltd	279,148	248,074	26,467	22,642
7	I&M Bank Ltd	246,507	235,557	27,140	30,944
8	Diamond Trust Bank (K) Ltd	223,416	211,088	37,928	33,792
9	Standard Chartered Bank (K) Ltd	177,206	161,481	17,221	12,019
10	Family Bank Ltd.	96,000	103,846	14,007	14,445
11	National Bank of Kenya Ltd	93,976	92,837	25,186	30,795
12	Bank of Baroda (K) Ltd	71,124	73,380	5,631	8,910
13	Prime Bank Ltd	60,643	59,932	6,242	6,032
14	Citibank N.A. Kenya	57,611	58,739	2,501	2,242
15	SBM Bank (Kenya) Ltd	57,051	55,517	14,789	17,122
16	HFC Ltd	46,888	48,205	10,820	11,964
17	Victoria Commercial Bank Plc	44,374	43,588	4,757	6,056
18	African Banking Corporation Ltd	30,640	36,013	6,024	10,588
19	Sidian Bank Ltd	25,023	28,548	4,485	7,709
20	Gulf African Bank Ltd	26,701	28,050	3,642	4,732
21	Credit Bank Plc	23,087	24,185	10,167	14,405
22	Bank of India	26,559	23,450	1871	2,474
23	Ecobank Kenya Ltd	27,066	22,383	5,288	2,825
24	Bank of Africa (K) Ltd	19,946	21,017	4,664	4,754
25	Premier Bank Kenya Ltd	18,226	18,614	11,781	10,720
26	DIB Bank Kenya Ltd	17,579	18,546	1,747	4,371
27	Kingdom Bank Limited	11,588	15,356	3,210	2,978
28	Development Bank of Kenya Ltd	12,488	12,947	2,675	2,674
29	Consolidated Bank of Kenya Ltd	11,302	11,119	3,471	3,637
30	Middle East Bank (K) Ltd	11,252	10,156	2257	3,808
31	Paramount Bank Ltd	9,225	9,400	1,313	1,893
32	Guardian Bank Ltd	7,595	7,734	1,213	1,181
33	M-Oriental Bank Kenya Ltd	7,708	7,539	1,868	1,973
34	Commercial International Bank (CIB) Kenya Limited	6,690	6,691	1083	1,042
35	Habib Bank A.G. Zurich	9,377	6,640	579	518.115
36	Guaranty Trust Bank Ltd	8,249	4,792	2,702	2,673
37	Access Bank (Kenya) PLC	4,308	3,668	645	466.985
38	UBA Kenya Bank Kenya Ltd	5,022	2,191	1050	143
39	Spire Bank Ltd	4,090	0	2,765	0
	Total	4,183,446	4,070,179	651,815	697,261
	<i>Source: Banks Published Financial Statements</i>				

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APPENDIX VII: BANKING SECTOR CAPITAL AND RISK WEIGHTED ASSETS -DECEMBER 2024

	Banks	Core Capital (Ksh.million)	Total Capital (Ksh.million)	Overall Risk Weighted Assets (Ksh. million)	Core Capital/ TRWA (%)	Total Capital/ TRWA (%)	Core Capital/ Total Deposits (%)
1	KCB Bank Kenya Ltd	144,770	176,843	962,570	15.0	18.4	15.0
2	Equity Bank Kenya Limited	132,336	149,222	846,171	15.6	17.6	7.9
3	The Co-operative Bank of Kenya	114,794	133,898	639,758	17.9	20.9	17.7
4	NCBA Bank Kenya PLC	89,085	89,085	437,824	20.3	20.3	29.5
5	Absa Bank Kenya Plc	72,331	87,910	424,835	17.0	20.7	18.2
6	Stanbic Bank Kenya Ltd	55,138	67,989	370,077	14.9	18.4	10.8
7	Standard Chartered Bank Kenya Ltd	54,089	54,269	277,613	19.5	19.5	18.7
8	Diamond Trust Bank Kenya Limited	49,050	54,073	312,388	15.7	17.3	18.9
9	I&M Bank Ltd	47,946	56,528	324,995	14.8	17.4	14.8
10	Bank of Baroda (Kenya) Limited	34,768	34,768	103,438	33.6	33.6	12.4
11	Prime Bank Ltd	29,829	31,300	94,391	31.6	33.2	21.7
12	Bank of India	28,693	28,950	33,942	84.5	85.3	21.1
13	Citibank N.A. Kenya	25,020	25,946	127,947	19.6	20.3	16.9
14	Family Bank Ltd	15,223	18,230	112,559	13.5	16.2	-78.7
15	National Bank of Kenya Ltd	8,996	13,597	99,948	9.0	13.6	27.2
16	HFC Ltd	8,667	9,946	40,507	21.4	24.6	17.5
17	Gulf African Bank Ltd	8,156	8,156	38,568	21.1	21.1	-1.4
18	SBM Bank Kenya Ltd	8,038	8,721	54,643	14.7	16.0	22.0
19	Victoria Commercial Bank Limited	7,758	9,128	56,423	13.7	16.2	0.0
20	Guaranty Trust Bank	6,933	6,990	11,528	60.1	60.6	9.2
21	Sidian Bank Ltd	5,536	7,148	45,287	12.2	15.8	45.6
22	Ecobank Kenya Ltd	5,009	5,272	45,459	11.0	11.6	24.9
23	DIB Bank Kenya Limited	4,093	4,093	22,915	17.9	17.9	14.8
24	Kingdom Bank Ltd	4,008	4,008	21,010	19.1	19.1	30.6
25	Guardian Bank Ltd	3,480	3,637	12,563	27.7	29.0	18.2
26	Bank of Africa (K) Ltd	3,156	4,281	26,543	11.9	16.1	18.2
27	Habib AG Zurich	3,128	3,247	10,112	30.9	32.1	16.2
28	Paramount Bank Ltd	2,670	2,670	8,593	31.1	31.1	8.0
29	M-Oriental Commercial Bank Ltd	2,653	2,788	10,732	24.7	26.0	18.1
30	African Banking Corporation Ltd	2,571	3,481	25,933	9.9	13.4	9.4
31	Premier Bank Limited	2,507	2,798	23,893	10.5	11.7	42.8
32	Commercial International Bank (CIB) Bank Ltd	2,367	2,425	14,004	16.9	17.3	8.9
33	Middle East Bank (K) Ltd	2,158	2,281	9,915	21.8	23.0	23.4
34	Development Bank of Kenya	2,141	2,424	14,716	14.6	16.5	13.4
35	UBA Kenya Bank Ltd	1,492	1,492	6,373	23.4	23.4	10.4
36	Credit Bank Ltd	1,325	1,771	21,296	6.2	8.3	25.4
37	Access Bank Plc	152	152	7,427	2.1	2.1	25.4
38	Spire Bank Limited	-96	-92	346	-27.8	-26.6	18.6
39	Consolidated Bank of Kenya	-731	-731	12,577	-5.8	-5.8	15.1
	Total	989,239	1,118,693	5,709,815	17.3	19.6	17.2

Source: Banks Published Financial Statements

APPENDICES

APPENDIX VIII: BANKING SECTOR ACCESS TO FINANCIAL SERVICES - NUMBER OF DEPOSIT ACCOUNTS - DECEMBER 2024

		Peer	Dec-23			Dec-24			
	Commercial Banks	Group - 2023	< 500,000	>500,000	Total	< 500,000	>500,000	Total	Change
1	KCB Bank Kenya Ltd	Large	47,435,000	113,492	47,548,492	53,568,335	120,317	53,688,652	6,140,160
2	NCBA Bank Kenya Ltd.	Large	30,387,485	48,681	30,436,166	33,040,785	46,732	33,087,517	2,651,351
3	Equity Bank Kenya Ltd	Large	12,777,270	124,098	12,901,368	14,271,956	131,916	14,403,872	1,502,504
4	Co-operative Bank of Kenya Ltd	Large	4,107,142	86,033	4,193,175	3,784,366	87,556	3,871,922	(321,253)
5	ABSA Kenya Plc	Large	2,176,639	59,326	2,235,965	2,346,877	58,669	2,405,546	169,581
6	Family Bank Ltd	Medium	2,858,611	22,008	2,880,619	2,901,563	24,235	2,925,798	45,179
7	Diamond Trust Bank (K) Ltd	Large	726,998	58,996	785,994	535,007	37,432	572,439	(213,555)
8	National Bank of Kenya Ltd	Medium	512,654	16,947	529,601	494,694	17,078	511,772	(17,829)
9	I & M Bank Ltd.	Large	212,504	31,225	243,729	306,729	32,802	339,531	95,802
10	Stanbic Bank Kenya Ltd	Large	268,245	25,645	293,890	297,574	24,332	321,906	28,016
11	Standard Chartered Bank (K) Ltd	Large	271,635	38,998	310,633	281,999	35,966	317,965	7,332
12	Ecobank Kenya Ltd	Medium	312,812	4,578	317,390	293,890	5,031	298,921	(18,469)
13	Kingdom Bank Limited	Small	187,791	1,699	189,490	268,944	2,715	271,659	82,169
14	HFC Limited	Small	269,931	5,774	275,705	244,339	5,864	250,203	(25,502)
15	Sidian Bank Limited	Small	159,986	4,043	164,029	168,195	4,093	172,288	8,259
16	SBM Bank (Kenya) Ltd.	Small	123,894	5,477	129,371	129,563	5,724	135,287	5,916
17	Access Bank (Kenya) PLC	Small	96,102	2,073	98,175	96,603	1,883	98,486	311
18	Gulf African Bank Ltd	Small	80,519	8,008	88,527	84,071	7,681	91,752	3,225
19	Premier Bank Kenya Ltd	Small	70,010	1,887	71,897	70,053	2,386	72,439	542
20	Bank of Baroda Ltd	Medium	38,597	29,244	67,841	40,358	30,112	70,470	2,629
21	Bank of Africa Kenya Ltd	Medium	57,086	4,074	61,160	54,848	3,977	58,825	(2,335)
22	Prime Bank Ltd	Medium	31,843	16,515	48,358	33,767	17,575	51,342	2,984
23	Consolidated Bank of Kenya Ltd	Small	43,715	2,069	45,784	44,249	2,117	46,366	582
24	Credit Bank Plc	Small	41,005	2,451	43,456	42,023	2,549	44,572	1,116
25	African Banking Corporation Ltd	Small	22,543	4,081	26,624	21,683	4,668	26,351	(273)
26	Guaranty Trust Bank (Kenya) Ltd	Small	20,290	3,034	23,324	20,363	3,070	23,433	109
27	UBA Kenya Bank Ltd	Small	13,205	603	13,808	13,319	691	14,010	202
28	Bank of India	Medium	6,698	6,302	13,000	6,471	6,034	12,505	(495)
29	Guardian Bank Limited	Small	8,682	2,040	10,722	8,781	1,984	10,765	43
30	Victoria Commercial Bank Plc	Small	3,264	3,690	6,954	3,712	4,538	8,250	1,296
31	DIB Bank Kenya Ltd	Small	5,168	1,218	6,386	6,316	1,447	7,763	1,377
32	Paramount Bank Ltd	Small	5,514	968	6,482	5,967	985	6,952	470
33	Habib Bank A.G. Zurich	Small	3,701	2,350	6,051	3,919	2,397	6,316	265
34	M-Oriental Bank Kenya Ltd	Small	3,414	960	4,374	4,051	988	5,039	665
35	Middle East Bank (K) Ltd	Small	2,950	883	3,833	3,805	911	4,716	883
36	Commercial International Bank (CIB) Kenya Limited	Small	2,576	937	3,513	3,154	1078	4,232	719
37	Citibank N.A. Kenya	Medium	815	1,435	2,250	909	1,409	2,318	68
38	Development Bank of Kenya Ltd	Small	1093	714	1,807	1170	861	2,031	224
39	Spire Bank Limited	Small	0	0	0			0	-
	Sub-Totals		103,347,387	742,556	104,089,943	113,504,408	739,803	114,244,211	10,154,268
	Microfinance Banks								
1	Kenya Women Microfinance Bank Limited	Large	1,012,190	1,197	1,013,387	961,729	945	962,674	(50,713)
2	Branch Microfinance Bank Limited	Small	687,188	106	687,294	861,529	74	861,603	174,309
3	SMEP Microfinance Bank Limited	Medium	573,766	550	574,316	584,912	534	585,446	11,130
4	On It Microfinance Bank Limited	Small	506,335	37	506,372	518,339	20	518,359	11,987
5	Faulu Microfinance Bank Limited	Large	265,883	3,247	269,130	256,234	3,025	259,259	(9,871)
6	Choice Microfinance Bank Limited	Small	8,971	19	8,990	91,900	51	91,951	82,961
7	Rafiki Microfinance Bank Limited	Large	74,747	582	75,329	79,607	607	80,214	4,885
8	Caritas Microfinance Bank Limited	Small	52,246	745	52,991	57,500	967	58,467	5,476
9	Sumac Microfinance Bank Limited	Medium	16,191	306	16,497	16,393	266	16,659	162
10	U & I Microfinance Bank Limited	Small	8,814	92	8,906	12,861	71	12,932	4,026
11	Umba Microfinance Bank Limited	Small	7,161	21	7,182	10,484	74	10,558	3,376
12	Muongano Microfinance Bank Limited	Small	5,893	46	5,939	8,904	70	8,974	3,035
13	Salaam Microfinance Bank Limited	Small	6,428	22	6,450	7,531	48	7,579	1,129
14	LOLC Microfinance Bank Limited	Medium	5,609	63	5,672	7,275	110	7,385	1,713
	Sub-Totals		3,231,422	7,033	3,238,455	3,475,198	6,862	3,482,060	243,605
	Grand Total		106,578,809	749,589	107,328,398	116,979,606	746,665	117,726,271	10,397,873

Source: CBK

APPENDICES

APPENDIX IX: BANKING SECTOR PROTECTED DEPOSITS - DECEMBER 2024

			Dec-23		Dec-24		Change in Insured	Change In Customer
			Insured	Customer	Insured	Customer		
	BANKS		Deposits	Deposits	Deposits	Deposits	Deposits	Deposits
			Ksh M	Ksh. M	Ksh M	Ksh. M	Ksh.M	Ksh.M
1	KCB Bank Kenya Ltd	Large	152,768	1,116,875	153,154	971,961	386	(144,915)
2	Equity Bank Kenya Ltd	Large	167,947	609,678	171,797	643,219	3,850	33,541
3	Co-operative Bank of Kenya Ltd	Large	112,290	432,548	110,527	478,184	(1,763)	45,635
4	NCBA Bank Kenya Plc	Large	76,059	514,608	78,406	449,488	2,347	(65,120)
5	ABSA Bank Kenya Plc	Large	50,085	366,903	49,734	371,874	(351)	4,971
6	Stanbic Bank Kenya Ltd	Large	20,540	330,897	20,437	321,570	(103)	(9,327)
7	I & M Bank Ltd	Large	59,304	305,995	56,456	303,766	(2,848)	(2,229)
8	Standard Chartered Bank Kenya Ltd	Large	31,654	342,853	29,750	295,690	(1,904)	(47,163)
9	Diamond Trust Bank Kenya Limited	Large	38,962	296,727	28,430	294,072	(10,532)	(2,655)
10	Bank of Baroda (Kenya) Limited	Medium	18,317	170,127	18,931	163,850	613	(6,277)
11	Prime Bank Ltd	Medium	127,419	127,546	143,736	143,774	16,317	16,227
12	Family Bank Ltd.	Medium	27,238	103,138	28,913	127,142	1,675	24,004
13	Citibank N.A. Kenya	Medium	115,292	110,318	67,070	122,190	(48,222)	11,872
14	National Bank of Kenya Ltd	Medium	18,171	118,308	18,294	98,834	122	(19,474)
15	Ecobank Kenya Ltd	Medium	3,792	92,560	3,958	86,811	166	(5,749)
16	SBM Bank Kenya Ltd	Medium	4,463	63,117	4,588	68,609	125	5,492
17	Bank of India	Medium	3,858	56,781	3,719	53,963	(139)	(2,818)
18	Victoria Commercial Bank Plc	Small	2,285	39,898	2,755	51,450	470	11,552
19	HFC Ltd	Medium	5,294	43,869	5,193	47,883	(101)	4,014
20	Sidian Bank Limited	Small	4,138	27,645	3,998	44,413	(141)	16,769
21	African Banking Corporation Ltd	Small	2,694	32,659	3,009	38,936	315	6,278
22	Gulf African Bank Ltd	Small	7,322	34,063	7,024	35,824	(298)	1,761
23	Bank of Africa (K) Ltd	Small	3,631	33,129	3,478	35,681	(153)	2,551
24	Habib Bank AG Zurich	Small	1,556	30,773	1,581	33,379	25	2,605
25	DIB Bank Kenya Ltd	Small	830	20,451	973	22,635	144	2,184
26	Kingdom Bank Ltd	Small	948	12,296	2,627	21,632	1,679	9,335
27	Credit Bank Plc	Small	1,886	17,537	1,937	18,914	51	1,377
28	Guaranty Trust Bank (Kenya) Ltd	Small	2,388	18,724	2,397	17,711	8	(1,012)
29	Premier Bank Kenya Ltd	Small	12,229	10,652	14,509	14,503	2,280	3,850
30	Commercial International Bank (CIB) Kenya Limited	Small	625	11,495	708	13,263	82	1,768
31	Paramount Bank Ltd	Small	681	12,123	695	12,815	14	693
32	Development Bank of Kenya Ltd	Small	445	8,282	520	12,088	75	3,806
33	Guardian Bank Limited	Small	1,524	11,773	1,501	11,981	(23)	208
34	Consolidated Bank of Kenya Limited	Small	1,992	10,665	2,013	11,716	21	1,051
35	Middle East Bank (K) Ltd	Small	599	12,480	603	10,885	4	(1,595)
36	Access Bank (Kenya) Plc	Small	1,357	9,993	10,857	10,860	9,501	867
37	M-Oriental Bank Kenya Ltd	Small	2,187	10,327	2,520	10,099	333	(227)
38	UBA Kenya Bank Ltd	Small	490	24,999	9,149	9,149	8,659	(15,850)
39	Spire Bank Limited	Small	-	2,115	-	-	-	(2,115)
	Sub-Totals		1,083,263	5,594,927	1,065,946	5,480,812	(17,317)	(114,116)
	Microfinance Banks							
1	Faulu Microfinance Bank Ltd	Large	2,879	15,509	2,581	15,229	(298)	(280)
2	Kenya Women Microfinance Bank Ltd	Large	6,432	16,220	6,389	13,593	(43)	(2,627)
3	Caritas Microfinance Bank Ltd	Small	856	3,190	1,075	4,152	218	962
4	Rafiki Microfinance Bank Ltd	Large	780	3,282	771	3,235	(9)	(47)
5	SMEP Microfinance Bank Ltd	Medium	983	2,183	966	2,272	(17)	89
7	Sumac Microfinance Bank Ltd	Medium	223	1,282	198	1,184	(25)	(98)
6	Salaam Microfinance Bank Ltd	Small	152	156	50	741	(102)	585
8	U & I Microfinance Bank Ltd	Small	107	476	105	563	(1)	87
9	LOLC Microfinance Bank Limited	Small	72	162	106	487	34	325
10	On It Microfinance Bank Ltd	Small	46	446	36	414	(11)	(32)
11	Choice Microfinance Bank Ltd	Small	30	112	68	365	38	253
12	Branch Microfinance Bank Ltd	Medium	168	377	154	280	(13)	(97)
13	Muungano Microfinance Bank PLC	Small	75	163	111	244	36	81
14	Umba Microfinance Bank Ltd	Small	23	64	53	78	30	14
	Sub-Totals		12,825	43,622	12,663	42,837	(162)	(785)
	Grand total		1,096,088	5,638,549	1,078,608	5,523,649	(17,480)	(114,901)

Source: Banks Published Financial Statements (December 2023 and December 2024)

APPENDICES

APPENDIX X: MICROFINANCE BANKS BALANCE SHEET - DECEMBER 2024

		KENYA WOM-EN*	FAULU	RAFIKI	SMEP	CARI-TAS	SUMAC	LOLC	U & I	SA-LAAM	DARA-JA	ONIT*	BRANCH	MUUN-GANO	CHOICE	TOTAL
		Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M
A) STATEMENT OF FINANCIAL POSITION																
1.0 Assets																
1.1	Cash and bank balances	219	150	39	54	287	11	4	6	34	-	2	0	14	0	820
1.2	Short-term deposits with banks	478	1,885	614	1,014	791	882	484	103	1,388	21	53	192	81	456	8,441
1.3	Government securities	-	3,595	505	10	434	-	-	-	-	-	-	20	-	-	4,563
1.4	Advances to customers (net)	8,707	11,243	2,623	1,134	3,029	1,357	492	1,476	7	90	146	405	394	78	31,180
1.5	Due from related organisations															
1.6	Other receivables	618	905	186	754	125	481	37	52	35	17	53	47	10	47	3,366
1.7	Tax recoverable	345	391	105	41	-	20	7	-	7	1	-	2	9	-	929
1.8	Deferred tax Asset	177	-	-	52	-	8	80	1	132	71	-	137	18	4	679
1.9	Other investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.10	Investment in associate companies	1	71	58	15	5	-	-	-	-	-	-	-	-	-	151
1.11	Intangible assets	479	1,629	64	195	30	88	17	2	73	-	19	-	25	21	2,641
1.12	Property and equipment	3,880	251	148	253	205	44	7	31	167	6	18	34	61	17	5,123
	Total Assets	14,904	20,121	4,341	3,523	4,907	2,890	1,128	1,670	1,843	206	290	837	611	623	57,894
2.0 Liabilities																
2.1	Cash collaterals held	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2	Customer deposits	13,593	15,419	3,173	2,262	4,152	1,184	487	560	741	77	414	278	292	365	42,997
2.3	Borrowings	1,212	1,533	291	402	55	1,120	353	687	-	-	-	-	-	71	5,723
2.4	Deposit & balances due to banking institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.5	Deferred tax liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.6	Due to related organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.7	Other liabilities	1,062	1,481	502	266	140	213	52	35	357	191	31	239	40	46	4,655
	Total Liabilities	15,866	18,433	3,965	2,930	4,347	2,516	893	1,282	1,098	267	446	517	332	482	53,375
3.0 Share Capital & Reserves																
3.1	Share capital	186	979	3,750	1,139	767	205	290	274	1,216	308	1,017	373	279	300	11,082
3.2	Share premium	2,851	4,380	-	70	-	127	323	-	-	27	20	250	39	29	8,117
3.3	Retained earnings	(4,392)	(3,952)	(3,345)	(770)	(296)	41	(395)	115	(471)	(397)	(1,081)	(304)	(61)	(218)	(15,527)
3.4	Revaluation reserve	96	280	(30)	154	2	-	17	-	-	-	(110)	-	-	-	410
3.5	Statutory reserve	297	-	-	-	87	-	-	-	-	-	-	-	22	30	436
3.6	Total Shareholders' funds	(963)	1,688	375	593	560	374	236	389	745	(61)	(155)	319	278	141	4,519
	Total Liabilities and Equity	14,904	20,121	4,341	3,523	4,907	2,890	1,128	1,670	1,843	206	290	837	611	623	57,894
*Unaudited Financial Statements																
Source: MFBs Published Financial Statements																

APPENDICES

APPENDIX XI: MICROFINANCE BANKS PROFIT & LOSS ACCOUNT - DECEMBER 2024																
		KENYA WOMEN*	FAULU	RAFIKI	SMEP	CARITAS	SUMAC	LOLC	U & I	SALAAM	DARAJA	MAISHA*	BRA NCH	MUUN GANO	CHOICE	TOTAL
1.0	Income	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M
1.1	Interest on Loan Portfolio	2,463	2,576	512	420	529	379	121	332	24	24	120	691	71	19	8,281
1.2	Fees and Commission on Loan Portfolio	169	105	21	48	53	14	18	48	-	6	0	65	20	12	577
1.3	Government Securities	-	423	87	-	57	-	-	-	-	-	-	8	-	-	575
1.4	Deposit and Balances with Banks and Financial Inst.	154	36	41	91	96	19	22	4	-	0	-	23	12	6	504
1.5	Other Investments	29	-	-	-	-	-	-	-	-	-	-	-	-	-	29
1.6	Other Operating Income	317	209	164	110	27	48	7	14	28	7	1	177	4	119	1,232
1.7	Non- Operating Income	40	2	-	-	-	-	-	-	-	-	-	-	-	-	43
	Total Income	3,173	3,350	825	669	762	460	167	398	52	37	121	964	107	155	11,241
2.0	Expenses															
2.1	Interest and Fee Expense on Deposits	1,191	1,694	259	123	202	122	30	57	0	12	46	28	13	9	3,787
2.2	Other Fees and Commissions expense	12	91	10	-	1	12	0	-	-	-	-	45	-	10	181
2.3	Provision for Loan Impairment	211	(71)	50	192	12	9	21	17	0	6	4	426	5	5	888
2.4	Staff Costs	1,544	1,243	376	288	213	81	79	57	63	45	86	267	40	25	4,407
2.5	Director's Emoluments	12	13	8	5	14	15	0	11	3	-	-	3	5	-	88
2.6	Rental Charges	267	122	78	27	41	20	11	1	-	5	21	14	1	4	614
2.7	Depreciation Charges	52	255	17	85	25	10	3	9	53	2	4	8	12	1	535
2.8	Amortization Charges	27	98	2	8	4	6	0	0	13	-	5	0	2	-	167
2.9	Other Administrative Expense	1,028	633	215	253	196	56	62	12	82	25	70	173	37	34	2,876
2.1	Non-Operating Expense	-	-	-	-	-	-	-	7	-	-	-	-	-	-	7
	Total Expenses	4,344	4,078	1,015	982	707	333	208	171	213	95	237	965	113	89	13,550
3.0	Operating Profit	(1,171)	(728)	(190)	(313)	55	127	(40)	227	(161)	(58)	(116)	(1)	(6)	66	(2,309)
4.0	Interest and Fee Expense on Borrowings (Finance Costs)	473	309	101	96	5	122	24	84	-	-	-	-	9	-	1,222
5.0	Profit/(Loss) before tax	(1,644)	(1,037)	(291)	(409)	50	5	(64)	143	(161)	(58)	(116)	(1)	(16)	66	(3,531)
6.0	Current Tax	-	-	-	51	-	4	-	58	-	-	-	1	-	-	115
6.1	Deferred Tax	-	-	-	-	-	-	-	-	(45)	-	-	0	(5)	22	(28)
7.0	Net Profit (After Taxes and Before Donations)	(1,644)	(1,037)	(291)	(460)	50	1	(64)	84	(115)	(58)	(116)	(2)	(11)	44	(3,618)
8.0	Donations for Operating Expense	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.0	Net Profit After Taxes	(1,632)	(1,037)	(291)	(460)	50	1	(64)	84	(115)	(58)	(116)	(2)	(11)	44	(3,618)
	Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Surplus on revaluation of building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Deferred tax on revaluation surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total comprehensive income	(1,632)	(1,037)	(291)	(460)	50	1	(64)	84	(115)	(58)	(116)	(2)	(11)	44	(3,618)
*Unaudited Financial Statements																
	Source: MFBs Published Financial Statements															

APPENDIX XII: MICROFINANCE BANKS OTHER DISCLOSURES - DECEMBER 2024																
		KENYA WOM-EN*	FAULU	RAFIKI	SMEP	CARI-TAS	SUMAC	LOLC	U & I	SA-LAAM	DARA-JA	MAI-SHA*	BRANCH	MUUN-GANO	CHOI-CE	TOTAL
1	NON-PERFORMING LOANS AND ADVANCES	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M	Ksh. M
(a)	Gross Non-Performing Loans and Advances	4,668	3,250	2,361	112	360	572	132	70	-	22	151	104	52	14	11,868
(b)	Less: Interest in Suspense	-	424	643	(153)	47	-	16	38	-	-	-	20	6	3	1,043
(c)	Total Non-Performing Loans and Advances (a-b)	4,668	2,826	1,718	265	313	572	117	32	-	22	151	84	47	11	10,825
(d)	Less: Impairment Loss Allowance	1,071	1,536	266	-	140	101	61	60	-	-	143	53	12	3	3,446
(e)	Net Non-Performing Loans (c-d)	3,597	1,289	1,452	265	173	471	55	(28)	-	22	8	31	35	8	7,379
2	INSIDER LOANS AND ADVANCES															
(a)	Directors, Shareholders and Associates	50	-	-	-	5	11	-	6	4	-	-	-	12	1	90
(b)	Employees	72	160	69	8	58	20	1	30	2	1	8	3	2	4	438
(c)	Total Insider Loans, Advances and Other Facilities	122	160	69	8	64	31	1	36	5	1	8	3	14	5	528
3	OFF-BALANCE SHEET ITEMS															
(a)	Guarantees and Commitments	35	109	8,769	-	-	731	-	-	-	-	-	-	-	-	9,645
(b)	Other Contingent Liabilities	25	66	-	-	-	-	-	-	-	-	-	-	-	-	91
(c)	Total Contingent Liabilities	61	175	8,769	-	-	731	-	-	-	-	-	-	-	-	9,736
4	CAPITAL STRENGTH															
(a)	Core Capital	(1,527)	1,339	405	348	471	348	138	367	606	(132)	(179)	182	239	107	2,713
(b)	Minimum Statutory Capital	60	60	60	60	60	60	60	60	60	20	60	60	60	60	800
(c)	Excess/ (Deficiency) (a-b)	(1,587)	1,279	345	288	411	288	78	307	546	(152)	(239)	122	179	47	1,913
(d)	Supplementary Capital	-	70	-	39	142	65	43	-	-	-	-	-	-	-	359
(e)	Total Capital (a+d)	(1,527)	1,409	405	386	614	412	182	367	606	(132)	(179)	182	239	107	3,073
(f)	Total Risk Weighted Assets	11,347	13,367	5,784	2,380	3,564	2,753	733	1,577	558	118	241	522	512	219	43,676
(g)	Core Capital/ Total Deposit Liabilities	-11.2	8.7	12.8	15.4	11.4	29.4	28.4	65.6	81.8	-171.9	-43.2	65.6	81.7	29.3	6.3
(h)	Minimum Statutory Ratio	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
(i)	Excess/ (Deficiency) (g-h)	-19.2	0.7	4.8	7.4	3.4	21.4	20.4	57.6	73.8	-179.9	-51.2	57.6	73.7	21.3	-1.7
(j)	Core Capital/ Total Risk Weighted Assets	-13.5	10.0	7.0	14.6	13.2	12.6	18.9	23.3	108.6	-111.7	-74.3	35.0	46.6	48.8	6.2
(k)	Minimum Statutory Ratio	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(l)	Excess/ (Deficiency) (j-k)	-23.5	0.0	-3.0	4.6	3.2	2.6	8.9	13.3	98.6	-121.7	-84.3	25.0	36.6	38.8	-3.8
(m)	Total Capital/ Total Risk Weighted Assets	-13.5	10.5	7.0	16.2	17.2	15.0	24.8	23.3	108.6	-111.7	-74.3	35.0	46.6	48.8	7.0
(n)	Minimum Statutory Ratio	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
(O)	Excess/ (Deficiency) (m-n)	-25.5	-1.5	-5.0	4.2	5.2	3.0	12.8	11.3	96.6	-123.7	-86.3	23.0	34.6	36.8	-5.0
5	LIQUIDITY															
(a)	Liquidity Ratio	2.4	26.2	27.2	53.0	37.0	39.7	25.3	18.0	145.0	24.5	16.5	59.0	38.2	95.0	43.3
(b)	Minimum Statutory Ratio	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
(c)	Excess/ (Deficiency) (a-b)	-17.6	6.2	7.2	33.0	17.0	19.7	5.3	-2.0	125.0	4.5	-3.5	39.0	18.2	75.0	23.3
*Unaudited Financial Statements																
Source: MFBs Published Financial Statements																

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APPENDIX XIII: RESIDENTIAL MORTGAGES MARKET SURVEY DECEMBER 2024

	Institution	Peer Group	December' 2023					December' 2024				
			Mortgage Outstanding (Ksh. M)	% of the Mortgage Market (%)	No. of Mortgage Accounts	Value of Mortgage Loans NPLs (Ksh. M)	Number of Accounts for Mortgage Loans NPLs	Mortgage Outstanding (Ksh. M)	% of the Mortgage Market (%)	Number of Mortgage Accounts	Value of Mortgage Loans NPLs (Ksh. M)	Number of Accounts for Mortgage Loans NPLs
1	KCB Bank Kenya Ltd	Large	88,083	31.3	8,724	18,413	562	91,509	32.8	8,791	21,409	618
2	Absa Bank Kenya Limited	Large	20,538	7.3	1,655	1,074	100	31,296	11.2	2,245	2,353	695
3	HFC Ltd	Medium	24,021	8.5	4,027	2,803	166	23,125	8.3	3,965	1,702	159
4	*Stanbic Bank Kenya Limited	Large	23,970	12.3	2,044	3,425	255	22,257	8.0	2,164	2,866	261
5	NCBA Bank Ltd	Large	21,749	7.7	2,404	1,740	183	21,552	7.7	2,408	2,283	196
6	Standard Chartered Bank Kenya Limited	Large	23,020	8.2	1,884	135	13	18,026	6.5	1,899	1,439	142
7	Co-operative Bank of Kenya Limited	Large	14,388	5.1	2,727	4,794	875	17,306	6.2	2,578	6,891	1,216
8	Family Bank Ltd	Medium	13,046	4.6	923	2,035	111	13,612	4.9	973	1,653	100
9	Equity Bank Kenya Ltd	Large	12,736	4.5	1,715	1,124	175	12,399	4.4	1,686	1,448	216
10	I&M Bank Ltd	Large	4,147	1.5	352	565	49	4,613	1.7	464	565	49
11	Bank of Baroda Ltd	Small	2,973	1.1	261	96	13	3,483	1.2	288	147	15
12	Development Bank of Kenya Limited	Small	3,252	1.2	682	410	61	3,318	1.2	696	472	64
13	DIB Bank Kenya Ltd	Small	2,853	1	99	157	6	3,076	1.1	133	611	13
14	National Bank of Kenya Ltd	Medium	2,322	0.8	401	115	21	2,225	0.8	394	212	36
15	Gulf African Bank Ltd	Small	3,575	1.3	267	554	47	1,759	0.6	284	56	347
16	Consolidated Bank of Kenya Limited	Small	640	0.2	117	215	40	1250	0.4	187	327	43
17	SBM Bank Kenya Limited	Medium	1,544	0.5	151	614	49	1176	0.4	131	397	38
18	Bank of Africa Ltd	Medium	1,694	0.6	164	451		1104	0.4	97	39	2
19	Diamond Trust Bank of Kenya Ltd	Large	1,151	0.4	85	94	12	1065	0.4	88	97	13
20	Prime Bank Ltd	Medium	599	0.2	49			825	0.3	51	25	1
21	Premier Bank Kenya Ltd	Small	984	0.3	84	302	29	803	0.3	105	206	20
22	Ecobank Kenya Ltd	Medium	722	0.3	80	126	20	633	0.2	70	242	28
23	Kingdom Bank Ltd	Small	314	0.1	147	228	112	480	0.2	89	79	23
24	Credit Bank Plc	Small	856	0.3	96	37	5	437	0.2	42	42	5
25	Bank of India	Medium	498	0.2	42	-	-	409	0.1	36		
26	African Banking Corporation Ltd	Small	268	0.1	9	182	3	353	0.1	12	221	3
27	Guardian Bank Ltd	Small	243	0.1	33	59	1	346	0.1	89	79	23
28	Victoria Commercial Bank Plc	Small	311	0.1	11	88	2	334	0.1	10	130	3
29	Paramount Bank Ltd	Small	241	0.1	16	39	3	329	0.1	17	45	3
30	Sidian Bank Ltd	Small	92	0	6	-	-	89	0.0	6		
31	Middle East Bank Kenya Limited	Small	70	0	5	7	1	84	0.0	18		
Banks not offering Mortgage Loans												
32	Citibank N.A. Kenya	Medium										
33	Guaranty Trust Bank Ltd	Small										
34	Habib Bank A.G. Zurich	Small										
35	M-Oriental Bank Kenya Ltd	Small										
36	Access Bank (Kenya) Plc	Small										
37	Commercial International Bank (CIB) Kenya Limited	Small										
38	UBA Kenya Bank Ltd	Small										
39	Spire Bank Ltd	Small										
	Total		270,900	100	29,260	39,882	2,914	279,274	100.0%	30,016	46,036	4,332
	Average Mortgage Loan Size (Mortgage outstanding loans/Number of mortgage accounts)		9.3					9.3				
Source: Commercial Banks and Mortgage Finance Companies												
* Stanbic Bank Kenya Limited revised mortgage survey numbers for 2023												

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Appendix XIV: BANKING CIRCULARS ISSUED IN 2024			
Circular No.	Date	Title	Purpose
1	June 6, 2024	Changes to the CBK Discount (Overnight) window facility	To inform CEOs of commercial banks on the changes enhancing monetary policy transmission.
2	August 26, 2024	Amendment of Risk Weight for Mortgage Loans on Residential Property	It is envisaged that this amendment will free capital for mortgage refinance companies to increase their mortgage lending.
3	September 11, 2024	Migration of domestic high value payment system (KEPSS) to ISO 20022 Standards	To apprise financial institutions on the planned migration and go-live of the Kenya Electronic Payment and Settlement System (KEPSS) to the ISO 20022 Standards.

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Appendix XV: SUMMARY OF SIGNED MEMORANDA OF UNDERSTANDING (MOUS)		
No.	Memorandum of Understanding (MOU)	Date of Signing
1	Multilateral MOU by the Central Banks of the East African community member states (Bank of the Republic of Burundi (BRB), Central Bank of Kenya (CBK), National Bank of Rwanda (NBR), Bank of Uganda (BOU) and Bank of Tanzania (BOT)	28.01.2009 Amended in March 2016
2	Multilateral MOU by the Domestic Financial Sector Regulators (Capital Markets Authority, Central Bank of Kenya (CBK), Insurance Regulatory Authority (IRA), Retirement Benefit Authority (RBA) and Sacco Societies Regulatory Authority (SASRA).	31.08.2009 Amended on 28.08.2013
3	Bilateral MOU between South Africa Reserve Bank (SARB) and Central Bank of Kenya (CBK)	01.07.2010
4	Bilateral MOU between Central Bank of Nigeria (CBN) and Central Bank of Kenya (CBK)	23.06.2011
5	Bilateral MOU between Bank of Mauritius (BoM) and Central Bank of Kenya (CBK)	08.08.2011
6	Bilateral MOU on Technical Cooperation between the Bank of Southern Sudan and the Central Bank of Kenya	19.12.2012
7	Bilateral MOU between Reserve Bank of Malawi (RBM) and Central Bank of Kenya (CBK)	23.04.2013
8	Bilateral MOU between Reserve Bank of Zimbabwe (RBZ) and Central Bank of Kenya (CBK)	15.05.2013
9	Bilateral MOU between Bank of Zambia (BoZ) and Central Bank of Kenya (CBK)	12.06.2013
10	Bilateral MOU between the Financial Reporting Centre and Central Bank of Kenya (CBK)	30.09.2013
11	Bilateral MOU between the Reserve Bank of India and Central Bank of Kenya (CBK)	16.10.2014
12	Bilateral MOU between the Bank Al-Maghrib (Central Bank of Morocco) and Central Bank of Kenya (CBK)	26.02.2020

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APPENDIX XVI: BANKS BRANCH NETWORK PER COUNTY				
	County	December 2023	December 2024	Increase/ (Decrease)
1	Kiambu	80	89	9
2	Mombasa	111	116	5
3	Uasin Gishu	44	49	5
4	Baringo	10	13	3
5	Busia	12	15	3
6	Machakos	31	34	3
7	Meru	41	44	3
8	Siaya	7	10	3
9	Embu	12	14	2
10	Homa Bay	10	12	2
11	Kisumu	38	40	2
12	Kwale	12	14	2
13	Laikipia	21	23	2
14	Murang'a	23	25	2
15	Nakuru	62	64	2
16	Narok	14	16	2
17	Tharaka-Nithi	7	9	2
18	Bomet	9	10	1
19	Bungoma	18	19	1
20	Garissa	8	9	1
21	Kajiado	46	47	1
22	Kakamega	16	17	1
23	Kericho	18	19	1
24	Kitui	15	16	1
25	Mandera	4	5	1
26	Marsabit	6	7	1
27	Migori	15	16	1
28	Nairobi City	588	589	1
29	Nyandarua	9	10	1
30	Wajir	4	5	1
31	Elgeyo/Marakwet	6	6	0
32	Kilifi	35	35	0
33	Kirinyaga	18	18	0
34	Kisii	20	20	0
35	Lamu	9	9	0
36	Makueni	17	17	0
37	Nandi	14	14	0
38	Nyeri	33	33	0
39	Samburu	4	4	0
40	Tana River	3	3	0
41	Trans Nzoia	17	17	0
42	Turkana	6	6	0
43	Vihiga	7	7	0
44	West Pokot	4	4	0
45	Isiolo	9	8	-1
46	Nyamira	8	7	-1
47	Taita/Taveta	10	9	-1
	Total	1,511	1,573	62

Source: CBK

APPENDICES

APPENDIX XVII: DIRECTORY OF COMMERCIAL BANKS, MORTGAGE FINANCE COMPANIES, KENYA BANKERS' ASSOCIATION, NON-OPERATING BANK HOLDING COMPANIES AND AUTHORISED REPRESENTATIVE OFFICES

A. COMMERCIAL BANKS

1.	Absa Bank Kenya Plc Managing Director: Mr. Abdi Mohamed Postal Address: P.O. Box 30120 - 00100 Telephone numbers: +254 (20) 4254000 Fax: +254 (20) 4455491 Email: absa.kenya@absa.africa Website: www.absabank.co.ke Physical Address: ABSA Bank, Westend Building, Off Waiyaki Way, Nairobi Date Licensed: 1916 Peer Group: Large Number of Branches: 107
2.	Access Bank (Kenya) Plc A.g. Country Managing Director: Mrs. Lilian A. Odhiambo Postal Address: P.O. Box 34353 - 00100 Nairobi Telephone: 020-2252188/91, 0780022224, 0720081772 Fax: +254-20-2252225 Email: info@accessbankplc.co.ke Website: www.accessbankplc.com Physical Address: The Address Building, Waiyaki Way, Westlands. Date Licensed: 8/1/1985 Peer Group: Small Branches: 26
3.	African Banking Corporation Limited Group Managing Director: Mr. Shamaz Savani Postal Address: P.O. Box 46452-00100, Nairobi Telephone: +254-20- 4263000, 223922, 2251540/1, 217856/7/8. Fax: +254-20-2222437 Email: headoffice@abcthebank.com; talk2us@abcthebank.com Website: http://www.abcthebank.com Physical Address: ABC Bank House, Woodvale Grove, Westlands, Nairobi Date Licensed: 08-12-1984 Peer Group: Small Branches: 12
4.	Bank of Africa Kenya Limited Managing Director: Mr. Ronald Marambii Postal Address: P.O. Box 69562-00400 Telephone numbers: +254 20 3275000 Email: yoursay@boakenya.com Website: www.boakenya.com Facebook: Bank of Africa Kenya Twitter: BankofAfrica_Ke Physical Address: BOA House, Karuna Close, Off Waiyaki Way, Westlands, Nairobi Date Licensed: 22-07-2004 Peer Group: Small Number of Branches: 23

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APPENDIX XVII: DIRECTORY OF COMMERCIAL BANKS, MORTGAGE FINANCE COMPANIES, KENYA BANKERS' ASSOCIATION, NON-OPERATING BANK HOLDING COMPANIES AND AUTHORISED REPRESENTATIVE OFFICES

5.	Bank of Baroda (Kenya) Ltd Managing Director: Mr. Astitva Bhardwaj Postal Address: P.O. Box 300333 - 00100 Nairobi Telephone numbers: +254(20)2248402/2248412/2226416 Fax: +254(20)3316070/310439 Email: ho.kenya@bankofbaroda.com Website: kenya@bankofbaroda.com Physical Address: Baroda House, 29 Koinange Street, Nairobi Date Licensed: 01-07-1953 Peer Group: Medium Number of Branches: 15
6.	Bank of India Chief Executive Officer: Mr. Omprakash Maheshwari Postal Address: P.O. Box 30246 - 00100 Nairobi Telephone: +254-20-2221414/5/6/7,0720606707, 0734636737 Fax: +254-20-2221417 Email: cekenya@boikenya.com Website: www.boikenya.com Physical Address: Bank of India Building, Kenyatta Avenue, Nairobi Date Licensed: 05-06-1953 Peer Group: Medium Branches: 5
7.	Citibank N.A Kenya Chief Executive Officer: Mr. Martin Mugambi Postal Address: P.O. Box 30711-00100 Nairobi, Kenya Telephone numbers: +254 020 2754444 Email: citiservice@citi.com Website: https://citigroup.com/citi/about/countrypresence/kenya.html Physical Address: Citibank House, Upper Hill, Nairobi Date Licensed: 01-07-1974 Peer Group: Medium Number of Branches: 2
8.	Commercial International Bank (CIB) Kenya Limited Managing Director: Mr. Abhinaz Nehra Postal Address: P.O Box 2051-00606, Sarit Centre, Nairobi, Kenya Telephone: +254 20 3951000, +254 709063000 E-mail: info@cibke.com Website: www.cibke.com Physical Address: KAM House, Mezzanine Floor, Opposite Westgate Mall, Mwanzi Road, Westlands Date Licenced: 20th June 2017 Peer Group: Small Branches: 7

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9.	Consolidated Bank of Kenya Ltd Chief Executive Officer: Mr. Samuel Muthemba Muturi Postal Address: P.O. Box 51133-00200, Nairobi. Telephone numbers: +254 20 3215000, +254 703 016 000 Email: tellus@consolidated-bank.com Website: www.consolidated-bank.com Physical Address: Consolidated Bank House, 6th Floor, Koinange Street, Nairobi Date Licensed: 18-12-1989 Peer Group: Small Number of Branches: 17
10.	Co-operative Bank of Kenya Limited Group Managing Director: Dr. Gideon Muriuki, CBS Postal Address: P.O. Box 48231-00100 Telephone numbers: 020-3276000, 0703027000 Email: Customerservice@co-opbank.co.ke Website: www.co-opbank.co.ke Physical Address: Co-operative Bank House, Haile Selassie Avenue, Nairobi Date Licensed: 1968 Peer Group: Large Branches: 171
11.	Credit Bank Plc Chief Executive Officer: Ms. Betty C. Maritim-Korir Postal Address: P.O. Box 61064, Nairobi Telephone: +254 20 2283000 / +254 709072000 / +254 738 222300 Fax: +254-20-2216700 Email: customerservice@creditbank.co.ke Website: www.creditbank.co.ke Physical Address: 14th One Africa Place, Westlands Date Licensed: 30-11-1994 Peer Group: Small Branches: 17
12.	Development Bank of Kenya Ltd. Chief Executive Officer: Mr. Johnson Kiniti Postal Address: P.O. Box 30483 - 00100, Nairobi Telephone: +254-20-340401/2/3, 340416, 2251082, 340198 Fax: +254-20-2250399 Email: dbk@devbank.com Website: www.devbank.com Physical Address: Finance House, 16th Floor, Loita Street, Nairobi Date Licensed: 20-09-1996 Peer Group: Small Branches: 3

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APPENDIX XVII: DIRECTORY OF COMMERCIAL BANKS, MORTGAGE FINANCE COMPANIES, KENYA BANKERS' ASSOCIATION, NON-OPERATING BANK HOLDING COMPANIES AND AUTHORISED REPRESENTATIVE OFFICES

13.	Diamond Trust Bank (K) Ltd. CEO and Managing Director: Mr. Murali Natarajan Postal Address: P.O. Box 61711 – 00200, Nairobi Telephone: +254-20-2849000, +254 719 031 888, +254 732 121 888 Fax: +254-20-2245495 Email: contactcentre@dtbafrica.com Website: https://dtbk.dtbafrica.com Physical Address: DTB Centre, Mombasa Road, Nairobi Date Licensed: 1-1-1946 Peer Group: Large Branches: 84
14.	DIB Bank Kenya Limited Ag. Chief Executive Officer: Ms. Mary Kanuku Postal Address: P.O. Box 6450 – 00200 Nairobi Telephone numbers: +254 20 513 1300 / +254 709 913 000 Fax: N/A Email: contact@dibkenya.co.ke Website: www.dibkenya.co.ke Physical Address: Upper Hill Building, Bunyala/Lower Hill Rd Junction, Nairobi Date Licensed: 13-4-2017 Peer Group: Small Number of Branches: 6
15.	Ecobank Kenya Limited Managing Director: Mrs. Josephine Anan-Ankomah Postal Address: P.O. Box 49584 - 00100 Nairobi, Kenya Telephone numbers: (+254) 719 098 000, Toll Free 0800 221 2218 Fax: +254 020 2883304 Email: Kenya@ecobank.com Website: www.ecobank.com Physical Address: Fortis Office Park, Muthangari Drive Off Waiyaki Way, Nairobi Date Licensed: 16-06-2008 Peer Group: Medium Number of Branches: 16
16.	Equity Bank Kenya Limited Managing Director: Mr. Moses Nyabanda Postal Address: P.O. Box 75104-00200, Nairobi Telephone numbers: +254 (0) 763 063 000 Fax: +254 020-2711439 Email: info@equitybank.co.ke Website: www.ke.equitybankgroup.com Physical Address: Equity Centre, Upper Hill, Hospital Road, Nairobi Date Licensed: 28-12-2004 Peer Group: Large Branches: 197

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APPENDIX XVII: DIRECTORY OF COMMERCIAL BANKS, MORTGAGE FINANCE COMPANIES, KENYA BANKERS' ASSOCIATION, NON-OPERATING BANK HOLDING COMPANIES AND AUTHORISED REPRESENTATIVE OFFICES

17.	Family Bank Limited Managing Director and CEO: Ms. Nancy Njau Postal Address: P.O. Box 74145-00200, Nairobi Telephone numbers: +254 703 095 445 / +254 705 325 325 / +254 703 095 000 Email: info@familybank.co.ke Website: www.familybank.co.ke Physical Address: Family Bank Tower, Muindi Mbingu Street, Nairobi Date Licensed: 01-05-2007 Peer Group: Medium Number of Branches: 94
18.	Guaranty Trust Bank (Kenya) Limited Managing Director: Mr. Jubril Adeola Adeniji Postal Address: P.O. Box 20613-00200, Nairobi Telephone numbers: +254 020 3284000 / 0703084000 Fax: N/A Email: customercareke@gtbank.com Website: www.gtbank.co.ke Physical Address: Plot 1870/IX/167, Sky Park, Westlands, Nairobi Date Licensed: 13-01-1995 Peer Group: Small Number of Branches: 9
19.	Guardian Bank Limited Chief Executive Officer: Mr. Narayanamurthi Sabesan Postal Address: P.O. Box 67437 – 00200, Nairobi Telephone numbers:(+254) 020 2226771/4 Mobile:0722282213 / 0733888060 Email: Headoffice@guardian-bank.com Website: www.guardian-bank.com Physical Address: Guardian Centre, Biashara Street, Nairobi Date Licensed: 20-12-1995 Peer Group: Small Number of Branches: 10
20.	Gulf African Bank Limited Chief Executive Officer: Mr. Anuj Mediratta Postal Address: P.O. Box 43683 - 00100 Nairobi, Kenya Telephone numbers: Tel: +254-20-2740000/0711-075000 Email: info@gab.co.ke Website: http://www.gulfafricanbank.com Physical Address: Geminia Insurance Plaza, Upper Hill, Nairobi Date Licensed: 01-11-2007 Peer Group: Small Number of Branches: 15

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21.	Habib Bank AG Zurich Chief Executive Officer: Mr. Asim Basharullah Postal Address: P.O. Box 30584 - 00100, Nairobi Telephone numbers: 020-3341172/6/7 Fax: 020- 2218699 Email: info.ke@habibbank.com Website: www.habibbank.com Physical Address: Habib House, Koinange Street, Nairobi Date Licensed: 01-07-1978 Peer Group: Small Number of Branches: 4
22.	I&M Bank Ltd Chief Executive Officer: Mr. Gul Khan Postal Address: P.O. Box 30238 – 00100, Nairobi Telephone: +254 20 322 1000, +254 719 088 000, +254 732 100 000 Fax: +254-20-2713757 / 2716372 Email: customercare@imbank.co.ke Website: http://www.imbank.com Physical Address: 1 Park Avenue, First Parklands Avenue Date Licensed: 1-1-1974 Peer Group: Large Branches: 41
23.	KCB Bank Kenya Limited Managing Director: Ms. Annastacia Kimtai Postal Address: P.O. Box 48400 – 00100, Nairobi Telephone numbers: +254 20 3270000, 2852000, 2851000, +254 711012000/ 734 108200 Email: contactus@kcbgroup.com Website: www.kcbgroup.com Physical Address: Kencom House, Moi Avenue, Nairobi Date Licensed: 01-01-1896 Peer Group: Large Branches: 207
24.	Kingdom Bank Kenya Ltd Chief Executive Officer: Mr. Anthony Mburu Postal Address: P.O. Box 22742 - 00400, Nairobi Telephone numbers: 0709881000 Email: info@kingdombank.co.ke Website: www.kingdombank.co.ke Physical Address: Kingdom Bank Towers, Argwings Kodhek Rd, Nairobi Date Licensed: 02-03-2010 Peer Group: Small Number of Branches: 20

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25.	Middle East Bank Kenya Limited Managing Director: Mr. Isaac Mwine Postal Address: P.O. Box 47387-00100, Nairobi Telephone numbers: +254 020 2723130 Email: ho@mebkenya.com Website: www.mebkenya.com Physical Address: Mebank Tower, Jakaya Kikwete Road (formerly Milimani Road), Nairobi Date Licensed: 15-12-1980 Peer Group: Small Branches: 4
26.	M Oriental Bank Limited Managing Director and Chief Executive Officer: Mr. Nitin S. Shendye Postal Address: P.O. Box 44080-00100 Telephone numbers: 0722 209 585/ 0734 333 291 Email: info@moriental.co.ke Website: www.moriental.co.ke Physical Address: Finance House, 7 Koinange Street, Nairobi Date Licensed: 08-02-1991 Peer Group: Small Number of Branches: 8
27.	National Bank of Kenya Ltd Managing Director and CEO: Mr. George Otieno Odhiambo Postal Address: P.O. Box 72866 - 00200 Nairobi Telephone: 020 282 8900, 0703 088 900, 0732 118 900 Fax: +254-20-311444/2223044 Email: callcentre@nationalbank.co.ke Website: www.nationalbank.co.ke Physical Address: National Bank Building, Harambee Ave, Nairobi Date Licensed: 01-01-1968 Peer Group: Medium Branches: 77
28.	NCBA Bank Kenya Plc Chief Executive Officer: Mr. James M. Gossip Postal Address: P.O. Box 30437-00100, Nairobi, Kenya Telephone numbers: 020-2884000 Email: contact@ncbagroup.com Website: www.ncbagroup.com Physical Address: NCBA Center, Mara/Ragati Roads, Upper Hill, Nairobi Date Licensed: 1-1-1967 Peer Group: Large Branches: 92

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29.	Paramount Bank Limited Chief Executive Officer: Mr. Ayaz A. Merali Postal Address: P.O. Box 14001-00800, Nairobi Telephone numbers: 020 4449266/7 or 0709 935000 Fax: 020-4449265 Email: info@paramountbank.co.ke Website: www.paramountbank.co.ke Physical Address: Sound Plaza, Woodvale Grove Road, Nairobi Date Licensed: 05-07-1995 Peer Group: Small Number of Branches: 8
30.	Premier Bank Kenya Limited Chief Executive: Mr. Osman Duallye Postal Address: P. O. Box 26219-00100., Nairobi Telephone: +254-20-2843000-3, 07202843000, 0738-407521, , +254 725 843 000, +254 789 843 000 E-mail: info@premierbank.ke Website: www.premierbank.ke Physical Address: Mezzanine 1, FCB Mihrab Building, Ring Road, Kilimani, Nairobi Date Licenced: 29th April 2008 Peer Group: Small Branches: 18
31.	Prime Bank Ltd Chief Executive Officer: Mr. Rajeev Pant Postal Address: P.O. Box 43825- 00100 Telephone numbers: (020) 4203000/4203116/4203148 Fax: 020-4451247 Email: headoffice@primebank.co.ke Website: www.primebank.co.ke Physical Address: Prime Bank Building – Riverside Drive, Nairobi Date Licensed: 03-09-1992 Peer Group: Medium Branches: 22
32.	SBM Bank (Kenya) Ltd Chief Executive Officer: Mr. Bhartesh Shah Postal Address: P.O. Box 34886, Nairobi Telephone: (254) (20) 2242348 / 2248842 / 2244187 Fax: +254-20-2243389/2245370 Email: Emailsbm@sbmgroup.mu Web: https://www.sbmgroup.mu/ Physical Address: Riverside Mews, Nairobi Date Licensed: 07-03-1996 Peer Group: Medium Branches: 41

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33.	Sidian Bank Limited Chief Executive Officer: Mr. Chege Thumbi Postal Address: P.O. Box 25363 – 00603, Nairobi Telephone: (+254)0711-058000, (+254)0732-158000, (+254)020-3906000 Fax: +254-20-3873178 / 3568998 Email: talktous@sidianbank.co.ke Website: www.sidianbank.co.ke Physical Address: K-Rep Centre Wood Avenue, Kilimani, Nairobi Date Licensed: 23-03-1999 Peer Group: Small Branches: 44
34.	Spire Bank Ltd Ag. Managing Director: Mr. Brian Kilonzo Postal Address: P.O. Box 52764 - 00200 Telephone numbers: +254 -020- 4981000 Email: letstalk@spirebank.co.ke Website: https://www.spirebank.co.ke Physical Address: Mwalimu Towers, Hill Lane, Upper Hill, Nairobi Date Licensed: 23-06-1995 Peer Group: Small Branches: 1
35.	Stanbic Bank Kenya Limited Chief Executive Officer: Mr. Joshua Oigara Postal Address: P.O. Box 72833 - 00200 Nairobi Telephone: +254-20-36380000 /11 /17 /18 /20 /21, 0711-0688000 Fax: +254-20-3752905/7 Email: customercare@stanbic.com Website: https://www.stanbicbank.co.ke Physical Address: Stanbic Bank Centre, Westlands Road, Chiromo, Nairobi Date Licensed: 5/14/1955 Peer Group: Large Branches: 31
36.	Standard Chartered Bank Kenya Limited Chief Executive Officer: Mr. Kariuki Ngari Postal Address: P.O. Box 30003 - 00100, Nairobi, Kenya Telephone numbers: +254 (0)20 3293000 Fax: +254 (0)20 3747880 Email: Ke.Service@sc.com Website: www.sc.com/ke Physical Address: Standard Chartered Building, Chiromo 48, Westlands Road, Nairobi Date Licensed: 10-1-1910 Peer Group: Large Number of Branches: 24

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| 37. | UBA Kenya Bank Limited
Chief Executive Officer: Ms. Mary Mulili
Postal Address: P.O. Box 34154 - 00100 Nairobi
Telephone numbers: +254 711027099 / +254 203612099
Email: cfckkenya@ubagroup.com
Website: https://www.ubagroup.com/countries/ke
Physical Address: 2 nd Floor, Imperial Court, Westlands Road, Westlands
Date Licensed: 25-09-2009
Peer Group: Small
Number of Branches: 5 |
| 38. | Victoria Commercial Bank Plc
Chief Executive Officer: Dr. Yogesh Pattni
Postal Address: P.O. Box 41114-00100
Telephone numbers: 0709 876100
Email: yogesh@vicbank.com
Website: www.victoriabank.co.ke
Physical Address: Victoria Towers, Upper Hill, Nairobi
Date Licensed: 11-01-1996
Peer Group: Small
Number of Branches: 6 |

B. MORTGAGE FINANCE COMPANIES

- | | |
|-----------|--|
| 1. | HFC Limited
Chief Executive Officer: Mr. Peter Mugeni Oduori
Postal Address: P.O. Box 30088 – 00100, Nairobi
Telephone numbers: 020 326 2000/ 0709 438 000
Fax: (+254 20) 2250858
Email: customer.service@hfgroup.co.ke
Website: https://www.hfgroup.co.ke/
Physical Address: Rehani House, Kenyatta Avenue/Koinange Street, Nairobi
Date Licensed: 07.05.1965
Peer Group: Medium
Number of Branches: 23 |
|-----------|--|

C. KENYA BANKERS' ASSOCIATION

- | | |
|----------|---|
| 1 | Chief Executive Officer: Mr. Raimond Molenje
Postal Address: P.O. Box 73100-00200, Nairobi
Tel: +254-20-2221704/2224014/2224015/2217757
Fax: +254-20-2221792
Email: ceo@kba.co.ke
Website: www.kba.co.ke
Physical Address: 13th floor, International House, Mama Ngina Street, Nairobi |
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D. NON-OPERATING BANK HOLDING COMPANIES

1.	Bakki Holdco Limited Licensed Subsidiary: Sidian Bank Ltd Postal Address: P.O. Box 10518 -00100, Nairobi Telephone: 0709902000 E-mail: info@centum.co.ke Website: www.centum.co.ke (NB: Bakki Holdco is a subsidiary of Centum Ltd) Physical Address: 8th Floor, Two Rivers Office Towers Street, Nairobi Date Authorised: 31st December 2014
2.	Equity Group Holdings Limited Licensed Subsidiary: Equity Bank Kenya Ltd Postal Address: P.O. Box 75104 – 00200, Nairobi Telephone: +254 763 3026000 Contact Centre: +254 763 063 000 E-mail: info@equitygroup Holdings.com Website: www.equitygroup Holdings.com Physical Address: Equity Centre, 9th Floor, Hospital Road, Upper Hill, Nairobi
3.	HF Group Limited Licensed Subsidiary: HFC Ltd Postal Address: P.O. Box 30088 – 00100, Nairobi Telephone: +254(20)-3262000, 0722715256, 0722708660, 0722201175, 0733617682 E-mail: housing@hfgroup.co.ke Website: www.hfgroup.co.ke Physical Address: Rehani House, Kenyatta Avenue/ Koinange Street. Junction, Nairobi. Date Authorised: 3rd June, 2015
4.	I&M Group PLC Licensed Subsidiary: I&M Bank Kenya Ltd Postal Address: P.O. Box 30238-00100, Nairobi Telephone: +254 20 322 1000, +254 719 088 000, +254 732 100 000, +254 753 221 000 E-mail: invest@imbank.co.ke Website: www.imbank.com Physical Address: 1 Park Avenue, First Parklands Avenue. Date Authorised: 13th May 2013
5.	KCB Group Plc Licensed Subsidiary: KCB Bank Kenya Ltd Postal Address: P.O. Box 48400 – 00100, Nairobi Telephone: +254 20 3270000/2851000/2852000/+254 711012 000 /0734 108200 / Sms: 22522 E-mail: contactus@kcbbankgroup.com Website: www.kcbbankgroup.com Physical Address: Kencom House, Nairobi Date Authorised: 1st November, 2015

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- | | |
|----|---|
| 6. | <p>M Holdings Limited
Licensed Subsidiary: M-Oriental Bank Ltd
Postal Address: P.O. Box 73248-00200 Nairobi, Kenya
Telephone: +254 20 2149923
E-mail address: mholdings2014@gmail.com
Physical address: Jadala Place, 3rd Floor, Ngong Lane, Ngong Road, Nairobi
Date Authorised: 18th February, 2015</p> |
| 7. | <p>NCBA Group PLC
Licensed Subsidiary: NCBA Bank Kenya Plc
Postal Address: P.O. Box 44599-00100 Nairobi, Kenya
Telephone: +254 20 2888000
E-mail address: info@nic-bank.com
Physical address: NCBA Centre, Mara/Ragati Road
Date Authorised: 30th September 2019</p> |
| 8. | <p>Stanbic Holdings PLC
Licensed Subsidiary: Stanbic Bank Kenya Ltd
Postal Address: P.O. Box 72833-00200, Nairobi
Telephone: + 254 20 3638000
E-mail: customercare@stanbic.com
Website: http://www.stanbicbank.co.ke
Physical Address: Stanbic Bank Centre, 1st Floor, Westlands Road, Chiromo Nairobi
Date Authorised: 21st June 2013</p> |

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E. AUTHORISED REPRESENTATIVE OFFICES

1.	Bank of China Limited - Kenya Representative Office Chief Representative Officer: Mr. Li Wenjun Address: P.O. Box 21357 - 00505 – Nairobi, Kenya Telephone No.: +254 - 20 - 3862811 / 2 Mobile: +254 706251679 E-mail: liwj@bankofchina.com Physical Address: Unit 1, 5th Floor, Wing B, Morningside Office Park, Ngong Road, Nairobi Date Authorised: 29th June 2012
2.	FirstRand Bank Limited - Kenya Representative Office Chief Representative Officer: Mrs. Alfetta Koome Mungai Postal Address: P.O. Box 35909, 00200 – Nairobi, Kenya Telephone No.: +254 20 4908201 / 4908206 Cell: +254790469978 E-mail: Alfetta.Koome@rmb.co.za Physical Address: Ground Floor, Eaton Place, UN Crescent, Gigiri, Nairobi Date Authorized: 29th November 2011
3.	HDFC Bank Limited - Kenya Representative Office Interim Office Manager: Mr. Manikandan Prasanthi Postal Address: P.O. Box 38807 – 00623 – Nairobi, Kenya Mobile No.: +254 713597593 / +254 705750491 Telephone No: +254 20 3749857/63/ Mobile: E-mail address: Manikandan.Prasanthi@hdfcbank.com Physical Address: Park Suites, 4th Floor, Parklands Road, Opposite Parklands Police Station, Nairobi Date Authorised: 26th June 2008
4.	Mauritius Commercial Bank Limited - Kenya Representative Office Chief Representative Officer: Mr. Felix Kariuki Gichaga Telephone No: +254 709 796 000 Mobile No: +254 794 66 93 15 E-mail address: Felix.gichaga@mcb.mu Physical Address: 7th Floor, Pramukh Towers, 52 Westlands Road, Westlands, Nairobi Date Authorised: 27th November 2014
5.	Nedbank Limited - Kenya Representative Office Chief Representative Officer: Mr. Geoffrey Oduor Gangla Postal Address: P.O Box 39218 - 00623, Nairobi, Kenya Telephone: +254-20 - 8045102 E-mail: kenyacontact@nedbank.co.ke Physical Address: The Exchange Building, 3rd Floor, 55 Westlands Road, Nairobi Date Authorised: 18th June 2010

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6.	Co-operative Rabobank U.A - Kenya Representative Office Chief Representative Officer: Mr. Wouter Marinus Kool Postal Address: P.O. Box 1105-00606, Nairobi, Kenya Telephone: +254 202 955 000/1/2 Mobile: 254 +254 799 434 963 E-mail: Wouter.Kool@Rabobank.com Website Address: www.rabobank.com Physical Address: 17th Floor, Delta Corner Tower, Waiyaki Way, Nairobi Date Authorised: 5th June 2014
7.	Société Générale - Kenya Representative Office Chief Representative Officer: Mr. George Mutua Postal Address: P.O. Box 1795-00606, Nairobi, Kenya Telephone: +254 774995860 Mobile: 254 710764933 E-mail: George.Mutua@sgcib.com Website Address: www.societegenerale.com Physical Address: Unit 2, 8th Floor, Tower 3, The Mirage, Chiromo Road, Westlands, Nairobi Date Authorised: 28th August 2017
8.	Banque Misr - S.A.E. – Kenya Representative Office Chief Representative Officer: Ms. Elizabeth Machua - Muriungi Postal Address: P.O Box 25300 – 00603, Nairobi Telephone: 020 8698340 E-mail: EMachua@banquemisr.com; NairobiRepOfficeSupportTeam@banquemisr.com Website Address: http://www.banquemisr.com Physical Address: Merchant Square - Block D, Ground Floor, Riverside Drive Date Authorised: 29th July 2022
9.	JP Morgan Chase Bank N.A Representative Office Kenya Chief Representative Officer: Mr. Sailepu Montet Postal Address: P.O. Box 40111 – 00100, Nairobi Telephone: +254 117700100 E-mail: Sailepu.montet@jpmorgan.com Website: https://www.jpmorganchase.com/ Physical Address: Suite 1401, 14th Floor, Global Trade Centre, Waiyaki Way, Westlands, Nairobi Date Authorised: 11th October 2024

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NO.	APPENDIX XVIII: DIRECTORY OF MICROFINANCE BANKS
1.	Branch Microfinance Bank Limited Chief Executive Officer: Ms. Rose Muturi Postal Address: P.O. Box 38319 – 00623, Nairobi Telephone: +254-020-2664282, 0722168721, 0756305132 Email: info@branch.co.ke Website: www.branch.co.ke Physical address: Reliable Towers, 9th Floor - Mogotio Road, Nairobi Date Licensed: 17.09.2012 Branches: 2
2.	Caritas Microfinance Bank Limited Chief Executive Officer: Mr. David Mukaru Postal Address: P.O. Box 15352 – 00100, Nairobi Telephone: +254-020-5151500 Email: info@caritas-mfb.co.ke Website: www.caritas-mfb.co.ke Physical address: Cardinal Maurice Otunga Plaza, Kaunda Street, Nairobi Date Licensed: 02.06.2015 Branches: 9 Deposit Taking Marketing office: 1
3.	Choice Microfinance Bank Limited Chief Executive Officer: Mr. Bonface Isinta Ombui Postal Address: P.O. Box 18263 – 00100, Nairobi Telephone: +254-020-3882206/207, 0736662218, 0724308000 Email: info@choicemfb.com Website: www.choicemfb.com Physical address: Riverside Square, 2nd floor, Riverside Drive, Nairobi Date Licensed: 13.05.2015 Branches: 3
4.	Faulu Microfinance Bank Limited Chief Executive Officer: Mr. Julius Wamae Ouma Postal Address: P. O. Box 60240 – 00200, Nairobi Telephone: +254-020-3877290/3/7; 3872183/4; 3867503, 0711074074, 0708 111000 Fax: +254-020-3867504, 3874875 Email: info@faulukukenya.com, customercare@faulukukenya.com, contact@faulukukenya.com Website: www.faulukukenya.com Physical address: Faulu Kenya House, Ngong Lane - Off Ngong Road, Nairobi Date Licensed: 21.05.2009 Branches: 19 Deposit Taking Marketing offices: 3

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NO.	APPENDIX XVIII: DIRECTORY OF MICROFINANCE BANKS
5.	Kenya Women Microfinance Bank PLC. Acting Managing Director: Mr. Benson Kitabu Kariuki Postal Address: P.O Box 4179 – 00506, Nairobi Telephone: +254-020-3067000, 2470272-5/2715334-5, 0703067700, 0730167700 Email: info@kwftbank.com Website: www.kwftbank.com Physical address: KWFT House, Kiambere Road/Masaba Road Junction, Upper Hill, Nairobi Date Licensed: 31.03.2010 Branches: 28 Deposit Taking Marketing offices: 8
6.	LOLC Microfinance Bank PLC. Chief Executive Officer: Mr. Muhandiramge Ruwan Achintha Rodrigo Postal Address: P. O. Box 20833 – 00100, Nairobi Telephone: +254-020-2214483/2215384/5/7/8/9, 2631070, 2215380, 0733554555 Email: info@lolckenya.co.ke Website: www.lolckenya.co.ke Physical address: Westpark Towers, Mpesi Lane off Muthithi Road, Nairobi. Date Licensed: 31.12.2010 Branches: 5
7.	Muungano Microfinance Bank Limited Chief Executive Officer: Ms. Lydia Kibaara Postal Address: P.O. Box 355 – 10218, Muranga Telephone: +254 725454762 Email: info@muunganomfbank.com Website: www.muunganomfbank.com Date Licensed: 30.10.2019 Branches: 2 Deposit Taking Marketing offices: 4
8.	On It Microfinance Bank Limited (formerly Maisha Microfinance Bank Ltd) Chief Executive Officer: Mr. Kenneth Leonard Okwero Postal Address: P.O Box 49316 - 00100, Nairobi Telephone: +254-020-2220648, 0709567000, 0736028982 Email: info@maishamfbank.co.ke Website: www.maishabank.com Physical address: Jahazi Building, James Gichuru Road, Nairobi Date Licensed: 21.05.2016 Branches: 2
9.	Rafiki Microfinance Bank Limited Chief Executive Officer: Mr. Joseph Njuguna Postal Address: P.O. Box 12755 – 00400, Nairobi Telephone: +254-020-2166401, 0730170000/500 Email: info@rafiki.co.ke Website: www.rafiki.co.ke Physical address: Rafiki House, Biashara Street, Nairobi Date Licensed: 14.06.2011 Branches: 17 Deposit Taking Marketing offices: 3

APPENDICES

NO.	APPENDIX XVIII: DIRECTORY OF MICROFINANCE BANKS
10.	Salaam Microfinance Bank Limited Chief Executive Officer: Mr. Jaafar Sheikh Abdulkadir Postal Address: P.O. Box 1654 – 00100, Nairobi Telephone: +254-720-350808, 0729 - 211829 Email: info@salaammfbank.com Website: www.salaammfbank.com Physical address: I&M Building, 12th Floor, Kenyatta Avenue, Nairobi Date Licensed: 08.11.2010 Branches: 4
11.	SMEP Microfinance Bank PLC Chief Executive Officer: Mr. Symon Kamore Postal Address: P.O. Box 64063 – 00620, Nairobi Telephone: +254-020-3572799, 2055761, 2673327/8, 0711606900 Email: info@smep.co.ke Website: www.smep.co.ke Physical address: SMEP Building - Kirichwa Road, Off Argwings Kodhek Road, Nairobi Date Licensed: 14.12.2010 Branches: 7 Deposit Taking Marketing offices: 14
12.	Sumac Microfinance Bank Limited Chief Executive Officer: Mr. John Njihia Postal Address: P.O. Box 11687 – 00100, Nairobi Telephone: +254-020-2212587, 2210440, 2249047, 0738637245, 0725223499 Fax: +254 – 020 –2210430 Email: info@sumacmicrofinancebank.co.ke Website: www.sumacmicrofinancebank.co.ke Physical address: Consolidated Bank House, 2nd Floor, Koinange Street, Nairobi Date Licensed: 29.10.2012 Branches: 6
13.	U & I Microfinance Bank Limited Chief Executive Officer: Mr. Simon Mwangi Ngigi Postal Address: P.O. Box 15825 – 00100, Nairobi Telephone: +254-020-2367288, 0713112791 Email: info@uni-microfinance.co.ke Website: www.uni-microfinance.co.ke Physical address: Asili Complex, 1st Floor, River Road, Nairobi Date Licensed: 08.04.2013 Branches: 2 Deposit Taking Marketing offices: 4
14.	Umba Microfinance Bank Limited, Acting Chief Executive Officer: Mr. Henry Kevin Mbugua Postal Address: P.O Box 100854 - 00101, Nairobi Telephone: +254-020-3879995, 0746555222 Email: info@umba.com Website: www.umba.com Physical address: Timschack House, 2nd Floor, Ngong Road, Nairobi Date Licensed: 12.01.2015 Branches: 2

APPENDICES

NO.	APPENDIX XIX: DIRECTORY OF CREDIT REFERENCE BUREAUS
1.	Credit Reference Bureau Africa Limited (Trading as TransUnion) The Chief Executive Officer: Mr. Morris Muriithi Maina Postal Address: P.O. Box 46406 – 00100, Nairobi Telephone: +254 - 742 258478, +254 768 617074, +254 768 253748, +254 768 262495, +254 706 565285 Email: info@transunionafrica.com Website: www.transunionafrica.com Physical address: Delta Corna Annex, 2nd Floor, Ring Road, Westlands, Nairobi Date Licensed: 09.02.2010
2.	Creditinfo Credit Reference Bureau Kenya Limited The Chief Executive Officer: Mr. Stephen Kamau Kunyiha Postal Address: P.O Box 38941 – 00623, Nairobi Telephone: +254 - 020 – 3757272/0735880880 Email: cikinfo@creditinfo.co.ke or consumercare@creditinfo.co.ke Website: www.creditinfo.co.ke Physical address: Standard Chartered Building, 48 Westlands Rd, Nairobi Date Licensed: 29.04.2015
3.	Metropol Credit Reference Bureau Limited The Managing Director: Mr. Gideon Kipyakwai Postal Address: P.O. Box 35331 – 00200, Nairobi Telephone: +254 - 020 – 2713575 Email: info@metropol.co.ke Website: www.Metropolcorporation.com Physical address: KCB Towers, 15th Floor – Kenya Road, Upper Hill, Nairobi Date Licensed: 06.04.2011

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
1.	Absolute Credit Kenya Ltd Postal Address: P.O. Box 72528 – 00505, Nairobi Telephone: +254794887996 Email: absolutecreditlimited@gmail.com Physical Address: Ultramond Godown and Offices, Mombasa Road, Nairobi Date Licensed: June 5, 2025
2.	Adroit Credit Limited Postal Address: P.O. Box 35717-00100, Nairobi Telephone: +254735509000 Email: request@adroitcredit.co.ke Physical Address: Centenary House, Block A, 4 th Floor Ring Road, Westlands Date Licensed: June 5, 2025
3.	Ambush Capital Limited trading under FlashPesa Postal Address: P.O. Box 52800, Nairobi Telephone: +254769159474 Email: support@flashpesa.co.ke Physical Address: Unit 1302, 13 th Floor, Applewood Adams, Ngong Road, Nairobi Date Licensed: October 1, 2024
4.	Anjoy Credit Limited Postal Address: P.O. Box 40583 – 00100, Nairobi Telephone: +254769984360 Email: info@anjoycredit.com Physical Address: Transnational House 1 st Floor, Mama Ngina Street, Nairobi Date Licensed: March 27, 2023
5.	Asante FS East Africa Limited Postal Address: P.O. Box 13796 - 00800, Nairobi Telephone: +254111017500 Email: info@asantefinancegroup.com Physical Address: Delta Corner Towers, 3rd Floor, Waiyaki Way, Westlands, Nairobi Date Licensed: March 27, 2023
6.	ASAP Credit Limited Postal Address: P.O. Box 2358 – 00621, Nairobi Telephone: +254706900000 Email: asapcreditlimited@gmail.com Physical Address: Old Mutual Building Kimathi Street Date Licensed: June 5, 2025
7.	Autochek Limited Postal Address: P.O. Box 66249-00800, Nairobi Telephone: +254 791 694 004 Email: autochekkenya@autochek.africa Physical Address: West Park Towers, 4 th Floor, Suite 407, Mpesi Lane, off Muthithi Road, Nairobi Date Licensed: March 6, 2024

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
8.	Avenews Ke Ltd Postal Address: P.O. Box 39375-00623, Nairobi Telephone: +254111133300 Email: jibiwa@avenews-gt.com Physical Address: 9 West Building, 7th Floor, Office 701A, Parklands, Nairobi Date Licensed: June 5, 2025
9.	Aventus Technology Limited Postal Address: P.O. Box 30834 – 00100, Nairobi Telephone: +254709029000 Email: customer@lendplus.ke Physical Address: Rhapta Road, Rhapta Heights, Nairobi Date Licensed: June 5, 2025
10.	AVL Capital Ltd Postal Address: P.O. Box 35502- 00100, Nairobi Telephone: +254 717 780 171 / +254 20 230 4180 Email: info@avlcapital.com Physical Address: Lower Duplex Apartments, Suite 24, Upper Hill Road Date Licensed: June 5, 2025
11.	Azura Credit Limited Postal Address: P.O. Box 51191 – 00100, Nairobi Telephone: +254705903265 Email: azurakenyacredit@gmail.com Physical Address: Top Plaza, Kilimani Street, Kindaruma Lane, Westlands, Nairobi Date Licensed: March 6, 2024
12.	Bimas Kenya Limited Postal Address: P.O. Box 2299-6010, Embu Telephone: 0111056010 Email: pgathondu@bimaskenya.com / info@bimaskenya.com Physical Address: Bimas Plaza, Embu Date Licensed: June 5, 2025
13.	BRAC Kenya Company Limited Postal Address: P.O. Box 22316 – 00505, Nairobi Telephone: +254 (0) 743797670 Email: info.bkcl@brac.net Physical Address: Fawe House, Chania Avenue Date Licensed: June 5, 2025
14.	Bytech Credit Limited Postal Address: P.O. Box 3250 - 00200, Nairobi Telephone: +254781646440 Email: bytechcreditltd@gmail.com Physical Address: Kiserian, Magadi Road, Building Opposite Shell Petro Station. Date Licensed: October 1, 2024
15.	Ceres Tech Limited Postal Address: P.O. Box 50047 – 00100, GPO, Nairobi Telephone: +254702038679 Email: cerestechltdke@gmail.com Physical Address: Victoria Court, Abacus Lane, Ruaraka, Nairobi Date Licensed: September 19, 2022

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
16.	Chapeo Capital Limited Postal Address: P.O. Box 14363 – 00800, Nairobi Telephone: +254207905106 / +254207905107 Email: info@chapeo.club Physical Address: 33 Spring Valley Road, Nairobi Date Licensed: March 6, 2024
17.	Chelete Credit Limited Postal Address: P.O. Box 29980 - 00100, Nairobi Telephone: +254115263074 Email: cheletecreditltd@gmail.com Physical Address: Tetezi Towers, Ground Floor, off Ngong Road, George Padmore Road, Nairobi Date Licensed: October 1, 2024
18.	Chime Capital Limited Postal Address: P.O. Box 7255, Eastleigh, Nairobi Telephone: +254720990601 Official Email: accounts@chime.llc Physical address: Agip House, Harambee Avenue, Nairobi Date Licensed: March 6, 2024
19.	Colkos Enterprises Limited Postal Address: P.O. Box 22813 – 00505, Ngong Road, Nairobi Telephone: +254722253228 / +254741129129 Email: info@colkos.com Physical Address: Amani Court, Near Adams Arcade, Nairobi Date Licensed: March 27, 2023
20.	Creditarea Capital Limited Postal Address: P.O. Box 7640-00600, Nairobi Telephone: +254709462700 / 0721734688 Email: help@kashbean.co.ke Physical Address: Baba Dogo, Business Park, Eastlands, Off Outering Road, Spect Godown No.3, Nairobi Date Licensed: March 6, 2024
21.	Decimal Capital Limited Postal Address: P.O. Box 5077-00100, Nairobi Telephone: +254721858774 Email: decimalcapital@gmail.com Physical Address: Nachu Plaza, 9 th Floor, Kiambere Road, Upperhill, Nairobi Date Licensed: March 6, 2024
22.	Dexintec Kenya Limited Postal Address: P. O. Box. 103818 – 00100, Nairobi Telephone: +254727620547 Email: info@ke.dexintec.com Physical Address: Cardinal Otunga Plaza, Koinange Road, Starehe District, Nairobi Date Licensed: March 6, 2024

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
23.	Dime Credit Limited Postal Address: P.O. Box 8628-00100, Nairobi Telephone: +254722217215 Email: dimecredit@gmail.com Physical Address: Two Rivers Mall, 2 nd Floor, South Tower, Limuru Road, Nairobi Date Licensed: October 1, 2024
24.	East Africa Futures Company Limited Postal Address: P.O. Box 20498 – 00100, Nairobi Telephone: +254 703130699 Email: info@futures.co.ke Physical Address: Rattansi Education, Trust Building, Koinange Street, Nairobi Date Licensed: June 5, 2025
25.	ED Partners Africa Limited Postal Address: P. O. Box. 1063 - 00100, Nairobi Telephone: +254 111 131 000 Email: customercare@edpartnersafrica.com Physical Address: Haven Court, Parkfield Place, 4 th Floor Waiyaki Way Opposite Safaricom House Date Licensed: June 27, 2024
26.	EDOMX Limited Postal Address: P.O. Box 797-00606, Nairobi Telephone: +254701220220 Email: legal@edomx.com Physical Address: The Address, 16 th Floor, Muthangari Drive, Westlands, Nairobi Date Licensed: March 27, 2023
27.	Ellegant Credit Limited Postal Address: P.O. Box 57639-00200, Nairobi Telephone: +254746851679 Email: info@ellegantcredit.com Physical Address: Lonak Business Centre, 1 st Floor, Suite B11, Kasarani, Nairobi Date Licensed: October 1, 2024
28.	Extend Money Services Limited Postal Address: P.O. Box 21735 – 00100, Nairobi Telephone: +254 709503 000 Email: info@extendmoney.co.ke Physical Address: 4 th Floor, Suite 6G, Vision Plaza, Mombasa Road, Nairobi Date Licensed: March 27, 2023
29.	Fabilo Credit Ltd Postal address: 42724 -00100, Nairobi Telephone: + 254 743960066 Email: fabilocredit@gmail.com Physical address: 1 st floor, Delta Corner Annex, Ring Road Westlands Lane, Nairobi Date Licensed: June 5, 2025
30.	Factorhouse Limited Postal Address: P. O. Box 70- 00618, Nairobi Telephone: +254726770992 Email: mwangi@factorhouseltd.com Physical Address: 5 th Floor, Liberty Plaza, Mombasa Road, Nairobi Date Licensed: March 6, 2024

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
31.	Fahari Point Capital Limited Postal Address: P.O Box 9394-00100, Nairobi Telephone: 0722262640 Email: Faharipointcapital@gmail.com , Info@faharipointcapital.com Physical Address: Viewpark Towers 14 th Floor - Utalii Lane Date Licensed: October 1, 2024
32.	Fantom Capital Limited Postal Address: P. O. Box 15455-00400, Nairobi Telephone: +254722362432 Email: kuriag.robert@gmail.com Physical Address: Energies Ruaraka, Nairobi Date Licensed: June 5, 2025
33.	Fezotech Kenya Limited Postal Address: P. O. Box 21188 00100 - GPO, Nairobi Telephone: +254724032400 Email: fezotechkenya@gmail.com / fezotechk@gmail.com Physical Address: The Arch Place Building, Kilimani Road, Westlands District, Nairobi Date Licensed: March 6, 2024
34.	Finberry Capital Ltd Postal Address: P. O. Box 74937-00200, Nairobi Telephone: +254798890004 Email: info@berry.ke Physical Address: ATC Centre, No 40 Riara Road. Date Licensed: June 5, 2025
35.	Finboom Credit Kenya Limited Postal Address: P.O. Box 936-00900, Kiambu Telephone: +254793780210 Email: help@finboomcredit.co.ke Physical Address: Grainbelt go downs, Go down 2, Ruiru Date Licensed: June 5, 2025
36.	Fincorp Credit Limited Postal Address: P.O. Box 12626-00400, Nairobi Telephone: 0706 355 355/0111 055 600 Email: info@fincorpcredit.co.ke Physical Address: Gallant Mall, 8 th Floor, Parklands Road Date Licensed: October 1, 2024
37.	Fortune Credit Limited Postal Address: P.O. Box 4237-00506, Nairobi Telephone: +254722982474/0114943649 Email: info@fortunecredit.co.ke Physical Address: Enwealth Business Centre, Ngong Lane, Nairobi Date Licensed: March 6, 2024
38.	Fourth Generation Capital Limited Postal Address: P.O. Box 287-00502, Karen, Nairobi Telephone: +254113862239 Email: compliance@4g-capital.com / legal@4g-capital.com Physical Address: Africa Reit Lane, Africa Reit House, Nairobi Date Licensed: March 27, 2023

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
39.	Frictionless Enterprises Limited Postal Address: P.O. Box 77708 – 00508, Nairobi Telephone: +254711082222 Email: hello@m-power.io Physical Address: Powerhouse, Kyuna Road, Spring Valley, Nairobi, Kenya Date Licensed: June 5, 2025
40.	Getcash Capital Limited Postal Address: P.O. Box 15682 - 00503, Mbagathi, Nairobi Telephone: +254736276000 Email: info@getcashcapital.co.ke Physical Address: Devcon House, 2 nd Floor, Lunga Lunga, Nairobi Date Licensed: September 19, 2022
41.	Giando Africa Limited (Trading as Flash Credit Africa) Postal Address: P. O. Box 1816 - 00606 Sarit Centre, Nairobi Telephone: +254713948254/ 0706934558 Email: support@flashcreditafrica.com Physical Address: Krishna Center, Woodvale Groove, Nairobi Date Licensed: September 19, 2022
42.	Girls First Kenya Limited Postal Address: P.O. Box 74041-00200, Nairobi Telephone: +254205002132 Email: info@girlsfirstfinance.com Physical Address: 132 Manyani E Rd, Nairobi, Kenya (Zuri Health HQ) Date Licensed: June 5, 2025
43.	Granary Capital Limited Postal Address: P.O. Box 15763-00509, Nairobi Telephone: +254715638770 Email: info@granarycapital.com Physical Address: Butere Road, Credit Bank Building Date Licensed: June 5, 2025
44.	Hela Capital Limited Postal Address: P.O. Box 19619-00100, Nairobi Telephone: +254 (20) 776 6666 Email: md@helacapitals.com Physical Address: Thindigua, Kiambu Road, Feruzi Towers, 4 th Floor, Wing A, Kiambu. Date Licensed: October 1, 2024
45.	Helium Credit Limited Postal Address: P.O. Box 14816 – 00800, Nairobi Telephone: +254738150083/+254718584310 Email: heliumcredit@heliumhealth.com Physical Address: Riverside Drive, Keystone Park, Westlands Date Licensed: June 5, 2025
46.	Inspire Credit Limited Postal Address: P.O. Box 10499 – 00400, Nairobi Telephone: +254758555333 / +254748111555 Email: info@inspirecredit.co.ke Physical Address: Muthaiga Square, Thika Superhighway, Nairobi Date Licensed: October 1, 2024

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
47.	Inventure Mobile Limited (Trading as Tala) Postal Address: P.O. Box 35523 – 00100, Nairobi Telephone: 0800720597 (toll free) Email: hellokenya@talamobile.com Physical Address: The Oval, 6 th Floor, Wing A, Ring Road, Westlands, Nairobi Date Licensed: January 30, 2023
48.	Ismuk Credit Limited Postal Address: P.O. Box 60973 – 00200, Nairobi Telephone: +254768654598 Email: ismukventures@gmail.com Physical Address: Delta House 4 th Floor, Room 421, University Way, Nairobi Date Licensed: June 27, 2024
49.	Jijenge Credit Limited Postal Address: P.O. Box 9578 – 00200, Nairobi Telephone: +254711282727 Email: info@jijengecredit.com Physical Address: 6 th Floor Suites 604/605, Town House, Kaunda Street, Nairobi Date Licensed: September 19, 2022
50.	Jumo Kenya Limited Postal Address: P.O. Box 10643 - 00100, Nairobi Telephone: +254787777771 Email: contact@jumo.world Physical Address: Ikigai Nairobi, Merchant Square, Riverside Drive, Nairobi Date Licensed: January 30, 2023
51.	Kifedha Ltd Postal Address: P.O. Box 105796 – 00100, Nairobi Telephone: 0791573231 Email: info@kifedha.co.ke Physical Address: Chambai House, Murang'a Road, Ngara Date Licensed: June 5, 2025
52.	Kikwetu Credit Ltd Postal Address: P.O. Box 18010 – 00100, Nairobi Telephone: 0721 257143/0768 150438 Email: kikwetucardcreditlimited@gmail.com Physical Address: Alimex Plaza, Mombasa Road, Nairobi Date Licensed: June 5, 2025
53.	Kweli Smart Solutions Limited Postal Address: P.O. Box 53431-00200, Nairobi Telephone: +254791578693 Email: sema@ksmart.tech Physical Address: 2 nd Floor, Eaton Place, UN Crescent Avenue, Nairobi Date Licensed: September 19, 2022
54.	Leja Ltd Postal Address: P.O. BOX 238370-0100, Nairobi Telephone: +254768212665 Email: info@leja.co.ke Physical Address: Keystone Park, 95 Riverside Drive 3 Floor, Block A, Riverside Dr, Nairobi, Kenya Date Licensed: June 5, 2025

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
55.	Lenana Innovative Solutions Limited Postal Address: P.O. Box 899 - 00618, Ruaraka, Nairobi Telephone: +254110010394 Email: info@lenana.com Physical Address: Westcom Point Building, Mahiga Mairu Avenue, Westlands, Wing A, Third Floor Date Licensed: October 1, 2024
56.	Letshego Kenya Ltd Postal Address: P.O. Box 52926 – 00200, Nairobi Telephone: +254730687000 Email: kenya@letshego.com Physical Address: 316 Upper Hill Chambers, 7 th Floor, 2 nd Ngong Avenue, Nairobi Date Licensed: January 30, 2023
57.	Lipa Later Limited Postal Address: P.O. Box 43537 – 00100, Nairobi Telephone: +254709684000 Email: info@lipalater.com Physical Address: Lipa Later HQ, Lavington, next to Mawara Gardens, Off Olenguruone Avenue, Nairobi Date Licensed: March 6, 2024
58.	Little Pesa Limited Postal Address: P.O. Box 39886 – 00623, Nairobi Telephone: +254746510778/+254710490126/+254746510781 Email: Info@littlepesa.com Physical Address: Reliable Towers, Mogotio Road, Westlands, Nairobi Date Licensed: March 27, 2023
59.	Loan Plus Digital Credit Provider Limited Postal Address: P.O. Box 39940 – 00623, Nairobi Telephone: +25479981870 Email: loanplusDCP@hotmail.com Physical Address: 1 st Floor, 623 Wood Avenue, Nairobi Date Licensed: June 5, 2025
60.	Lobelitec Credit Limited Postal address: P. O. Box 51191 - 00100, Nairobi Telephone No: 0112096086 Email: lobeliteccredit@gmail.com Physical address: Ngong Road Kindaruma Lane, Commodore Offices Plot 209 Date Licensed: March 6, 2024
61.	LockBx Limited Postal address: P.O. Box 25350-00603, Nairobi Telephone No: +254726210997 Email: info@lockbx.co.ke Physical address: Sifa Towers, 6 th Floor, 6A, Nairobi Date Licensed: October 1, 2024

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
62.	Longitude Capital Limited Postal Address: P.O BOX 62268-00200 Nairobi, Kenya. Telephone: +254 20 4401213 Email: info@longitudecapital.co.ke Physical Address: 6th Floor Silkwood Office Suits, Ngong Road Date Licensed: June 5, 2025
63.	Maralal Ledger Limited Postal Address: P.O. Box 104949-00101, Nairobi Telephone: +254724055813 Email: info@maralalledger.com Physical Address: Feruzi Towers, Fourth Floor, Wing B, Kiambu Road Date Licensed: March 6, 2024
64.	Marble Capital Solutions Limited Postal Address: P.O. Box 818 – 00511, Ongata Rongai Telephone: +254729141295 Email: marblecapitalsolutions@gmail.com Physical Address: 2nd Floor, Maasai Mall, Ongata Rongai Date Licensed: March 6, 2024
65.	Maxxton Enterprises Ltd Postal Address: P.O. Box 51090-00200, Nairobi Telephone: +254733398614 Email: info@maxxtonltd.com Physical Address: Koinange Street, College House, Nairobi Date Licensed: June 5, 2025
66.	MCF 2 Kenya Limited Postal Address: P.O. Box 6711 – 00100 GPO, Nairobi Telephone: +254707136044 Email: info@medicalcreditfund.org Physical Address: 52 EL Molo Drive Lavington, Off Naushad Merali Drive, Nairobi Date Licensed: October 1, 2024
67.	MFS Technologies Limited Postal Address: P.O. Box 43250-00100, Nairobi Telephone: +254709184000 Email: info@mfs.co.ke Physical Address: Capital West, 5th Floor, Lantana Road (Off Rhapta Road), Nairobi Date Licensed: January 30, 2023
68.	Milhan Access Capital Limited Postal Address: P.O. Box 5148-00100, Nairobi Telephone: 0790309958 Email: Info@milhanaccesscapital.com Physical Address: Azure Tower Lantana Road Westlands Date Licensed: June 5, 2025

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
69.	Mint Credit Limited Postal Address: P.O Box 2417-00606, Sarit Centre, Nairobi Telephone: +254799555333 Email: info@mintcredit.co.ke Physical Address: Trance Towers 7 th floor, South B, Tsavo Road, Nairobi Date Licensed: June 27, 2024
70.	MKM Capital Limited Postal address: P.O Box 22715-00505, Nairobi Telephone: +254707039513 Email: info@mkmcapitalglobal.co.ke Physical address: Western Heights, 4th Floor, Suite 10, Nairobi Date Licensed: March 6, 2024
71.	M-Kopa Loan Kenya Limited Postal Address: P.O. Box 51866 – 00100, Nairobi Telephone: +254799 136 761 Email: compliance@m-kopa.com Physical Address: Riverside Paddocks, M-Kopa House, Nairobi Date Licensed: January 30, 2023
72.	Mkulimapay Credit Ltd Postal Address: P.O BOX 28385 – 00100, Nairobi Telephone: 0748820255 Email: mkulimacash@gmail.com Physical Address: Shell Tegemeo, next to Mountain View Mall, off Waiyaki Way Date Licensed: June 5, 2025
73.	Modesty Credit Ltd Postal Address: P.O. Box 607 – 60200, Meru, Makutano Highway Telephone: +254794673254 Email: info@modestycredit.co.ke Physical Address: Meru-Makutano, Union Square, Meru Date Licensed: June 5, 2025
74.	Mogo Auto Limited Postal Address: P.O. Box 9979-00100, Nairobi Telephone: +254768469112 Email: info@mogo.co.ke Physical Address: Pine Tree Plaza, Kaburu Drive- Off Ngong Road, Nairobi Date Licensed: June 27, 2024
75.	Momentum Credit Limited Postal Address: P.O. Box 29175-00100, Nairobi Telephone: +254709434900 Email: info@momentumcredit.co.ke & cx@momentumcredit.co.ke Physical Address: International House, 9th Floor, Mama Ngina Street, Nairobi Date Licensed: October 1, 2024
76.	Moneza Ltd Postal Address: P.O. Box 45660-0000, Nairobi Telephone: +254721779662 Email: info@moneza.co.ke Physical Address: Avocado Towers, Muthithi Road, Westlands Date Licensed: June 5, 2025

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
77.	Mwanzo Credit Limited Postal Address: P.O. Box 759-00241, Nairobi Telephone: +254729670100 Email: infomwanzocreditltd@gmail.com Physical Address: Newton House, 3 rd Floor, Deliverance Road, Nairobi-Namanga. Date Licensed: September 19, 2022
78.	Mycredit Limited Postal Address: P.O. Box 21798 – 00100, Nairobi Telephone: +254711349805 Email: info@mycredit.co.ke Physical Address: ABSA Towers, 11 th Floor, Loita Street, Nairobi Date Licensed: January 30, 2023
79.	MyWagepay Limited Postal Address: P.O. Box 43844-00200, Nairobi Telephone: +254709549019 Email: ceo@mywagepay.com ; Physical Address: Thika Road, Room 503C, Astrol Building (Opp Garden City), Nairobi Date Licensed: September 19, 2022
80.	Natal Tech Limited Postal Address: P.O. Box 2145, Thika Telephone: +254703766079 Email: nataltechltd@gmail.com Physical Address: Harmony Street, Kenol Sagana Highway Date Licensed: January 30, 2023
81.	Nawiri African Sprouts Ltd trading as Fast Credit Postal Address: P.O. BOX 34615-00100, Nairobi Telephone: +254721177402 Email: info@nas.co.ke Physical Address: Karuna Road, Westlands, Western Heights building, 5 th Floor Date Licensed: June 5, 2025
82.	Newark Frontiers Limited Postal Address: P.O. Box 34615-00100, Nairobi Telephone: +254 739911020 Email: info@newarkfrontiers.co.ke Physical Address: Karen-End, off Dagoretti Road, Dagoretti/ Mutuini/1356 Date Licensed: June 5, 2025
83.	Ngao Credit Limited Postal Address: P.O. Box 60776 – 00200, Nairobi Telephone: +254709650000 Email: info@ngaocredit.com Physical Address: 4th Floor, Morning Side Office Park, Ngong Rd, Nairobi Date Licensed: January 30, 2023

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
84.	Numida Technologies Kenya Limited Postal Address: P.O. Box 22602 -00100, Nairobi Telephone: + 254704454031 Email: Info@numidatech.com Physical Address: Floor 2 - The Mvuli Building, Mvuli Road, Westlands, Nairobi, Kenya Date Licensed: June 5, 2025
85.	ODI Credit Limited Postal Address: P.O. Box 16758 – 00620, Nairobi Telephone: +254709183808/+254788180355 Email: info@hazini.com Physical Address: Kalson Towers, 7th Floor (left wing), Crescent Road, Nairobi Date Licensed: October 1, 2024
86.	Okolea International Limited Postal Address: P.O Box 41316 - 00100, Nairobi Telephone: +254742532281 Email: info@okolea-international.com / okoleaint16@gmail.com Physical Address: 1 st Floor, Venus Complex, Office No. 4111, Northern Bypass, Nairobi Date Licensed: March 27, 2023
87.	Opal Quick Limited Postal Address: P.O Box 671-60400, Chuka Telephone: +254722790234 / +254115990652 Email: support@opalquick.co.ke Physical Address: Twin Plaza Building, Opposite Magunas Supermarket, Meru Town Date Licensed: October 1, 2024
88.	Payablu Credit Limited Postal Address: P.O. Box 610-00518, Nairobi Telephone: +254742066421 Email: payablucardcreditlimited@gmail.com Physical Address: 2 nd floor, Ntashart plaza formerly Elysee Plaza, Kilimani, Near Adams Arcade, Kilimani Road, off Ngong Road Date Licensed: June 27, 2024
89.	Pesaglow Capital Limited Postal Address: P.O. Box 73740 – 00200, Nairobi Telephone: +254717522512 Email: pesaglowcapital@gmail.com Physical Address: Kitengela, Derrick House, 2 nd floor, D1, Nairobi Date Licensed: October 1, 2024
90.	Pesakuu Credit Limited Postal Address: P.O. Box 30784 – 00100, Nairobi Telephone: +254112020926 Email: iziloan1@gmail.com Physical Address: The Address, 7 th Floor, Westlands, off Waiyaki Way, Muthangari Drive, Nairobi Date Licensed: October 1, 2024

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
91.	Pezesha Africa Limited Postal Address: P.O. Box 22986 – 00505, Nairobi Telephone: +254755768547 Email: hello@pezesha.com cc: hilda@pezesha.com Physical Address: 7 th Floor Rainbow Towers, Muthithi Road, Westlands, Nairobi Date Licensed: January 30, 2023
92.	Phoenix Capital Limited Postal Address: P.O. Box 26801-00100, Nairobi Telephone: 0747100102 Email: admin@phoenixcapital.co.ke Physical Address: The Arch Place 8 th Floor, Nyangumi Road, Nairobi Date Licensed: October 1, 2024
93.	Pi Capital Limited Postal Address: P.O. Box 54489, City Square, Nairobi Telephone: +254759808086/+254759808080 Email: info@bayes.co.ke Physical Address: 5 th Floor, Mitsumi Business Park, Muthithi Road, Westlands, Nairobi Date Licensed: March 6, 2024
94.	Premier Credit Limited Postal Address: P.O. Box 21256 - 00100, Nairobi Telephone: +254730812000/+254709176 000 Email: info@premiergroup.co.ke Physical Address: Nginyo Towers 5 th Floor, Koinange Street, Nairobi Date Licensed: October 1, 2024
95.	Progressive Credit Limited Postal Address: P.O. Box 64036-00640, Nairobi Telephone: 0730669811 Email: info@progressivecr.com Physical Location: 7 th Floor, Flamingo Towers, Mara Road, Nairobi Date Licensed: June 27, 2024
96.	Puphik Credit Limited Postal Address: P.O. Box 1238 – 20200, Kericho Telephone: +254714262211 Email: info@puphikcredit.com ; puphikcredit@gmail.com Physical Address: Kosal Plaza, 2 nd Floor, Kipchamba Street, Bomet Date Licensed: October 1, 2024
97.	Radi Credit Limited Postal Address: P.O. Box 51191, GPO, Nairobi Telephone: +254114480972 Email: support@radicredit.com Physical Address: Plot No. Two Zero Nine, Commodore Offices, Ngong Road, Kindaruma Lane, Nairobi Date Licensed: October 1, 2024
98.	Rewot Ciro Limited Postal Address: P.O. Box 15073 – 00400, Tom Mboya Street, Nairobi Telephone: +254715464554 Email: info@rewotciro.co.ke / rewotafrika@gmail.com Physical Address: Keekorok Building, Keekorok Road, Nairobi Date Licensed: September 19, 2022

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
99.	Risine Credit Limited Postal Address: P.O. Box 25347 – 00603, GPO, Nairobi Telephone: +254793362676 Email: risinecredit@gmail.com Physical Address: Ikigai office Ninety JGO, James Gichuru Road, Nairobi Date Licensed: March 27, 2023
100.	Senti Capital Limited Postal Address: P.O. Box 1146-00606, Nairobi Telephone: 0709332000/0712517910 Email: info@senti.co.ke Physical Address: Stellato Complex, 4th Floor, Muthithi Road, Westlands, Nairobi Date Licensed: March 6, 2024
101.	Sevi Innovation Limited Postal Address: P.O. Box 41987 – 00100, Nairobi Telephone: +254111560376 Email: partner@sevi.io Physical Address: L.R. No. 10119/4, Trio Complex, Room 311, Off Exit 7, Thika Road, Nairobi Date Licensed: September 19, 2022
102.	Simbageld Ltd Postal Address: P.O. O. BOX 23030-00100, Nairobi Telephone: 0712 844 019 / 0742 724 031 Email: info@simbageld.com / applications@simbageld.com Physical Address: Parkside Hotel Building, Monrovia Street, Nairobi. Date Licensed: June 5, 2025
103.	Simplepay Capital Limited Postal Address: P.O. Box 39324 – 00623, Nairobi Telephone: +254 798 198 531, +254 700 467 730, +254 787 467 730 Email: info@simplepay.capital Physical Address: Office 902, 9 th floor, Website Tower, Lower Kabete Road, Nairobi Date Licensed: October 1, 2024
104.	Sipranda Capital Ltd Postal Address: P.O. Box 420 – 00521, Nairobi Telephone: 0709002700/ 0706221221 Email: info@siprandacapital.com Physical Address: Upper Hill, Kiambere Road, Cassia Court, Wing C Date Licensed: June 5, 2025
105.	Siti Mobility Technologies Limited Postal Address: P.O. Box 34850 – 00100, Nairobi Telephone: +254720384396 Email: info@sitimobility.com Physical Address: 10 th Floor, East Wing, Riverside Square, Riverside Drive, Westlands, Nairobi Date Licensed: October 1, 2024
106.	Sokohela Limited Postal Address: P.O. Box 34-00502, Nairobi Telephone: +254728915511 Email: business@sokohela.com Physical Address: Rivonia House, 2 nd Floor, Naivasha Road, Nairobi Date Licensed: September 19, 2022

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
107.	Spectrum Credit Ltd Postal Address: P.O. Box 25597 -00504, Nairobi Telephone: 0722802157 Email: info@swiftcapitaltd.com Physical Address: Kindaruma Road, Commodore Office Suites Date Licensed: June 5, 2025
108.	Spread Capital Ltd Postal Address: P.O. Box 9080 – 00100, Nairobi Telephone: 0712336666/0705179599 Email: info@spreadcapital.co.ke or info.spreadcapital@gmail.com Physical Address: Yala Towers, Koinange/Biashara Street Date Licensed: June 5, 2025
109.	Steadfast Credit Ltd Postal Address: P.O BOX 15682-00503, Nairobi Telephone: +254 101180531 Email: info@steadfastcredit.co.ke Physical Address: 3 rd Floor, Kimson Plaza, off Eastern Bypass, Utawala Area, Nairobi County Date Licensed: June 5, 2025
110.	Stride Credit Limited Postal Address: P. O. Box. 1604-60200, Meru Telephone: +254715982342 Email: stridecreditltd@gmail.com Physical Address: Twin Plaza, Ghana Street, Meru Town Date Licensed: June 27, 2024
111.	Sure Cred Capital Limited Postal Address: P.O. Box 1466 – 00618, Nairobi Telephone: +254708233824/0708588458 Email: surecredltd@gmail.com Physical Address: Aztec Business Park, Baba Dogo Road, Ruaraka, Nairobi Date Licensed: October 1, 2024
112.	Tanir Credit & Accounting Services Limited Postal Address: P.O. Box 1255-00232, Ruiru Telephone: +254723585651 Email: tanirltd@gmail.com , info@tanirltd.co.ke Physical Address: Kahawa Sukari, Kenversity Sacco Building, 4 th Floor Suite 4B Date Licensed: October 1, 2024
113.	Tenakata Enterprises Limited Postal Address: P.O. Box 21605 – 00505, Nairobi Telephone: 0722902424 Email: info@tenakata.com Physical Address: 3 rd Floor, Utumishi House, Mamlaka Road, Nairobi Date Licensed: January 30, 2023
114.	Tentacorp Holdings Limited Postal Address: P.O. Box 12460-00100, Nairobi Telephone: +254706167167 Email: tentacorpholdings@gmail.com Physical Address: Eureka Condominiums, Joseph Kang'ethe Road, Off Ngong Road Date Licensed: June 5, 2025

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NO.	APPENDIX XX: DIRECTORY OF DIGITAL CREDIT PROVIDERS
115.	Tinycost Credit Kenya Limited Postal Address: P.O BOX 1202-00600, Nairobi Telephone: +254793786756 Email: help@tinycostcredit.co.ke Physical Address: Bhuva Godowns, Ruiru Bypass Kiambu, Industrial Lane, Ruiru Date Licensed: June 5, 2025
116.	Tip-Point Capital Limited Postal Address: P.O. Box 1050 – 00520, Nairobi Telephone: +254700050010/+254711019700 Email: info@tippointcapital.com Physical Address: Sifa Towers, 2nd Floor 2C, Nairobi Date Licensed: October 1, 2024
117.	Treasure Store Limited Postal Address: P.O. Box 69983 – 00400, Nairobi Telephone: +254724256039 / +254114405337 Email: nahashon.maina@sot.co.ke Physical Address: Nyaku House, Hurlingham 2 nd Floor Room F2 - 10. Argwings Kodhek Groove Date Licensed: October 1, 2024
118.	UbaPesa Limited Postal Address: P. O. Box 22745 – 00100, Nairobi Telephone: +254709693000 Email: info@upabesa.com / ubapesa.ke@gmail.com Physical Address: Golf View Office Suites – Wambui Road, Muthaiga, Nairobi Date Licensed: March 6, 2024
119.	Umoja Fanisi Limited Postal Address: P.O. Box 44165 – 00100, Nairobi Telephone: +254796250881 Email: info@umojafanisilimited.com Physical Address: Umoja Fanisi House, Mbaazi Road, Off Kingara Road, Lavington, Nairobi Date Licensed: January 30, 2023
120.	Unifi Credit Limited Postal Address: P.O. Box 1570 – 00606, Nairobi Telephone: +254205014065 Email: admin@ke.unifi.credit Physical Address: The Citadel Building, 1 st floor, 50 Muthithi Road, Westlands, Nairobi, Kenya Date Licensed: June 5, 2025
121.	Wabema Credit Ltd Postal Address: P.O. Box 9963 – 00100, Nairobi Telephone: 0720875930 Email: wabemacredit@gmail.com Physical Address: Wabema Plaza Mombasa Road Date Licensed: June 5, 2025

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122.	Watu Credit Ltd Postal Address: P.O. Box 46037-00100, Nairobi Telephone: 0790000999 Email: info@watuafrika.com Physical Address: Hill Park Building, Lower Hill Road, Upper Hill - Nairobi Date Licensed: June 5, 2025
123.	Zamaradi Capital & Credit Group Limited Postal Address: P.O Box 19737-00100, Nairobi Telephone: +254114409692 Email: zamaradicreditltd@gmail.com Physical Address: Ushuru Sacco Centre, Wood Avenue Kilimani, Nairobi, Kenya Date Licensed: June 5, 2025
124.	Zanifu Limited Postal Address: P.O. Box 66877- 00800, Nairobi Telephone: +254713023159 Email: legal@zanifu.com Physical Address: Kenrail Towers, 4th Floor, Mkungu Close, Nairobi Date Licensed: January 30, 2023
125.	Zenka Digital Limited Postal Address: P.O. Box 29107, 00100, Nairobi Telephone: +254112480254 /+254 20 7650878 Email: info@zenka.co.ke Physical Address: Mirage Tower, Tower 2, 12 th Floor, Waiyaki Way, Westlands, Nairobi Date Licensed: March 27, 2023
126.	Zillions Credit Limited Postal Address: P.O. Box 42564-00100, Nairobi Telephone: 0725013031 Email: info@zashloan.com Physical Address: Omega Business Park, Go Down 2, Baba Dogo, Nairobi Date Licensed: March 6, 2024

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APPENDIX XXI: DIRECTORY OF FOREIGN EXCHANGE BUREAUS			
No.	Name of Bureau	Location	E-mail Address, Fax & Telephone
1.	Alpha Forex Bureau Ltd P.O. Box 476 - 00606 Nairobi	Pamstech House Woodvale Grove Westlands, Nairobi	alphaforexbureau@hotmail.com Fax: 254-2-4451436 Tel: 020-4451435/7
2.	Aristocrats Forex Bureau Ltd P.O. Box 10884 - 00400 Nairobi	Rosslyn Riviera Mall, Limuru Road.	aristoforex@nbi.ispkenya.com ; aristocratsforex@gmail.com Fax: 254-2-213794 Tel: 020-2228080
3.	Avenue Forex Bureau Ltd P.O. Box 1755 - 80100 Mombasa	Motor Mart Building, Moi Avenue, Mombasa	avenueforex@gmail.com ; info@avenueforex.com Tel: 041-2319749/50
4.	Bamburi Forex Bureau Ltd P.O. Box 97803 - 80102 Mombasa	City Mall Nakumatt Nyali, Mombasa - Malindi Road	bamburiforex@hotmail.com Fax: 254-41-5486948 Tel: 041-4477004, 0722-412649/ 0733-466729
5.	Bay Forex Bureau (Nairobi) Ltd P.O. Box 46154 - 00100 Nairobi	280 Annex Building, Eastleigh, Nairobi	bayforex@yahoo.com Fax: 254-2-229665/248676 Tel: 0704482421/0700510000
6.	Boston Forex Bureau Ltd P.O. Box 11076 - 00400 Nairobi	Ameer Centre, Westlands, Nairobi	mariosshah_101@hotmail.com Tel: 020-5249664/ 0732622429/ 0702022429
7.	Carrington Forex Bureau Ltd P.O. Box 61029 - 00200 Nairobi	Maa Hotel, Jabavu Road, Nairobi	carringtonforex@gmail.com Tel: 0706267257
8.	CBD Forex Bureau Ltd P. O. Box 30840 - 00100 Nairobi	Sound Plaza, Woodvale Groove, Nairobi	cbdforex@gmail.com Fax: 254-2-318895 Tel: 020 - 316123/2250853
9.	Central Forex Bureau Ltd P.O. Box 43966 - 00100 Nairobi	I. P. S. Building, Ground Floor, Kaunda Street, Nairobi	centralforex2012@gmail.com Fax: 254-2-249016 Tel: 020-317217/2226777
10.	Classic Forex Bureau Ltd P.O. Box 76694 - 00508 Nairobi	Prestige Plaza, 1st Floor, Ngong Road, Nairobi	info@classicforex.co.ke Fax No. 3862346 Tel: 020-3862343/4
11.	Colors Forex Bureau Ltd P.O. Box 105482 - 00101 Nairobi	Ecobank Towers, Kaunda Street, Nairobi	aillasode1976@gmail.com Tel: 0719333322
12.	Commercial Forex Bureau Ltd P.O. Box 47452 - 00100 Nairobi	KCS House, Mama Ngina Street, Nairobi	info@commercialforex.co.ke Tel. 020-2210307/8
13.	Conference Forex Bureau Company Ltd P.O. Box 32268 - 00600 Nairobi	KICC, Ground Flour, Harambee Avenue, Nairobi	cfbltd@akarim.net Fax: 254-2-224126 Tel. 020-2219677, 2219518, 2219069

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No.	Name of Bureau	Location	E-mail Address, Fax & Telephone
14.	Continental Forex Bureau Ltd P.O. Box 49580 - 00400 Nairobi	Old Mutual Building, Ground Floor, Kimathi Street, Nairobi	continentalforex@yahoo.com Fax: 254 2-216163 Tel: 020-5101078
15.	Cosmos Forex Bureau Ltd P.O. Box 10284 - 00100 Nairobi	Rehema House, Ground Floor, Standard/Kaunda Street, Nairobi	cosmosforex@yahoo.com Fax: 254-2-250591 Tel: 020-2250582/5, 0701666622
16.	Crystal Forex Bureau Limited P.O. Box 104021 – 001010 Nairobi	EcoBank Westminster House, Standard Street, Nairobi	info@crystalforexbureau.com Tel: 0748111333, 0748111444
17.	Dayliff Forex Bureau Ltd P.O. Box 41762 - 00100 NAIROBI	Dayliff & Shirtliff Building, Dundori Road, Industrial Area, Nairobi	legal@dayliff.com Tel: 0711079000
18.	Electron Forex Bureau Limited P.O. Box 2466 – 00100 Nairobi	Prudential Assurance Building, Nairobi	electronforex1@gmail.com Tel: 070270929, 0713105944, 0768804444
19.	Fesaki Bureau De Change Limited P.O. Box 23008 – 00505 Nairobi	Adlife Plaza, Kilimani	info@fesakiforex.com Tel: 0742202040, 0752101020, 0799775658
20.	Forex Bureau Afro Ltd P.O. Box 14353 - 00800 Nairobi	Jamia Plaza Kigali Street Nairobi	forexafro@gmail.com Fax: 254-2-2251078 Tel: 020-2222950/ 2250676/222950
21.	Gateway Forex Bureau Ltd P.O. Box 11500 - 00100 Nairobi	Town House, Kaunda Street, Nairobi	info@gatewayforex.co.ke Fax: 254-20-2212942 Tel: 020-2212945/55
22.	Giant Forex Bureau de Change Ltd P.O. Box 56947 - 00200 Nairobi	Terminal 1A, Jomo Kenyatta International Airport, Nairobi	giantforex@mitsuminet.com Fax: 254-2-825327 Tel: 020-2680516
23.	Give and Take Forex Bureau Ltd P.O. Box 51463 - 00200 Nairobi	China Garden, United Nations Avenue, Nairobi	info@giventakeforex.co.ke Fax: 254-2-7120046 Tel: 020-3562152/0738157274
24.	Glory Foreign Exchange Bureau Ltd P.O. Box 42909 - 00100 Nairobi	Norwich Union House Kimathi Street, Nairobi	gloryforex@yahoo.com Fax: 254-2-245614 Tel: 020-2244333/ 2241164/2243115
25.	GNK Forex Bureau Ltd P.O. Box 14297 - 00100 Nairobi	The Great Jubilee Shopping Centre, Ground Floor, Langata Road, Nairobi	gnkforex@swiftkenya.com Fax: 254-2-892266 Tel: 020-890303/2461598

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No.	Name of Bureau	Location	E-mail Address, Fax & Telephone
26.	Green Exchange Forex Bureau Ltd P.O. Box 20809 - 00100 Nairobi	Emperor Plaza, Ground Floor, Koinange Street, Nairobi	greenexchangeforexbureau@hotmail.com Fax: 254-2-2214550 Tel: 020-2214547/8/9
27.	Industrial Area Forex Bureau Ltd P.O. Box 45746 - 00100 Nairobi	Diamond Plaza, Parklands, Nairobi.	indafx@gmail.com Fax: 254-2-551186 Tel: 020-3755456/0711768786
28.	Island Forex Bureau Ltd P.O. Box 84300- 80100 Mombasa	Abdulrasul Inst. Building, Makadara Road, Moi Avenue, Mombasa	islandforex@hotmail.com Fax: 254-41-2227057 Tel: 041-2223988/ 2229626
29.	Kaitmatt Forex Bureau Ltd P.O. Box 102330- 00101 Nairobi	Uniafric House, Koinange Lane, Nairobi	kaitmatfx@gmail.com Tel: 0728392225
30.	Karama Forex Bureau Ltd P.O. Box 12544 - 00100 Nairobi	Uhuru Highway Mall, located along the Uhuru Highway	karamalimited2020@gmail.com Tel: 020-2020134
31.	Kenza Exchange Bureau Ltd P.O. Box 21819 - 00400 Nairobi	Jomo Kenyatta International Airport, Arrival Unit 1 Nairobi	okambua@gmail.com ; rokora@yahoo.com Tel: 0710320345, 0735320345
32.	Kifarufx Bureau Limited P.O. Box 14433-00100 Nairobi	Ground Floor, Regal Plaza, Parklands, along Limuru Road.	kifarufxb@gmail.com ; timz_77@yahoo.com Tel: 0728581255, 0733903024
33.	Kings Cross Bureau De Change Ltd P.O. Box 887-00200 Nairobi	Town House, Kaunda Street, Ground Floor, Nairobi.	mohammed@kcccurrencies.com ; mohammed@siyadcommerce.com Tel: 0797630627
34.	La'che Forex Bureau Ltd P.O. Box 13464 - 00800 Nairobi	Mirage Towers, Chiromo Road, Nairobi.	lachekenya@gmail.com Fax: 254-2-2733485 Tel: 020-2221305/6
35.	Leo Forex Bureau Ltd P.O. Box 3073 - 80100 Mombasa	T. S. S. Towers Nkrumah Road, Mombasa	info@leoforex.com Fax: 254-41-230399 Tel: 041-2230396/7/8; 2230399
36.	Link Forex Bureau Ltd P.O. Box 11659 - 00400 Nairobi	Uganda House – Arcade, Kenyatta Avenue, Nairobi	Link-forex@yahoo.com Fax: 254-2-213620 Tel: 0734542903
37.	Magnum Forex Bureau De Change Ltd P.O. Box 46434 - 00100 Nairobi	Southfield Mall, Airport North Road, Nairobi	magnumkenya@gmail.com Tel: 652532/0732736575

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No.	Name of Bureau	Location	E-mail Address, Fax & Telephone
38.	Manifest Forex Bureau Ltd P.O. BOX 73860 - 00100 NAIROBI	Terminal 1E at the Jomo Kenyatta International Airport (JKIA)	manifestforexbureau@gmail.com Tel: 0724776887
39.	Maritime Forex Bureau Ltd P.O. Box 43296 - 80100 Mombasa	Hassanali Building, Nkrumah Road, Mombasa	info@maritimeforex.com Fax: 254-41-2319178 Tel: 041- 319175/6/7/ 0734244644
40.	Middletown Forex Bureau Ltd P.O. Box 41830 – 00100 Nairobi	Westminister House Kaunda Street Nairobi	mtforex@iconnect.co.ke Fax: 254-2-332534 Tel: 2211227/2211798
41.	Midway Forex Bureau Ltd P.O. Box 47-00610 Nairobi	Kilimani Retail Centre, Ground Floor, Nairobi	midwayforex55@gmail.com Tel: 0729990512
42.	Mona Bureau De Change Ltd P.O. Box 46180 – 00100 Nairobi	Panari Centre, Mombasa Road Nairobi	monaraj@ymail.com Fax: 254-2-828113 Tel: 020-828111/2, 0733744348
43.	Moneypoint Forex Bureau Ltd P. O. Box 3338 - 00100 Nairobi	Immigrations Department, Customs Yard Busia	moneypointforex@gmail.com Fax: 254-20-2211342 Tel No. 0720393049
44.	Morgan Forex Bureau De Change Ltd P.O. Box 79012 – 00400 Nairobi	Kipro Centre, Sports Street, Westlands, Nairobi	morgankenya@gmail.com Fax: 254 -2-4444074 Tel: 020-4444072/3
45.	Mustaqbal Forex Bureau Ltd P.O. Box 100972 – 00100 Nairobi	Green House Mall, Ngong Road, Nairobi.	mustaqbalforex@yahoo.com Tel: 0716644644
46.	Muthaiga-ABC Forex Bureau Ltd P.O. Box 63533 – 00619,	Triad Building, Muthaiga Road, Nairobi	mfbfx@mafgroup.com ; adminoffice@mafgroup.com Tel: 020-2135761 Cell: 0721/0736 - 123456
47.	Nairobi Bureau De Change Ltd P.O. Box 644 – 00624, Village Mkt, Nairobi	Unit 2 Jomo Kenyatta International Airport, Nairobi	info@nairobiibureau.com Fax: 254-2-241307 Tel: 020-822158
48.	Namanga Forex Bureau Ltd P. O. Box 12577 – 00100 Nairobi	Immigration Building, Namanga Town	namangaforexbureaubranch@gmail.com Tel: 0721466737/0732412157
49.	Naseeb Forex Bureau Ltd P.O. Box 1234 – 00100 Nairobi	Momosa Enterprises Ltd, Ole Shapara Road, Nairobi	naseebforexbureaulimited@gmail.com Tel: 0722114682
50.	Nawal Forex Bureau Ltd P.O. Box 10715 – 00100 Nairobi	Chaka Place, Chaka Road, Nairobi	nawalforexbureau@yahoo.com Fax: 254-2-272011 Tel: 2720111/0720242578

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No.	Name of Bureau	Location	E-mail Address, Fax & Telephone
51.	North Wing Forex Bureau Ltd P.O. Box 76571 – 00508 Nairobi	Gigiri Box UN Avenue, Nairobi.	info@northwingfb.co.ke Tel: 0722990090/0799920608
52.	Offshore Forex Bureau Ltd P.O. Box 26650 – 00100 Nairobi	Cianda House, Ground Floor, Koinange Street, Nairobi	offshoreforex@hotmail.com Fax: 254-02-310839 Tel: 020-310837/8
53.	Pacific Forex Bureau Ltd P.O. Box 24273 – 00100 Nairobi	Lonhro House, Standard Street, Nairobi	pacific@sahannet.com ; pacificbc@yahoo.com Tel. 020-5100940/310882
54.	Panther Forex Bureau Ltd P.O. Box 786-70100 Nairobi	Shujaa Mall Kilimani, Nairobi.	pantherforexbureauLtd@gmail.com Tel: 0746556719
55.	Peaktop Bureau De Change Ltd P.O. Box 13074 - 00100 Nairobi	20th Century, Mama Ngina/Kaunda Streets, Nairobi	info@peaktop.co.ke ; peaktopbureau@gmail.com Fax: 254-2-210210 Tel: 020-254371/0722332518
56.	Pearl Forex Bureau Ltd P.O. Box 58059 – 00200 Nairobi	Hurlingham Shopping Centre, Unipen Flats, Nairobi	pearlforex@rocketmail.com Fax: 254-2-2724770 Tel: 2724769/ 2724778
57.	Pel Forex Bureau Ltd P.O. Box 957 - 40100 Kisumu	Allmamra Plaza Oginga Odinga Road, Kisumu	41472pelforex@gmail.com Fax: 254-57-2022495 Tel: 057-2024134/2044425
58.	Planet Forex Bureau Ltd P.O. Box 47964-00100 Nairobi	Lonhro House, Kaunda Street, Nairobi	planetforexbureau@gmail.com Tel: 0795150512
59.	Pwani Forex Bureau Ltd P.O. Box 87200 - 80100 Mombasa	Mombasa Block 404 XV11/M1 Abdel Nasser	pwani forex@yahoo.com Fax: 254-41-2221870 Tel: 041-2221727/2221734/ 2221845
60.	Rand Forex Bureau Ltd P.O. Box 30923 - 00100 Nairobi	The Waterfront Mall, Karen, Nairobi	info@randforex.co.ke Tel: 0722200815
61.	Regional Forex Bureau Ltd P.O. Box 634 – 00100, Nairobi	Kimathi House, Kimathi Street, Nairobi	regionalfx@gmail.com Fax: 254-20-312296 Tel. 020-3311953
62.	Rift Valley Forex Bureau Ltd P.O. Box 12165 Nakuru	Merica Hotel Building, Court Road, Nakuru	rftvalleyforex@yahoo.com Tel: 051-2212495/2210174
63.	Saheen Bureau De Change Ltd P.O. Box 16733-80100 Mombasa	Buzeki Building, Liwatoni Road, Ganjoni, Mombasa.	saheenbureaudechange@gmail.com Tel: 0724484898
64.	Satellite Forex Bureau Ltd P.O. Box 43617- 00100 Nairobi	City House, Standard Street, Nairobi	satelliteforexbureauLtd2@hotmail.com Fax: 254-20-230630 Tel: 2218140/1, 0721411300

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APPENDIX XXI: DIRECTORY OF FOREIGN EXCHANGE BUREAUS			
No.	Name of Bureau	Location	E-mail Address, Fax & Telephone
65.	Simba Forex Bureau Ltd P.O. Box 66886 – 00800 Nairobi	Moi International Airport, Mombasa	simbaforexmombasa@gmail.com Fax No: 020 – 4443706 Tel. 020-445995, 0723598662
66.	Sisi Forex Bureau Ltd P.O. Box 60770 - 00200 Nairobi	Agip House, Haile Selasie Avenue, Nairobi	sisiforex@sisi.co.ke Tel: 2445846/0722382995
67.	Sky Forex Bureau Ltd P. O. Box 26150 - 00100 Nairobi	20th Century, Mama Ngina/ Kaunda Street, Nairobi	info@skyforexbureau.com Fax No. 020-2242064 Tel: 020-2242062/3
68.	Solid Exchange Bureau Ltd P.O. Box 19257- 00501 Nairobi	Jomo Kenyatta International Airport -Unit 2, Nairobi	solidexchangebureau@yahoo.com Fax: 254-2-822923 Tel: 822922/0722853769
69.	Southend Forex Bureau Ltd P.O. Box 3321 - 00506 Nairobi	Freedom Heights Mall, Langata Road, Nairobi	southendforexbureaultd@gmail.com Tel: 0722844598, 0719806999
70.	Springs Forex Bureau Ltd P.O. Box 15913 - 00100 Nairobi	Medina Mall, Ground Floor, Eastleigh, Nairobi.	springsforex@gmail.com Tel: 0711796625
71.	Sterling Forex Bureau Ltd P.O. Box 43673 - 00200 Nairobi	Laxmi Plaza, Biashara Street, Nairobi	info@sterlingforexbureau.com Fax: 254-2-330894 Tel: 2228923/340624
72.	The Palm Forex Bureau Ltd P.O. Box 1703 – 00100 Nairobi	Caxton House, Ground Floor, Kenyatta Avenue	thepalmforex@gmail.com Tel: 0727111450
73.	Trade Bureau De Change Ltd P.O. Box 102214 - 00101 Nairobi	St. Eliss House, City Hallway, Nairobi	tradebureau1@gmail.com Fax: 254-2-317759 Tel: 020-8000700/0715518999
74.	Travellers Forex Bureau Ltd P. O. Box 13580 - 00800 Nairobi	The Mall, Ring Road Westlands, Nairobi	bmawjee@hotmail.com Fax: 254-2-443859 Tel: 020-447204/5/6
75.	Travel Point Forex Bureau Ltd P.O. Box 75901 - 00200 Nairobi	Jomo Kenyatta International Airport, International Arrivals Terminal, Nairobi	info@travelpoint.com Fax: 254-2-827872 Tel: 020-2532065/2306479
76.	Union Forex Bureau Ltd P.O. Box 430- 00606 Nairobi	Sarit Centre, Lower Kabete Road, Westlands, Nairobi	unionforex@hotmail.com Fax: 254-2-4441855 Tel: 020-4441855/ 4448327/4447618
77.	Victoria Forex Bureau De Change Ltd P.O. Box 705 - 40100 Kisumu	Sansora Building, Central Square, Kisumu	victoriaforex@yahoo.com Fax: 254-57-202536 Tel 057-2025626/2021134/ 2023809

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No.	Name of Bureau	Location	E-mail Address, Fax & Telephone
78.	View Forex Bureau Ltd P.O. Box 1428 - 00610 Nairobi	Postbank House, Market street, Nairobi	mohamudhaji28@gmail.com Tel: 0729232380
79.	Wallstreet Bureau De Change Ltd P.O. Box 6841- 30100 Eldoret	Bargetuny Plaza, Uganda Road, Eldoret	wallstreet756@gmail.com Fax: 254- 53-2062907 Tel: 053-2062907/0733665555
80.	Westlands Forex Bureau Exchange Ltd P.O. Box 45746 - 00100 Nairobi	Westgate Mall, Nairobi	info@westforex.co.ke Tel: 020-4442385/6
81.	Yaya Centre Exchange Bureau Ltd P.O. Box 76302 - 00508 Nairobi	Yaya Centre Towers, Argwings Kodhek Road, Nairobi	info@yayaforex.co.ke Fax: 254-2-3870869 Tel: 020-3862881/0722349746

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APPENDIX XXII: DIRECTORY OF MONEY REMITTANCE PROVIDERS			
No.	Name of MRP	Location/CEO	E-mail Address & Telephone
1.	Airtel Money Transfer Ltd P.O. Box 73146 – 00200 Nairobi	Parkside Towers, Mombasa Road, Nairobi	corporatecommunications@ke.airtel.com Tel: 0734110000
2.	Afrisend Money Transfer Ltd P.O. Box 1145 – 00606 Nairobi	Stellato Mall, Muthithi Road, Westlands, Nairobi.	info@afrisend.com Tel: 0111050640
3.	Amal Express Money Transfer Ltd P.O. Box 3165 – 00100 Nairobi	Amal Plaza, 1st Avenue, 6th Street, Eastleigh, Nairobi	info@amalexpress.co.ke Tel:+254722878597/ 0723281122
4.	Amana Money Transfer Ltd P.O. Box 68578 – 00622 Nairobi	Amana Shopping Complex, Captain Mungai Street, Eastleigh, Nairobi	Amanamnytransfer@gmail.com Amanaforex@hotmail.com Tel: 0722553725/ 0720939325
5.	Bakaal Express Money Transfer Ltd P.O. Box 71248 – 00610 Nairobi	AMCO Shopping Complex, 2nd Floor, 1st Avenue, 6th Street, Eastleigh, Nairobi	Nbiinfo@bakaal.com Tel: 020-2394513 / 0717399039
6.	Cashia Money Remittance Ltd P.O. Box 2883 - 00606 Nairobi	Empress Office Suites 4th Floor, Jalaram Road, Parklands, Nairobi	info@cashia.com Tel: 011777777
7.	Dahabshill Money Transfer Company Limited P.O. Box 68991 – 00622 Nairobi	20th Century Building, Standard Street, Nairobi.	Ken.dmtc@dahabshiil.com Tel: 020-2222728/9 / 0720169999
8.	Flex Money Transfer Limited P.O. Box 23786-00100 Nairobi	Green House, Adams Arcade, Ngong Road, Nairobi	info@flex-money.com Tel: 020-3861100/ 0715919391
9.	Gala Money Transfer Ltd P. O. BOX 35021 - 00100 Nairobi	20th Century Plaza Mama Ngina Street Nairobi CEO: Ibrahim Adan Abdullahi	galaforexbureau@gmail.com Tel: 0717729772
10.	Hodan Global Money Remittance & Exchange P.O. Box 68811 – 00622 Nairobi	Portal Place Building, Muindi Mbingu Street, Nairobi	Info@hodanglobal.net hodanforex2008@hotmail.com Tel: 020-2084862
11.	Iftin Express Money Transfer Limited P.O. Box 100184 – 00101 Nairobi	Portal Place Building, Muindi Mbingu Street, Nairobi	Iftinforex@gmail.com Tel: 020-2629818 / 0713105944

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No.	Name of MRP	Location/CEO	E-mail Address & Telephone
12.	Juba Express Money Transfer Limited P.O. Box 16567 – 00100 Nairobi	Hamilton House, Kaunda Street, Nairobi CEO: Fardosa Abubakar Maalim	Info@jubaexpress.co.ke Tel: 020-2240540, 0727699669 / 0772699669
13.	Junction Forex and Money Remittance Ltd P.O. Box 43888 – 00100 Nairobi	Junction Mall, Ngong Road	junctionforexbureaultd@yahoo.com Tel: 020-3861268/9, 0725852840
14.	Kaah Express Money Transfer Limited P.O. Box 10327 – 00400 Nairobi	Nairobi- 2nd Avenue, 8th Street, Eastleigh. Posta road in Garissa.	Kaahexpress.kenya@gmail.com Tel: 020-6767494/604 / 0724710153
15.	Laeken Money Transfer Ltd P.O. Box 22186 - 00100 Nairobi	Lana Plaza, Unit 6 Ground Floor, Oloitoktok Road, Kilimani, Nairobi	laekenmoneyt@gmail.com Tel: 0723993187, 0711336241
16.	Mukuru Money Transfer Ltd P. O. Box 764 – 00606 Sarit Centre, Nairobi	YTL Plaza, Ngara Road, Nairobi	Andre@mukuru.com Tel: 0736219056, 0708047188/9
17.	Real Value Money Transfer Limited P.O. Box 1607- 00610 Nairobi	Shariff Complex, Athumani Kipande Road off 5th Avenue, Eastleigh, Nairobi.	Realvaluemtransfer@gmail.com Tel: 0721297906
18.	Remitcore Money Transfer Ltd P.O. Box 15502–00503 Nairobi	Covo Square, 1st Floor-4A, Othaya Rd Lavington, Kenya	Info@remitcore.money Tel: 0759222333
19.	Safaricom Money Transfer Services Ltd P. O. Box 66827 – 00800 Nairobi	Safaricom House, Waiyaki Way, Westlands, Nairobi	Ceo@safaricom.co.ke Tel: 020-4273272, 0722003272 /0722000000
20.	Sunny Forex and Remittance Ltd P.O. BOX 34166 - 00100 Nairobi	Valley Arcade Mall, Gitanga Road, Nairobi	sunnyforexbureau@yahoo.com Tel: 020-2252013/252079
21.	Surfin Money Remittance Ltd P.O Box 43580-00100 Nairobi	Maralal Oasis Building, 3 rd Floor, Room 10, Argwings Kodhek Road, Nairobi	info@surfintransfer.com Tel: 0706823434, 0792536785
22.	Taaj Money Transfer Ltd P.O. Box 47583 – 00100 Nairobi	Shariff Complex, Kipande Athumani Street, Eastleigh, Nairobi	Globalfrx@gmail.com Tel: 020-2321972 / 0700420700 / 0732420777

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No.	Name of MRP	Location/CEO	E-mail Address & Telephone
23.	Tawakal Money Transfer Ltd P.O. Box 71623 – 00610 Nairobi Tel: 6766171, 0722146643	City House, Standard Street, Nairobi.	Info@tawakalmoneytransfer.com Tel: 020-6766171, 0722146643
24.	Terrapay Money Transfer Services (Kenya) Ltd P.O. Box 13574 – 00800 Nairobi	Pramukh Towers, 7th Floor, Westlands, Nairobi.	Contactus@terrapay.com Regulatory@terrapay.com Tel: 0763276464/254 0730178000
25.	Upesi Money Transfer Ltd P.O Box 60776-00200 Nairobi	3rd Floor Morningside Office Park, Ngong Road, Nairobi	Info@upesi.co.ke Tel:0726499656 / 0726500404
26.	Wapi Money Transfer Limited P. O. BOX 12248 - 00100 Nairobi	7th Floor, Westside, Lower Kabete Road, Westlands, Nairobi.	endichu@wapicapital.com pndichu@wapicapital.com Tel: 0711158256

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APPENDIX XXIII: DIRECTORY OF MORTGAGE REFINANCE COMPANIES

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| 1. | <p>Kenya Mortgage Refinance Company Plc
Chief Executive Officer: Mr. Johnstone Oltetia
Address: P.O. Box 15494 – 00100, Nairobi, Kenya
Telephone No.: +254 - 20 - 3862811/2
Mobile: +254 111 022 400
E-mail: info@kmrc.co.ke
Physical Address: UAP Old Mutual Tower, 27th Floor, Upperhill Road, Upperhill, Nairobi
Date Authorised: September 18, 2020</p> |
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Central Bank of Kenya

Haile Selassie Avenue P.O. Box 60000 - 00200 Nairobi | Tel: (+254) 20 - 286 0000 / 286 1000 / 286 3000

