



**CENTRAL BANK OF KENYA  
EUROMONEY KENYA CONFERENCE**

*Financial Inclusion 2.0: Expanding Kenya's Digital Financial Ecosystem*  
*Tuesday 9<sup>th</sup> May 2017*

Welcoming Remarks by  
Dr. Patrick Njoroge  
Governor of the Central Bank of Kenya

**Good Morning!**

1. It is my pleasure to warmly welcome all delegates to this inaugural Euromoney Kenya Conference. I am particularly pleased to extend a special welcome to those delegates who are visiting our country for the first time. I hope you will enjoy the excellent Kenyan hospitality, and that you will find time to visit our National Heritage sites within the city before you return to your respective countries.
2. I wish to salute the co-hosts of the Conference—Euromoney Conferences, and the Kenya Bankers Association. I also wish to acknowledge the other institutions that have sponsored and supported the conference: the co-sponsor, Kenya Commercial Bank; the Africa Regional Partner, African Development Bank Group; and the supporting organizations, Oracle and Integrated Payment Services Ltd. (IPSL).
3. The theme of this conference “*Financial Inclusion 2.0: Expanding Kenya's Digital Financial Ecosystem*” provides an excellent opportunity for the policymakers, thought leaders, bankers, investors, and entrepreneurs, all gathered here today as distinguished speakers and participants, to deliberate on the economic environment in Africa and the outlook for the financial sector. The sessions will also offer insights on the strategic challenges and opportunities facing digital finance in the region.

4. As is well recognized, Kenya has leveraged mobile phone technology and made remarkable strides in financial inclusion. A decade ago, Kenya was characterized by high poverty incidences and high levels of financial exclusion. With the adoption of mobile financial services and agency banking, among other innovations, financial access has increased from 26.7 percent in 2006 to 75.3 percent in 2016. While this is remarkable, the question at hand remains how to expand the digital financial services ecosystem beyond basic money transfer, savings, and micro-credit. We are equally aware that there are still barriers to financial access that hinder 17.4 percent of population from accessing the (formal or informal) financial system. Further, we very much recognize that financial access does not necessarily translate to better living standards—but a journey of a thousand miles starts with a single step.
5. For Kenya, current innovations have mainly addressed the issue of convenience of financial products and services to the general public. As a regulator in the financial sector, our focus now is to enhance the usage of the existing financial innovations as well as assessing the quality of the products and services offered to the consumers. This will ensure that other barriers to access such as affordability, and significance of the products and services are addressed. For any new innovation that seeks to penetrate the Kenyan market, our first concern is whether it will help bring the excluded population into the formal financial system. This would mean endorsing innovations that are adding value in the financial sector.
6. **Ladies and Gentlemen**, the future is bright with expectations and we have to face it with resolve. It is my hope that today's discussions will help point to solutions for some of the challenges in expanding the digital financial ecosystem. It is also my hope that the conference will provide a roadmap for the work ahead of us, especially in discerning and tapping into the existing opportunities. I look forward to interesting and lively discussions on how we can use the challenges and opportunities to enhance financial inclusion in both fintech and mobile communication in the region.

7. With these remarks, **Ladies and Gentlemen**, it is now my pleasure to welcome Hon. Henry Rotich, Cabinet Secretary to the National Treasury, to deliver the Keynote Address.