



## **CENTRAL BANK OF KENYA**

### **Breakfast Meeting of Chief Executive Officers of the Domestic Financial Sector on Financial Inclusion**

Kenya School of Monetary Studies (KSMS), Nairobi

**Welcoming Remarks by Prof. Robert Mudida**  
Director of Research, Central Bank of Kenya

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As Prepared for Delivery

The Cabinet Secretary, Ministry of Cooperatives and MSMEs  
The Governor, Central Bank of Kenya  
All the Chief Executive Officers Present  
Guests and Staff from CBK, KNBS and FSD Kenya  
Ladies and Gentlemen

#### **Good morning and a warm welcome!**

It is my great pleasure to welcome all of you to this Breakfast Meeting to exchange views on matters financial inclusion.

I wish to begin by expressing my sincere gratitude to the Cabinet Secretary, Ministry of Cooperatives and MSMEs for accepting our invitation and joining us this morning. This demonstrates strong partnership to carry everybody along on our vision for inclusive access to and usage of the financial sector services. In the same spirit, I also wish to thank each one of you for honouring our invitation to the meeting. We greatly appreciate your commitment in supporting Kenya's financial inclusion agenda. Lastly, ladies and gentlemen, I thank the leadership of CBK, KNBS and FSD Kenya for hosting this Meeting.

My responsibility this morning, ladies and gentlemen, is very simple, to welcome all of you to this beautiful environment for this very interesting Meeting. For those interacting with FinAccess surveys events for the first time, I wish to note that this first time we are having a high-level meeting convened to discuss milestones made in fostering inclusive finance. It therefore provides room to take stock of where we are coming from, where we are, and reflect on where we want to be, in this space.

Kenya has been undertaking FinAccess Surveys every 2-3 years to understand how our population have *access* to and *uses* financial services and products. In addition, sector-focussed reports, such as FinAccess County Report and Tracker Surveys on Micro Small and Medium Enterprises (MSMEs), generated from these datasets provide very useful information. The reports have also gone further to measure the *quality* and *impact* of financial sector on the livelihoods of citizens. I encourage your respective institutions to access datasets and reports on the websites of Central Bank of Kenya, Kenya National Bureau of Statistics and Financial Sector Deepening (FSD) Kenya.

As we listen to our speakers this morning, I wish to your attention on the question of whether our financial sector services and products are enabling that person in the village, on the street or even some among us, to **meet day-to-day needs (livelihoods), mitigate shocks (e.g. health shock) and invest in future goals (education, investment etc)**! This is the question of *financial health* versus financial *inclusion*. From the FinAccess Reports, Financial Health Index has declined from 39.4 percent in 2016 to 17.1 percent in 2021 but financial inclusion rose from 75.3 percent to 83.7 percent during the same period! This may mean that innovative financial services and products in our market, are not addressing the basic needs of the society and therefore need recalibrating! Otherwise, people who feel these three needs are not being met by the formal financial services, will resort to use of informal and non-financial solutions to address their financial needs. Of course, we do not want to go back to the era of informality given the risks and inefficiencies that come with it.

With those remarks, I wish to welcome all of you to this meeting. I now welcome our first speaker, Ms. Tamara Cook, the CEO of FSD Kenya to present on ***Insights from the 2021 FinAccess Household Survey: Main and County Reports Perspectives.***

**Thank you!**