

Governor

BANKI  
KUU YA  
KENYA



CENTRAL  
BANK OF  
KENYA

Haile Selassie Avenue

P.O. Box 60000 - 00200 Nairobi, Kenya

Telephone: 2861003/24, Fax: 2716556

March 17, 2022

Mr. Peter Njuguna  
Chief Executive Officer  
The Sacco Societies Regulatory Authority (SASRA)  
UAP Old Mutual Tower, 19<sup>th</sup> Floor  
P.O. Box 25089-00100  
NAIROBI

Dear *Peter,*

#### LACK OF REGULATION FOR KUSCCO

We are in receipt of the attached letter of February 25, 2022, from members and shareholders of Kenya Union of Savings and Credit Co-operatives Limited (KUSCCO). In the letter, they claim they have been left out of the regulatory oversight of the Sacco Societies Regulatory Authority (SASRA) despite being one of the largest players in the Sacco sector, holding in excess of Ksh.20 billion in member funds and deposits. They attribute the omission to their origins as an advocacy umbrella body. However, they have in the intervening period engaged in commercial activities that include deposit-taking and lending activities. The members indicate that these additional activities have not been licensed by SASRA.

We acknowledge the critical role that SASRA continues to play towards ensuring the sustainability and financial stability of deposit-taking SACCOs. We also note the considerable progress that SASRA has made in stabilizing the sector. Accordingly, and given that the matter falls within your regulatory and supervisory remit, we believe that SASRA is best suited to look into the concerns raised in this matter. We believe this can also be considered as part of the ongoing efforts to strengthen the sector and engender public confidence.

We look forward to your update on the matter.

Sincerely,

*Patrick Njoroge*  
Dr. Patrick Njoroge

#### Attachment

cc: Mr. Ali Noor Ismail, CBS  
Principal Secretary  
State Department for Co-operative Development  
Ministry of Industrialization, Trade and Enterprise Development  
Social Security House, Block A, 17<sup>th</sup> Floor  
P.O. Box 30418 – 00100  
NAIROBI