



REMARKS DELIVERED BY MRS HELLEN CHEPKWONY, ACTING CHIEF EXECUTIVE OFFICER, DURING A REVIEW MEETING WITH MEMBERSHIP ON CAMEL AND RISK-BASED PREMIUM MODEL, FEBRUARY 6, 2023, NAIROBI.

A. Preliminaries

Bank CEOs present,
Heads of Delegation,
Distinguished participants.
All protocols observed,
Ladies and Gentlemen,
Good morning.

B. Introduction

I begin by acknowledging the presence of all of you here today. In deed it is an honour that you found time out of your busy schedule, to grace our inaugural engagement with the membership this year, aimed at addressing pertinent sector issues.

In this regard, I am incredibly humbled to address you in my capacity as the acting Chief Executive Officer of the Kenya Deposit Insurance Corporation. Allow me therefore, to appreciate some of the familiar faces present and whose contribution to the growth of Kenya's Financial sector cannot be gainsaid.

As such, it is my conviction that this forum, provides us once again with an opportunity to not only reconnect but also reignite our passion aimed at finding solutions to some of the emerging challenges that may threaten the progressive growth and stability of Kenya's banking and financial systems.

C. Collaboration of KDIC and Membership

Colleagues, the Corporation's formal engagement with banks gathered pace in 2019, with implementation of Risk-Based Premium Assessment Model being the first area of focus for the then nascent partnership. Towards this end, I note with excitement that the collaboration has provided all of us with tremendous opportunities to explore other areas of mutual engagement for the benefit of the depositor.

The ongoing engagement around implementation of Data Warehouse and Business Intelligence Systems, as well as the Public Awareness initiatives, through display of the membership stickers in your various customer-facing platforms is commendable.

As a Corporation, we do not take it for granted that your participation in such stakeholder forums, has reenergised the sector and given it new impetus. To this end, I reckon that embracing this new change will among other things help us to sustain the stability in the banking and financial system, market discipline and prudence in the management of banks.

While we seek to leverage these underpinnings, may I implore you to remain focussed on the roadmap to implement Data Warehouse and Business Intelligence System. I am sure that with your unwavering support, we will successfully complete the project which is expected to revolutionise collection of data guaranteeing its accuracy, timeliness, security and privacy.

I therefore look forward to a robust mutual collaboration with banks on EDW project, with a view to achieving our objective of accessing granular data – for simplified submission. Through this project, we also plan to actualise Business Analytics for an even fairer Risk-Based Assessment, for premium payment purposes.

Moving forward, the Corporation hopes to enhance its partnership with banks during the planned Deposit Insurance Week later in April this year. We will be reaching out to you with more details on modalities of participation

and collaboration, as soon as the date and other critical arrangements are firmed up.

The Deposit Insurance Week and other initiatives, are in line with KDIC's primary goal of protecting depositors, who are the pillar of banking. For that reason, KDIC will continue investing in Early detection and timely Intervention framework, to alongside other like-minded partners mitigate against any bank failure.

Consequently, detection of early warning signs and addressing challenges that may impact sustainability of banks through an intervention framework are critical. In making this appeal, I am convinced that we will remain attuned to our various strategic objectives that in a bigger way, are aligned across.

D. Future Prognosis

In order to harness our collective achievements over the years, KDIC in partnership with the membership, will continue implementing initiatives that support optimal Deposit Insurance and providing incentives to banks that are practicing sound risk management in line with our mandate. We plan to actualize these aspirations through initiatives that include development of Living Wills / Resolution Plans, Improvement of the DPS Model, Enhanced public awareness and a Deposit Insurance Curriculum for bankers and other key stakeholders.

E. Conclusion:

In conclusion, I am convinced that this meeting, which was part of an earlier consensus to review the Risk-Based Premium Assessment Model upon its successful implementation, is a good place to start. I say so because the seed that we plant here today, can only take root through commitment and dedication from all of us. Though the task ahead maybe difficult, I have no illusions that it is achievable, as long as we make that commitment.

I finish by inviting all of us to participate in the journey towards enhancing and protecting the banking system. I am honoured to serve you and the banking sector at large and believe that together, we will achieve noble milestones, for the good of our nation.

Thank you and God bless you all!