

Press Release

## Co-operative Bank unveils Diaspora Centre as remittances surge

The Co-operative Bank of Kenya has today launched a service centre dedicated to serve Diaspora clients, the first of its kind in Kenya. The outlet named 'Diaspora Centre' is located at the ground level of Co-op House. The new facility is intended to give Kenyans abroad including Diaspora Saccos a 'one-stop shop' service point that is well-resourced to comprehensively handle all their banking needs.

The new Diaspora Centre is managed by experienced relationship managers who will assist Kenyans abroad do their banking in a comprehensive manner, including handling all queries, opening of accounts, advise on investment options such as real estate and wealth management among others. Call centre back-up will ensure the service is available 24/7 to serve Kenyans on different time zones.

The need for such a dedicated facility became particularly apparent when the bank profiled Diaspora clients which revealed that majority of them are in the 21 - 50 years age bracket. They are gainfully engaged as employees in their respective professions or self-employed with incomes ranging between Kes 100,000 - Kes 2 million a month. Their ability to access financial services is therefore critical to the realisation of their career goals, especially their need to conveniently invest back home.

Commenting on the launch of the Diaspora Centre, Maurice Matumo, Director Retail & Business Banking at Co-op Bank said,

“As one of the banks handling the largest inflows of Diaspora remittances, the Co-operative Bank was already feeling the pressure to expand capacity to handle the surging volumes. The new Diaspora Centre therefore comes at a most opportune time, to ensure that Kenyans abroad are able to access banking services with minimum hassle, just like home.”

In addition to serving individual customers, the Diaspora Centre will serve Diaspora Saccos that have been started by Kenyans in various countries across the world. Already, Co-op Bank has a relationship with the Kenya USA Diaspora Sacco, Kenya UK Sacco, Kenya Ireland Sacco, just to mention a few.

Diaspora Saccos are particularly helpful to Kenyans abroad on account of one simple truth; there is strength and safety in numbers-especially for those living in foreign land.

Saccos are not just commercial entities but also social institutions that assist in managing some of the most critical challenges faced by Kenyans abroad such as health and safety emergencies. Saccos offer emergency loans and also operate benevolent funds that offer protection and humanitarian support to members. This reduces the need for the occasional desperate measures including harambees to fund the critical needs including health emergencies and transportation needs.

“Co-op Bank is particularly keen to strengthen Diaspora Saccos because we believe that the same socio-economic empowerment that Saccos have done for majority of Kenyans is the same one they can do for Kenyans abroad,” Mr. Matumo added.

According to a World Bank report *Migration and Remittances Factbook 2016* that looked into remittances and immigration, Kenya is among the highest recipients of remittances in Africa. In 2015, Kenyans in diaspora sent to their motherland a record \$1.6 billion (Kes.163 Billion) in remittances. The report further notes that of the World Bank’s 188 member countries, Nigeria was the highest recipient in Africa having received \$20 Billion (Kes.2.04 Trillion) in remittances. Ghana was second having received a total of \$2Billion (Kes.200 billion) while Kenya and Senegal came third with \$1.6 billion in remittances each.

The significant impact of remittances to the economy has seen the Government ramp up the ranking of Diaspora affairs in the pecking order of priorities and elevated it to full directorate status at the Ministry of Foreign Affairs and International Trade. To back it up, the first ever Kenya Diaspora Policy was promulgated at the inaugural Diaspora Investment Conference hosted by the Government at the Windsor Golf and Country Club in April 2015.

The Co-op Bank Diaspora Centre can be reached as detailed below;

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Regards,

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## ANNEXES

**Table 1: Diaspora remittance inflows by Source Market**

Remittance inflows from North America accounted for 49.6 percent of total inflows and increased by 10 percent to USD 66.4 million in December 2015 compared to November 2015. Inflows from the rest of the world declined by 26 percent to USD 24.4 million. Europe recorded positive change, with inflows up by 16 percent in December 2015 to USD 43.2 million (Table 1).

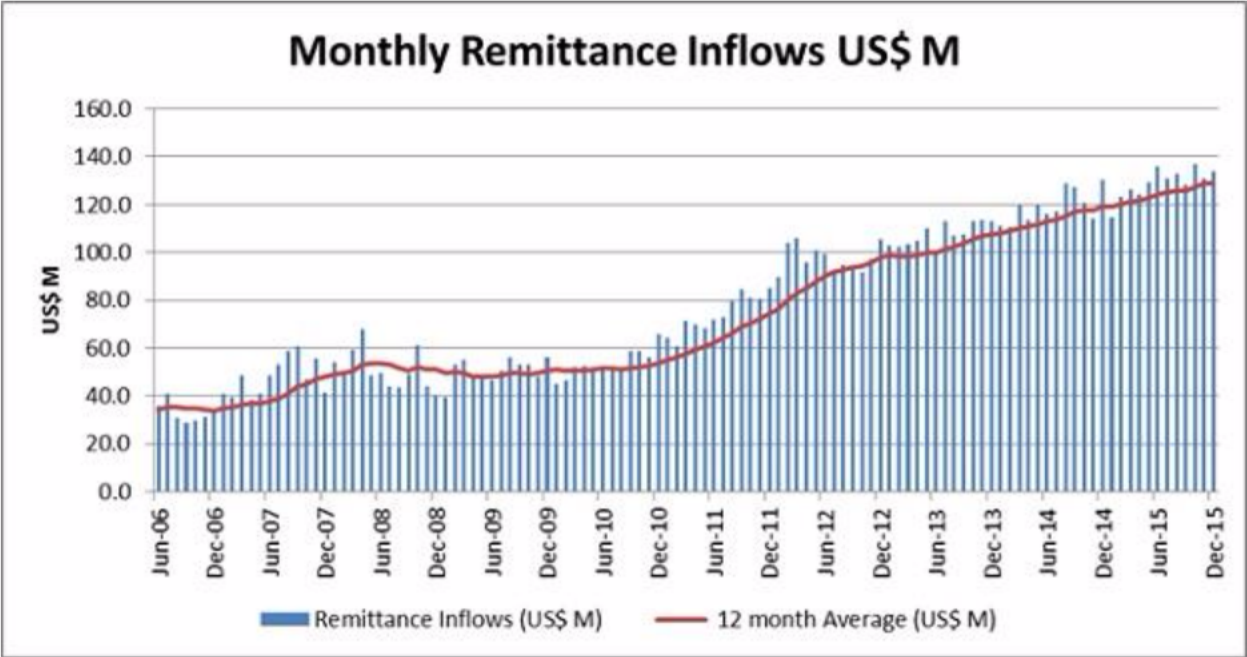
**Table 1: Remittance Inflows by Source (USD millions)**

USD M	North America	Europe	Rest of the World
Oct-15	69.7	39.3	28.2
Nov-15	60.3	37.4	33.0
Dec-15	66.4	43.2	24.4

Percentage share of total inflows			
USD M	North America	Europe	Rest of the World
Oct-15	50.8	28.6	20.6
Nov-15	46.2	28.6	25.2
Dec-15	49.6	32.2	18.2

Source: Central Bank website

Table 2: Monthly remittances (2006 -2015)



Source: Central Bank website