



**MINISTRY OF COOPERATIVES, MICRO, SMALL AND  
MEDIUM ENTERPRISES DEVELOPMENT**

**OFFICE OF THE CABINET SECRETARY**

**SPEECH BY HON. SIMON CHELUGUI, EGH, CABINET SECRETARY, MINISTRY OF COOPERATIVES AND MICRO, SMALL & MEDIUM ENTERPRISE DEVELOPMENT DURING THE TAQWA SACCO 25<sup>th</sup> ANNIVERSARY CELEBRATIONS ON 6<sup>TH</sup> DECEMBER 2023, AT THE BOMA HOTEL, NAIROBI**

TAQWA SACCO Chairman,  
The Board of Directors,  
Supervisory Committee,  
Chief Executive Officer,  
Members Present,  
Distinguished Guests,  
Ladies and Gentlemen,

**Aslam Alleikum**

It is with great pleasure and honor that I stand before you today to celebrate the 25th anniversary of Taqwa Sacco, a true pioneer in the financial landscape of Kenya. This milestone not only marks a significant period of growth and success but also emphasizes the unique role that Taqwa Sacco has played as the first Shariah-compliant financial institution in our great nation.

I would like to express my heartfelt gratitude to the organizers for inviting me to be a part of this joyous occasion.

**Mr. Chairman,**

Cooperatives are important vehicles in capital mobilization for the development of the country. I am happy to note Taqwa Sacco has been a beacon of financial empowerment, fostering a sense of unity and solidarity among its members. The principles of cooperation, self-help, and mutual support that underpin the cooperative movement are exemplified by the achievements of Taqwa Sacco over the past 25 years.

## **Ladies and Gentlemen,**

The Cooperative sector is proud of the steady growth of TAQWA having been established in 1998 as the 1<sup>st</sup> Shariah-compliant financial institution in Kenya. Over 25 years now, you have assisted thousands of members in *halal* credit financing for investments, emergencies, and school fees, among others. Currently the TAQWA cooperative has over 13,500 members drawn from across East Africa and in the Diaspora.

In order to promote and tap investments from the Muslim community who were previously excluded from the Cooperative financial landscape, the Ministry developed a Sharia compliant co-operative policy which is about to be reviewed.

We have also developed Sharia compliant co-operative by-Laws to roll out products geared towards this segment market.

As we speak very many Sharia Compliant Co-operatives have been registered which include Cofi Sacco Ltd, Cresent Takaful Sacco, Taqwa Sacco and Pumwani Riyadha Sacco Ltd to name just a few.

**Distinguished Guests,**

There are over 29,300 registered cooperatives in Kenya with a membership of over 14 million, commanding an asset base of over Kshs. 1.5 trillion and has mobilized savings of over Kshs. 1.5 trillion and a loan book of over Kshs. 980 million. In addition, approximately 30% of Kenya's annual savings are through cooperatives. For the SACCOs to remain competitive and to sustain their market share there is need for the boards and management to continually analyze the prevailing business environment with a view to adopting strategies to cushion societies against internal and external shocks. Co-operatives should develop modern marketing strategies, create good environment for customer interaction and acquire secure physical facilities to safeguard members' savings.

**Dear Cooperators ,**

The Ministry's role is to support the government's agenda of uplifting the lives of millions of Kenyans at the bottom of the economic pyramid through cooperatives and MSMEs.

We are partnering with Counties to implement further reforms in the Cooperatives and MSMEs sector. We have entered into an MOU with the council of governors (COG) towards implementing major cooperative sector interventions. Towards this end a technical committee on coordination of the resolutions reached by My ministry and COG, has been appointed to implement the joint resolutions.

**Honorable Delegates,**

The Government's strategy for economic development is outlined in the Kenya Kwanza Plan: "A Bottom-Up Economic Transformation Agenda". The Cooperative sector is considered crucial for the Bottom-Up Economic Transformation as it contributes to the Gross Domestic Product (GDP) by

providing opportunities for income generation and employment, particularly for marginalized individuals in the society.

To actualize the Kenya Kwanza Plan objectives, one of the Government focus is on the aggregation of smallholder producers on the prioritized nine (9) value chains. The State Department of Cooperatives has constituted value chain implementation teams who also serve as desk officers for the value chains at the Department.

**Mr. Chairman,**

The government will continue to create an enabling environment for the sustainable growth and development of this sector.

This includes development of appropriate legal, policy and institutional framework that promotes saving culture, prudent financial management and good governance for realization of full potential.

In executing this obligation, my Ministry will partner with critical institutions that will make significant input in actualization of the government agenda and TAQWA is one of those institutions.

The Government remains committed to working with actors in the co-operative sector to explore ways of growing the size and membership of our cooperatives and fostering innovation to enhance productivity and as well as a nurture sustainability in tandem with rapid digital innovation and evolving member needs.

### **In Conclusion,**

As I conclude, I once again thank the leadership and the membership of the TAQWA for the good performance and team spirit exhibited in your operations which can be attributed to your patronage and commitment.



On this special occasion, I urge all members of Taqwa Sacco to reflect on the values that have guided this organization for the past 25 years. Let the spirit of cooperation, transparency, and accountability continue to be the driving force behind your collective efforts. As we celebrate this milestone, let us also look towards the future with optimism and determination to build an even stronger and more prosperous Taqwa Sacco.

With these remarks, I wish you a joyous celebration.

**Thank you and God Bless You!**