



THE SACCO SOCIETIES REGULATORY AUTHORITY (SASRA)

FURTHER PUBLIC NOTICE TO SACCO SOCIETIES UNDERTAKING SPECIFIED NON-DEPOSIT TAKING SACCO (BOSA) BUSINESS IN KENYA

The **SACCO Societies Regulatory Authority (SASRA)** is the government's principal agency responsible for the supervision and regulation of SACCO Societies in Kenya, in accordance with the provisions of the Sacco Societies Act No. 14 of 2008 (**herein after the Act**) as read with the Regulations made thereunder. SASRA wishes to notify members of the public, particularly the stakeholders within the SACCO subsector that -

- On 5th May 2020, the Cabinet Secretary for Agriculture, Livestock, Fisheries and Co-operatives published the *Sacco Societies (Non-Deposit Taking Business) Regulations, 2020* vide the Legal Notice No. 82 of 2020 (**herein after referred to as the Regulations 2020**); which prescribes the prudential and market conduct measures to be complied with by all SACCO Societies undertaking the specified non-deposit taking business (popularly known as BOSA business).
- The Regulations 2020 further specifies the following BOSA businesses, as the specified non-deposit taking business for purposes of Section 3(2) of the Act -
 - non-deposit taking business (BOSA) in which the total non-withdrawable deposits from members is equal to or exceeds the sum of one hundred million Kenya shillings;
 - non-deposit taking business (BOSA) in which the SACCO Society mobilises membership and subscription to its share capital through digital or other electronic payment platforms; or
 - non-deposit taking business (BOSA) in which the SACCO Society mobilises membership and subscription to its share capital from persons who are ordinarily resident outside the country.
- The Regulations 2020 took effect from **1st January 2021** and all SACCO Societies undertaking the specified non-deposit taking (BOSA) business are required to comply with the same.

CONSEQUENTLY, all SACCOs undertaking the specified non-deposit-taking Sacco (BOSA) business as prescribed in the Regulations 2020 are hereby required to secure compliance with the Act and the Regulations 2020 by -

- Providing the detailed particulars and other information relating to the SACCO Society within the next thirty (30) days by completing the **DETAILED PARTICULARS AND INFORMATION OF NON-WITHDRAWABLE DEPOSIT TAKING SACCO SOCIETIES**, in the **Template** provided and which may be **downloaded** from the Authority's website www.sasra.go.ke or upon request in writing to the Authority vide email policy@sasra.go.ke.

NOTE: Only SACCOs which will have provided their detailed information shall be directly consulted by the Authority on the direct or indirect impact of implementation of the Regulations 2020 including but not limited to the making of the Sacco Societies Levy provided in Section 15 of the Act.

- Making appropriate application to the Authority for authorization in accordance with the Regulations 2020 within six (6) months of the commencement of the Regulations 2020, i.e. **on or before 30th June 2021**.

NOTE: A detailed Guidance Note on the procedures for making an application for authorization may be obtained from the Authority's website www.sasra.go.ke, or upon request in writing to the Authority vide email policy@sasra.go.ke.

NOTICE IS FURTHER given that upon the expiry of the transition period on **30th June 2021**, no SACCO Society shall be allowed to undertake or to continue undertaking the specified non-deposit taking business, **UNLESS** the SACCO Society will have complied with the Act and the Regulations 2020. In this regard, such SACCOs should take note of the penal and supervisory sanctions for non-compliance as prescribed in *Reg. 8 as read with Regulation 96(6) of the Regulations, 2020*.

Dated at Nairobi this 1st February, 2021

JOHN MWAKA
CHIEF EXECUTIVE OFFICER