

**“I want to serve
their interests
not mine”**

David Mategwa
Chairman, Kenya National Police
Deposit Taking (DT) Sacco

Man of the Hour

**Mategwa is fiercely determined
to grow the sacco's assets to
Sh50Bn by 2022**



Airports upgrades has
low-cost carriers renew
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Anti-graft Bill enters
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David Mategwa: Man on a mission

By Steve Umidha

The Chairman of Kenya National Police Deposit Taking (DT) Sacco, David Mategwa helped Police Sacco become the financial institution it is today – a giant Savings and Credit Cooperative Organisation (Sacco) with over 63,009 membership and an asset base of KES 39 Billion as of 2020.

However, this successful trailblazer, a police officer by profession, who boasts admirable work ethic, wasn't born into wealth.

In a candid sit-down with Financial Fortune Media, Mr Mategwa discusses his childhood, early career and what it was like growing up with less.

"I grew up in a very humble family and we went without meals. I have towed a long journey to be where I am today and I'm here by the grace of God," opens up Mategwa during an interview at his office. "I experienced something that deeply affected me that I carry with me every single day



David Mategwa poses for a photo during an interview at his office



Kenya police sacco plaza

starting out as young police recruit," narrates a charming Mategwa who took the company's mantle in 2013.

He previously served in various positions including a short stint as the Sacco's Vice-National chairman.

"And that is the scar and memories of being raised by a grandmother as a poor kid in my hometown Kakamega," says a man who helped steer Police Sacco – a respectable financial powerhouse during the course of his 9-year spell as its chairman.

The 55-year old father of six (four sons and two daughters) joined the police force in 1988, enduring what he terms as

"one of the most difficult period" of his career as a young police recruit in Garissa – a dry land in North Eastern Kenya.

Early hurdles

Life in Garissa and its environs is typically characterized with hardships such as paucity

of vital resources like clean running water, poor mobile network connection and constant terror intimidations.

But this he says, never frightened his ambitions of a better future.

"I endured a difficult start to my career as a young police recruit and my first work station in Garissa County," says an Alumni of Ambira Boys High School.

Gamble pays off

His wish was granted and in 1991 and calls for his transfer to Nairobi were approved. "So when the commissioner in charge at the time came to where we were at the barracks, we were told not to ask any questions and so when he came closer to me I raised my hand and

pleaded my case and I ended up working in Kasarani, Pangani and Kilimani police stations in the traffic departments where I worked for close to 10 years – serving in one of the toughest departments (traffic) in the police unit," recounts Mategwa, a man whose love for God and the need to remain modest is unrivaled.

"While in Nairobi, I developed interest in leadership when it was announced that elections to elect branch officials would take place so I was approached and elected as a delegate in 1995, serving for three years in Nairobi area and later moved to traffic headquarters where members there also unanimously elected me as branch official," he says.

Mategwa would later vie for a national position in 2003 and served in the



Interior CS Fred Matiangi(R) and Inspector General of Police Joseph Boinnet(C) interact with Kenya Police Sacco National Chairman Mr. David Mategwa(L) during the Kenya Police Sacco Annual Delegates Conference in 2019.

supervisory committee at the Sacco's national level until 2005. He would later move up the ladder and in 2008 he was elected the Sacco's vice-chairman, serving his members diligently for 5 years before finally picked as the Chairman.

"The hardship after college prepared me for leadership positions and I remember we would go for days without a bath with my colleagues and so when I find myself in an office like this, I cannot play around with their money – I would instead want to do something remembering where I have been," he describes. "I imagine those still serving out there today, how they would feel knowing someone is sitting on their investment. I think this humbles me. I want to serve their interests and not mine," he affirms.

Spiritual journey

"I am a catholic by faith. When I was young I served as an Altar boy in St. Joseph's Catholic Church in Kakamega. I did that for

some years and that is the foundation on which my life is based and up to date I do not leave my house without praying," he says. Today, he thrives of having success

fully turned around the Sacco. "After my retirement in the police service I will want to be a church elder," he concludes.

Kenya National Police DT Sacco is today ranked the third largest Sacco in the country and has set out an ambitious plan to expand its asset base to KES 50 billion by end of 2021 despite the ongoing Covid-19 pandemic shocks and looming sector realignments. an ambitious plan to expand its asset base to KES 50 billion by end of 2021 despite the ongoing Covid-19 pandemic shocks and looming sector realignments. It is a target that the institution's leadership believes is attainable judging on the previous growth trajectory as well as mechanisms the Sacco has put forward including

the innovative M-Tawi product – a mobile banking platform which enables its members to transact through their mobile phones at the comfort of their work places or homes.

The society posted an impressive Sh39 Billion last year, up from Sh34.8Billion it announced a year earlier – a 12 per cent growth, underpinned by online growth



Mr. Mategwa during his recent visit to Zambia. He is flanked by Zambian officials.

and steady customers' deposits which jumped to Sh32.6Billion in 2020 compared to Sh29.1Billion a year before.

Equally, the Sacco has almost 1,000 millionaire police officers at Kenya Police Sacco- Top Savers Seminar which is normally held in Mombasa – an endeavor Mr. Mategwa says has now been elevated into an annual event beginning.

Further, the Sacco is betting on the implementation of an inter-Sacco lending market and eventual integration into the National Payments and Clearing system – a key ingredient Mr. Mategwa believes will offer lending opportunities for bigger Saccos with steady liquidity to smaller Saccos and individual SMEs who are non-members.

The Kenya Police Sacco will be celebrating its 50th Anniversary next year, a significant year that accurately coincides with its ambitious target of Sh50Billion asset growth by end of 2022.

Industry realignments

Sacco Societies Regulatory Authority (SASRA) the industry regulator is working with a multi-agency team comprising the



From (left) Lt Col Richard Chidzungu, the Board Chairman of Msilikali Sacco, Major General George Jaffu the Inspector General Malawi Defence Force (centre) who are all members of Msilikali Sacco posing for a photo with Mr. David Mategwa, the Chairman of Kenya National Police Deposit Taking (DT) Sacco at Kamuzu Banda Barracks in Malawi in March 2021.



David Mategwa poses for a photo during an interview at his office

State Department of Co-operatives, the National Treasury, Central Bank of Kenya (CBK) and the Kenya Law Reform Commission (KLRC), and has drafted the legal framework for the operationalization of the Central Liquidity Fund (CLF) where Saccos can lend and borrow money from each other thereby cutting ties with

Commercial banks whose loans are considered very costly.

Under the new regime, Saccos will run their own inter-Sacco market where they can lend and borrow from each other at reasonable interest rates to offset their financial positions which was not possible in the past.

The draft legal framework is currently under review by the office of the Cabinet Secretary in charge of Agriculture, Livestock, Fisheries, and Co-operatives and is expected to be submitted to Parliament by March as part of the Budget Policy Statements

for the 2021/2022 fiscal year. About 50 Saccos have shown interest in the initiative and are working with Sasra.

In 2019 President Uhuru Kenyatta issued a policy directive towards the establishment of a Central Liquidity Fund (CLF) for Saccos, with the ultimate objective of integrating deposit taking (DT) Saccos into the National Payment System.

The move will also see Saccos drift away from external borrowing as a funding source for their assets largely due to the expensive loans and stringent conditions made by commercial banks.

In 2019, the Saccos' cost of external borrowing stood at Sh2.33 billion, according to the authority's annual supervision report (2019).

