



**MINISTRY OF CO-OPERATIVES AND MICRO,
SMALL AND MEDIUM ENTERPRISES (MSMEs)
DEVELOPMENT**
State Department for Micro, Small and Medium
Enterprises(MSMEs) Development

(FOR IMMEDIATE RELEASE)

WEDNESDAY, OCTOBER 02, 2024

**CLARIFICATION ON THE HUSTLER FUND DEFULTER LOAN RECOVERY
MEASURE**

The Financial Inclusion Fund, the 'Hustler Fund' was launched in November 2022 as a policy intervention in the mainstream Financial Market to unlock access to credit at the bottom of the economic pyramid.

The government through the Ministry of Cooperatives Micro, Small and Medium Enterprises (MSMEs) Development, engaged various intermediary service providers including banks and all Telcos in Kenya to collaboratively develop and support the implementation of the Hustler Fund.

Since inception, the Fund has disbursed loans amounting to more than Kshs.57.8billion out of which Kshs.45.5billion has been repaid.

The Ministry therefore wishes to clarify the reports in the media on defaulter loan recovery measures, as follows:

1. The Hustler Fund is **separate from the banks** and mobile money wallets. The Fund is not offered as part of Intermediaries financial product portfolio but rather offered as service from the intermediaries to the Fund.
2. The Fund is fully owned by the government and implemented in adherence to the laws of Kenya. The Hustler Fund clients belong to the Fund and not the intermediaries.

3. The default recovery measures under consideration will be in line with laws of Kenya and particularly in strict adherence to **data protection laws**.
4. The Hustler Fund Service providers partners' role remain provision of technology.
5. We wish to assure Kenyans that the government remains committed to the **adherence of data protection laws** and the default recovery measures will be within the law.
6. We also encourage Kenyans to repay their loans on time to build their individual credit score for higher loan limit access.

We remain dedicated in ensuring that the Fund grows, and deepens **financial inclusion** at the Bottom of Economic pyramid.

A handwritten signature in blue ink, appearing to read "Susan Mang'eni".

Susan Mang'eni
Principal Secretary
STATE DEPARTMENT FOR MSME's AND DEVELOPMENT