



Kenya Investment Authority

INVESTING IN KENYA

Kenya Investment Authority (KenInvest) is a statutory body established in 2004 through an Act of Parliament (Investment Promotion Act No.6 of 2004). The mandate of KenInvest is to promote and facilitate investments in Kenya for both domestic and foreign investors.

A) Procedures for Investing in Kenya

Company Registration

There are two ways of company registration in Kenya. You can set up a branch office of a foreign company, where you will be required to submit the memorandum of association from the country of incorporation to the Registrar of Companies in Kenya. In this case, the company will be regarded as foreign and will pay corporate tax at a rate of 37.5%. Secondly, you can incorporate a local company in which case the company will enjoy the benefits of being a corporate citizen and will pay corporate tax at a rate of 30%.

Business registrations (Sole Proprietorships, Partnerships and Companies) have all moved to e-citizen online platform but for limited liability partnerships can be conducted manually from the company registry.

Many enquires have been received concerning the registration of companies by foreigners. It is worth noting that e-citizen portal only allows registration from Kenyan citizens and foreign residents (with alien cards). As for foreigners without alien cards they are supposed to engage the services of a registered agent and preferably an advocate to do the registration on their behalf.

Upon registration of a company one will get the certificate of incorporation and a CR 12

(List of shareholders). However one does not obtain the other registration documents (NHIF employer registration, NSSF employer registration and company Pin – can easily be gotten at Huduma Centre) at the same time with the company incorporation certificate as earlier indicated. The company registry is however working with the respective bodies to ensure that all the registration documents will be received at the same time.

See below the link for starting a business in Kenya. <https://kenya.eregulations.org>

Obtain a Single Business Permit

Opening a Branch Office of an overseas company

1. An overseas company wishing to open a branch office in Kenya should, within 30 days of opening, deliver the following to the Registrar of Companies:
 - A certified copy of the Charter, Statutes or Memorandum and Articles of the Company, or other instruments defining the constitution of the company;
 - A list of the directors and secretary of the company, giving full names, nationality and other directorships of companies in Kenya;
 - A statement of all existing charges entered into by the company affecting properties in Kenya;
 - Names and postal addresses of one or more persons resident in Kenya authorized to accept, on behalf of the company, service of notices required to be served on the company;
 - Full address of the registered or principal office of the company in its home country; and,
 - Full address of place of business in Kenya.

Both private and public companies may allot shares for considerations other than cash. Companies should inform the Registrar of Companies of such allotments and submit a written contract constituting the title of the allottee.

2. Investment Certificate

Complete Investment Application Form from Kenya Investment Authority for the issuance of an Investment Certificate to permit implementation and operation. The application will be submitted with copies of the Certificate of Incorporation, Memorandum and Articles of Association.

Foreigners are restricted from carrying out petty business in Kenya, and therefore the applicant must show proof of a substantial amount to invest in Kenya to justify award of this Certificate. This proof is either:

- a. A local bank account statement in the sole names of the applicant which shows that he has 100,000 USD in his control; or
- b. An auditor's Report on the company issued by a duly registered auditor which shows that the applicant has invested the said USD 100,000 already.

3. Location of Operation

Identify location or project site and undertake an Environmental Impact Assessment for approval by the National Environmental Management Authority as a pre-condition to the issuance of an Investment License.

Other requirements (to be applied for and obtained within 12 months)

4. Land Acquisition

Land in Kenya is either public or privately owned. An investor can acquire land by leasing and obtaining a lease grant or by purchasing and obtaining a title of ownership. It will be necessary to contact the ministry of lands to ascertain the ownership of the land. This will be registered in the Ministry of lands upon payment of stamp duty which is at a rate of 2-4% depending on the value.

5. Tax Pin /VAT Registration – done online at www.kra.go.ke
6. Registration with the National Social Security Fund (NSSF)
7. Registration with the National Hospital Insurance Fund (NHIF)
8. Single Business Permit from relevant local Authority.
9. Acquisition of a work permit done on line at; fns.immigration.go.ke (Learn More)

Opening a Pharmaceutical business in Kenya

It costs Ksh. 15,000/ to open a Pharmaceutical business in Kenya. Please visit www.pharmacyboardkenya.org/ , **online services** for step by step guideline on the requirements.