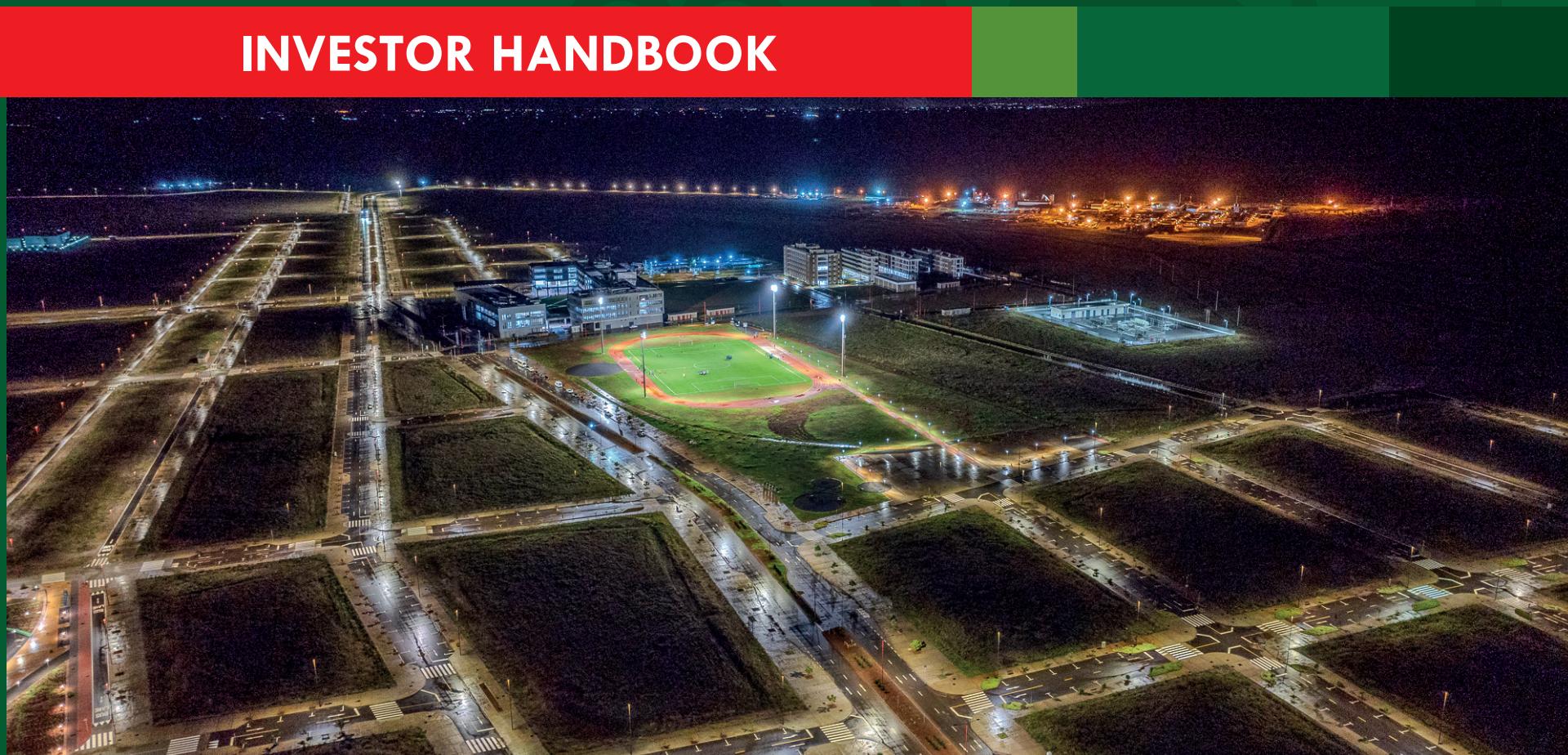




Konza Technopolis Development Authority

INVESTOR HANDBOOK





2. Kenya: A Thriving Economic Hub In East and Central Africa



2. KENYA: A THRIVING ECONOMIC HUB IN EAST AND CENTRAL AFRICA

Kenya stands as a strategic entry point to East Africa's dynamic trade and innovation landscape, offering investors robust infrastructure, a thriving entrepreneurial ecosystem, and a forward-looking regulatory environment. As the region's largest economy and an influential member of the East African Community (EAC), Kenya is a key hub for commerce, logistics, and technology, seamlessly connecting landlocked neighbours to global markets via the Port of Mombasa and an extensive transportation network.

The country's ongoing digital transformation agenda, underpinned by policies that foster fintech, e-commerce, and artificial

intelligence, further positions Kenya as a leader in East Africa's growth and competitiveness. Nairobi, Kenya's capital, has gained global recognition as a leading innovation hub, drawing startups, venture capital firms, multinational tech companies, and innovation labs.

The following overview outlines Kenya's macroeconomic indicators, geographical and climatic attributes, governance structure, and business environment—providing investors with valuable insights into the nation's potential and opportunities



Name	Republic of Kenya
Political System	Unitary State with Multiparty Democracy
Surface Area	582,646 KM2
Population	52.4 million (KNBS, Population projection as of mid-2024)
Density	82 per KM2 (KNBS, 2019)
Time Zone	GMT +3
Languages	Kiswahili is the national language. Kiswahili and English are official languages. In addition, Kenya's 47 communities have their own unique language, customs and traditions contributing to the rich cultural diversity.
Climate	Kenya lies on both sides of the equator and enjoys a varied climate ranging from tropical to temperate. The Central Highlands and the Rift Valley have the most pleasant climate, with temperatures ranging from the low teens to the mid- twenties Celsius. Rainfall in this area varies from 20 mm in July to 200 mm in April
Religion	Christianity, Islam, Hinduism, Traditional African and other (Sikhism, Buddhism)
Administration	Devolved Government System with 47 Counties
Currency	Kenya Shillings (KES) 1US\$ = 130 KES (CBK March 2025)
GDP at Current Market Price US\$	116.34 billion (KNBS, 2024)
GDP growth rate	5.6% (KNBS 2024)
GDP per Capita US\$	2,257.86 (KNBS, 2024)
Human Development Index	0.601 (UNDP 2022) Medium human Development tier
Business Ready rank	38th out of 50 economies (World Bank 2024)
Global Competitiveness	95 out of 141 economies (World Economic Forum, 2019)

2.1. Operating Environment

This section provides a detailed account of the Kenya's business environment to appraise potential investors on the necessary factors that affect their operations in Kenya. The information contained in economic outlook, trade regime, state of physical infrastructure (roads, railway, ports etc), financial sector among others.

2.1.1. Economy

Kenya boasts the largest economy in East and Central Africa, underpinned by robust growth and diversification. With an average growth rate of 5.6% in recent years, the country's gross domestic product (GDP) reached \$116.34 billion USD in 2024, translating to a GDP per capita of \$2,257.86 USD (KNBS, 2024). This performance highlights Kenya's dynamic and competitive economic structure, which sets it apart from many African nations.

Kenya's balanced economic landscape is driven by several core sectors, each offering opportunities for investment and expansion:

1. Agriculture, Forestry, and Fishing:

Contributing 21.8% to the GDP (\$25.34 billion USD), this sector is the backbone of the economy, supporting rural livelihoods, ensuring food security, and supplying raw materials to industries.

2. Transport and Storage:

Essential for trade and connectivity, this sector accounts for



- 13.6% of GDP (\$15.82 billion USD), integrating domestic markets and enhancing regional connections.
3. **Real Estate:** Representing 8.4% of GDP (\$9.77 billion USD), the real estate market reflects urbanization trends and attracts significant investments in housing and commercial developments.
 4. **Financial and Insurance Activities:** Contributing 7.8% of GDP (\$9.07 billion USD), this sector mobilizes savings, facilitates investment, and mitigates risks, driving economic stability and growth.
 5. **Manufacturing:** Generating 7.6% of GDP (\$8.84 billion USD), manufacturing supports industrial development, employment, and innovation.
 6. **Construction:** At 6.6% of GDP (\$7.67 billion USD), the construction sector is vital for infrastructure development, enabling long-term economic progress and improved quality of life.

Kenya's diversified economy offers a wealth of investment opportunities across these sectors, making it a compelling destination for investors seeking growth and innovation in the region.

2.1.2. Trade and Investment Opportunities

Kenya offers a highly conducive environment for trade and investment underpinned by an open trade regime and investor-friendly policies that ensure the free movement and repatriation of capital for foreign investors. As a member of the East African Community (EAC) Common Market, the Common Market for Eastern and Southern Africa (COMESA), and a signatory to the African Continental Free Trade Area (AfCFTA), Kenya provides access to a vast and integrated regional market. These partnerships create unparalleled opportunities for businesses to reach millions of consumers across Africa.

Additionally, Kenya benefits from preferential trade agreements that enhance its export potential, including:

- 1. African Growth and Opportunity Act (AGOA) with the United States:** Grants duty-free access for eligible products, significantly boosting exports of apparel and agricultural goods.
- 2. Generalized System of Preferences (GSP):** Offers preferential duty treatment for Kenyan manufactured products in markets such as the U.S., Japan, Canada, Australia, and several European countries.
- 3. ACP/Cotonou Partnership Agreement with the European Union:** Provides duty-free,



quota-free access for Kenyan exports to the EU market.

- 4. Economic Partnership Agreement with the United Kingdom:** Strengthens export opportunities and trade relations with the UK.

Kenya's government prioritizes Foreign Direct Investment (FDI) attraction by creating a competitive business environment. In 2024, the stock of foreign liabilities rose to \$18.06 billion USD, reflecting sustained growth in FDI inflows, which amounted to \$1.5 billion USD. Further,

Export Processing Zones (EPZs) contributed total exports valued at \$808.69 million USD, with significant investments channelled into manufacturing, construction, and services. These successes highlight Kenya's strategic position as a dynamic and expanding investment hub in East Africa, offering investors robust opportunities for growth and success.

2.1.3. Kenya's Transport Sector: A Gateway to Regional Trade and Investment

Kenya boasts a highly developed transport infrastructure that drives economic growth and

facilitates regional integration. Its strategic network of airports, roads, railways, and ports positions the country as a leading trade and logistics hub in East Africa.

Kenya is home to ten main airports, including five international hubs: Jomo Kenyatta International Airport (JKIA), Moi International Airport (MIA), Kisumu International Airport, Isiolo International Airport, and Eldoret International Airport. JKIA, the largest, is a key regional hub, handling 8.2 million passengers and 379,500 tonnes of cargo in 2023. Alongside multiple domestic airstrips, these airports provide seamless connectivity for both passenger and cargo transport, making Kenya an essential aviation hub for East and Central Africa.

The Port of Mombasa is the region's primary seaport, processing over 34.4 million tonnes of cargo annually and serving more than seven neighboring countries. Its pivotal role in regional trade makes it a critical asset for investors seeking to access East and Central African markets.

The Standard Gauge Railway (SGR), commissioned in 2017, connects the port city of Mombasa to Kenya's capital, Nairobi. This 480-kilometer rail line enhances freight efficiency, with freight trains completing the journey in under eight hours and passenger travel reduced to just five hours.

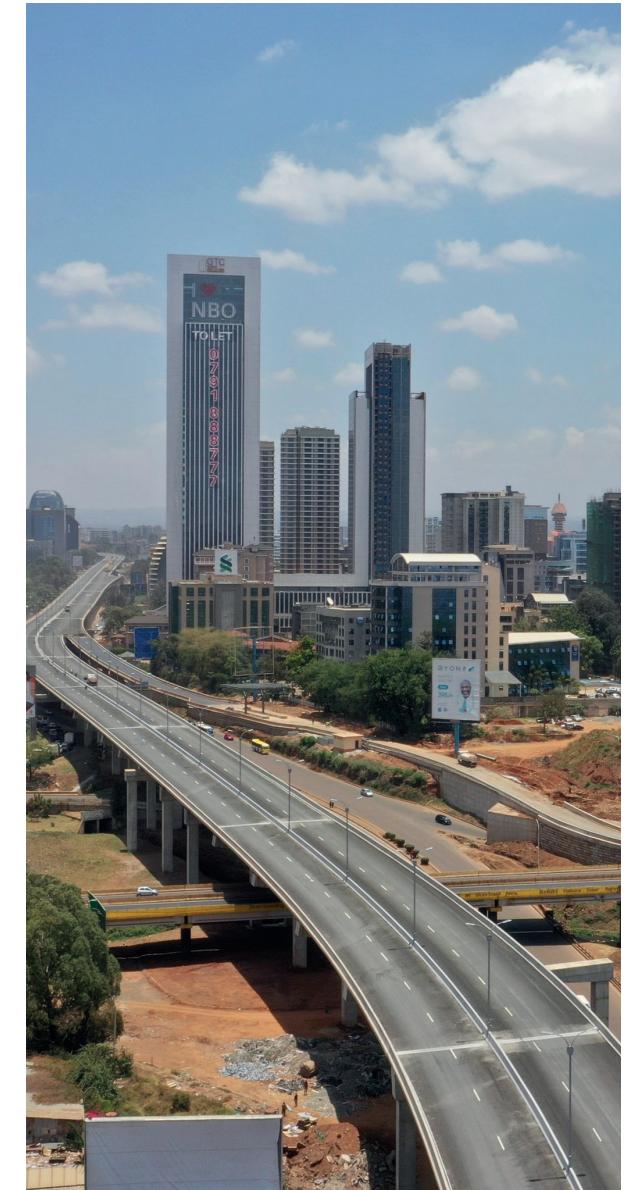
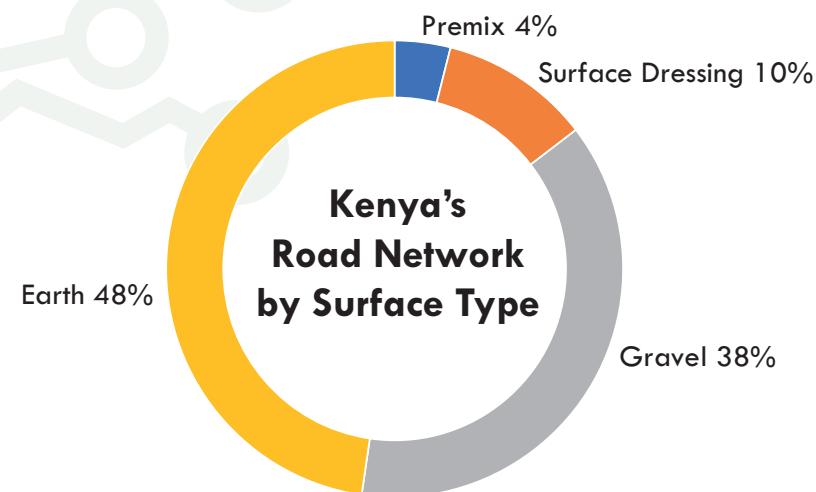
Kenya's road network further complements its transport infrastructure, linking all major cities and trade corridors. Approximately 70%

(44,100 km) of classified roads are in good condition, ensuring reliable connectivity, while ongoing rehabilitation of the remaining network enhances access. The Northern Corridor, a vital trade route connecting the Port of Mombasa to Uganda and other landlocked neighbors, underscores Kenya's strategic importance for logistics and commerce.

With sustained investments in expanding and modernizing transport infrastructure, Kenya is solidifying its position as a premier gateway for regional and international trade. For investors, this presents unparalleled opportunities to leverage Kenya's connectivity and infrastructure to access diverse markets in East Africa and beyond.



Road Length by Surface Type (km)					
Road class	Premix	Surface dressing	Gravel	Earth	Total
International Trunk Roads (A)	1,244.91	1,563.81	715.11	94.48	3,618.31
National Roads (B)	350.21	1,166.26	819.29	346.14	2,681.90
Primary Roads (C)	642.89	2,198.16	3,601.64	1,552.90	7,995.59
Secondary Roads (D)	76.63	1,183.10	5,701.93	4,087.73	11,049.39
Minor Roads (E)	165.81	542.04	8,215.89	17,982.57	26,906.31
Special Purpose Roads	24.88	114.63	4,929.69	6,253.78	11,322.98
All classes	2,505.33	6,768	23,983.55	30,317.60	63,574.4



2.1.4. Human capital: A Talent Hub for Global Investment

Kenya boasts a strong and dynamic human capital base, making it a prime destination for investors seeking a skilled workforce to drive business success. As of 2023, Kenya's labor force reached an impressive 23.18 million, reflecting significant growth from 19.11 million in 2013. This youthful and vibrant population forms the backbone of the nation's economy, actively contributing to various sectors and industries.

Kenya's reputation as a hub of global talent is highlighted by its ability to host numerous United Nations agencies, regional headquarters, and embassies from around the world. Nairobi, the capital, serves as a key center for international diplomacy and development, with institutions such as the United Nations Office at Nairobi (UNON), the United Nations Environment Programme (UNEP), and the United Nations Human Settlements Programme (UN-Habitat) headquartered in the city. These organizations rely on Kenya's skilled workforce for their operations, ranging from policy development and research to project implementation. Furthermore, the presence of over 80 embassies and diplomatic missions' underscores Kenya's strategic importance and the strength of its human capital, as embassies often employ local professionals for critical administrative, technical, and advisory roles. This vibrant mix of international institutions demonstrates Kenya's

capacity to provide world-class talent that supports global programs, bolsters diplomatic relations, and drives regional development.

To enhance workforce readiness and align with the global digital economy, the Kenyan government has prioritized investments in Technical and Vocational Education and Training (TVET), digital skilling programs, and innovation hubs. Kenya's thriving innovation ecosystem, exemplified by hubs such as iHub, Nailab, Green and Digital Innovation Hub, and Timbuktoo Greentech Hub, nurtures cutting-edge ideas, entrepreneurship, and collaboration. This ecosystem ensures a continuous pipeline of talent, ready to support technological advancements and business innovation.

In addition, Kenya's commitment to digital literacy is integral to the ambition towards becoming a Global Talent Hub. Programs like Jitume digital enablement program and Digital Literacy Program are integrating ICT into the education system, expanding internet connectivity, and boosting local manufacturing of ICT devices. These efforts are aimed to foster national digital transformation agenda and equip the workforce with 21st-century skills, reinforcing Kenya's position as a competitive, knowledge-driven economy. These strategic initiatives have positioned Kenya as a leading talent hub, attracting multinational corporations and fostering local entrepreneurship. Global giants such as Microsoft, Google, IBM, Visa,

and General Electric have recognized Kenya's potential, establishing regional operations in the country to harness its skilled workforce.

Similarly, the financial sector is anchored by influential institutions like Equity Bank, KCB Group, and Standard Chartered, while Safaricom drives telecommunications innovation with its globally acclaimed mobile money platform, M-Pesa. The manufacturing industry features key players like Bamburi Cement, East African Breweries Limited (EABL), and Bidco Africa, further solidifying Kenya's industrial strength. Kenya stands ready to support global business operations and serve as a launchpad for investors seeking long-term success in East Africa.



23.18 million
Kenya's labor force
as of the year 2023

2.1.5. Financial sector: A Dynamic Financial Hub in East and Central Africa

Kenya has cemented its position as the financial hub of East and Central Africa, offering investors access to a thriving and well-regulated financial sector with regional and international reach. The country's innovative spirit shines through its digital financial landscape, led by the groundbreaking mobile money platform, M-PESA. Launched in Kenya, M-PESA revolutionized money transfers and financial inclusion, with mobile money subscriptions reaching 73.76 per 100 inhabitants in 2023 - a testament to Kenya's leadership in digital finance.

The banking industry is another pillar of Kenya's financial prowess, featuring 41 licensed commercial banks regulated by the Central Bank of Kenya. These institutions reported total liabilities exceeding KES 5.24 trillion in 2023, showcasing a robust and mature industry capable of meeting the needs of both domestic and regional markets.

Kenya's fintech ecosystem continues to flourish, driving innovation in digital lending, banking, insurtech, and payment solutions. With rising mobile penetration and evolving consumer preferences, Kenya remains at the forefront of financial technology adoption, attracting global interest and investments. The sector's contribution to the economy has grown significantly, from KES 667.70 billion in 2019 to KES 1,180.41 billion



in 2023, underscoring its critical role in national development.

For investors, Kenya's financial sector offers unparalleled opportunities for growth and innovation, supported by cutting-edge technology, a skilled workforce, and a strategic position as the gateway to East Africa's expanding markets.



Kshs.1.18 trillion

Kenya's fintech sector's contribution to the economy

2.1.6. Capital Market

Kenya's capital market stands out as one of Africa's most dynamic and innovative investment destinations, anchored by the Nairobi Securities Exchange (NSE). As one of the largest stock markets in Africa and a publicly listed company, the NSE features 65 listed firms across diverse sectors. It continues to attract investors with a growing range of products tailored to meet evolving market demands.

The market boasts well-developed equity and debt platforms and has embraced innovation to cater to global investment trends. In 2021, the NSE launched its Derivatives Market, enabling trading in Equity Indices and Single Stock Futures contracts—a significant milestone for investors seeking advanced financial instruments. Real Estate Investment Trusts (REITs) have also gained traction, offering opportunities in Kenya's expanding property market.

The regulatory landscape, overseen by the Capital Markets Authority (CMA), ensures stability and trust for investors. As of mid-2024, Kenya's capital market ecosystem featured licensed intermediaries such as Investment Banks (17), Stockbrokers (11), Fund Managers (26), and Credit Rating Agencies (6), among others. Industry licensees collectively reported asset growth to KES 30 billion in 2023, reflecting the sector's resilience and expansion.



For investors, Kenya's capital market combines innovation, regulatory rigor, and growth potential, making it a compelling destination to explore opportunities in one of Africa's leading financial hubs.

2.1.7. Insurance

Kenya's insurance industry is a cornerstone of financial security and economic stability, offering robust solutions for risk management in an expanding market. With 56 insurance companies,

5 re-insurers, and a network of over 10,000 insurance agents, the sector is well-structured to cater to a broad spectrum of business needs. This dynamic environment positions Kenya as an attractive destination for investors seeking reliable risk mitigation and long-term growth opportunities.

Regulated by the Insurance Regulatory Authority (IRA), Kenya's insurance sector ensures transparency, stability, and a high degree of investor confidence. General insurance

dominates the industry, accounting for 63% of total premiums, with key coverage areas including property, health, and motor insurance. This diversity allows businesses and individuals to secure tailored solutions that safeguard their assets and operations.

Innovative approaches such as bancassurance and the growth of medical health insurance providers have further enhanced access to financial protection across the population. These developments contribute to Kenya's resilience as a market, supporting the needs of multinational corporations, local enterprises, and individual policyholders alike.

Kenya's insurance industry serves as a powerful enabler of sustainable business growth, making it an integral component of the country's investment landscape. For investors, it offers not only security but also the promise of partnership

Regulated by the Insurance Regulatory Authority (IRA), Kenya's insurance sector ensures transparency, stability, and a high degree of investor confidence.

in one of Africa's most dynamic economies.

2.1.8. Private sector

Kenya's private sector is a powerful engine driving economic growth, innovation, and regional competitiveness, attracting both local and international investors across diverse industries such as finance, manufacturing, technology, agriculture, and logistics. The country's pro-business environment, strengthened by government incentives and an evolving digital economy, has cultivated a vibrant ecosystem where innovation thrives, jobs are created, and industries flourish.

Kenya's private sector is further bolstered by a robust network of business associations, including the Kenya Private Sector Alliance (KEPSA), Kenya Association of Manufacturers (KAM), East African Business Council (EABC), and Federation of Kenya Employers (FKE). These organizations advocate for investor-friendly policies, provide market intelligence, and facilitate strategic public-private partnerships. Collaborative efforts between the government and private sector have streamlined regulations, improved trade policies, and fostered industrial development.

For investors, Kenya's well-regulated financial systems, expanding regional trade networks, and dynamic business environment offer unparalleled opportunities to leverage a market poised for growth and innovation.



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2.1.9. Export Processing Zones (EPZs)

Kenya's Export Processing Zones (EPZs) are a vital component of the country's industrialization and export strategy, offering investors a competitive platform for export-oriented businesses. Established under the EPZ Act of 1990, the program provides fiscal and procedural incentives, including a 10-year corporate tax holiday, VAT and customs duty exemptions, and streamlined operations through onsite customs services.

As of March 2024, Kenya had 101 gazetted EPZs and 174 operating enterprises, employing over 72,000 people, with 76.7% of employees engaged in the garments sector. EPZ enterprises contributed KES 106.6 billion in exports, with garments accounting for 50.3% of total exports¹. Investments in EPZs reached KES 148.9 billion, reflecting an 11.5% growth from the previous year.

EPZs cater to diverse sectors, including agro-processing, textiles, pharmaceuticals, and business process outsourcing (BPO). Strategically located near key transport hubs like the Port of Mombasa, EPZs provide seamless access to regional and global markets, including the East African Community (EAC) and the African Continental Free Trade Area (AfCFTA). For investors, Kenya's EPZs offer a unique opportunity to leverage a skilled workforce, robust infrastructure, and favorable business environment to drive export growth and profitability.



Number of people employed
by EPZ enterprises

2.1.10. Special Economic Zones (SEZ)

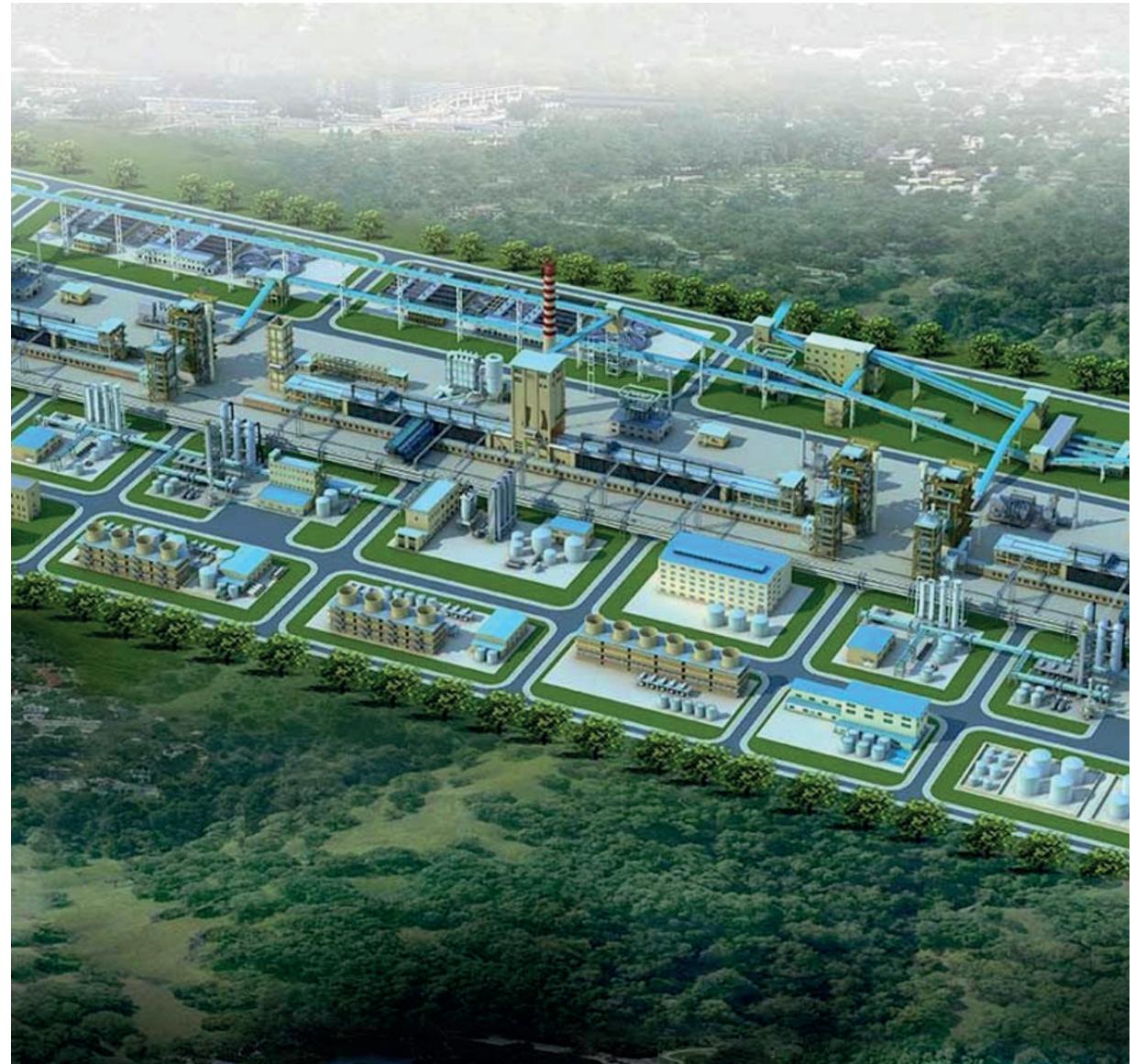
Established under the Special Economic Zones Act of 2015, SEZs provide an investor-friendly environment with integrated infrastructure, streamlined regulations, and attractive incentives. These zones cater to diverse industries, including manufacturing, ICT, Agro-processing, logistics, and tourism, offering a wide range of opportunities for investors. The SEZ framework ensures efficiency through a one-stop service center. Investors benefit from customs duty exemptions,

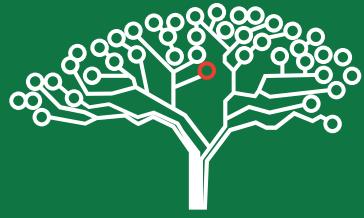
VAT exemptions, and reduced corporate tax rates of 10% for the first 10 years and 15% for the subsequent 10 years.

SEZs also offer power tariffs as low as KES 5 per kWh, significantly reducing operational costs. Kenya's strategic location provides access to regional markets, including the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA), and the African Continental Free Trade Area (AfCFTA). These zones position Kenya as a premier trade and industrial hub, offering investors a platform for growth, innovation, and market expansion.



Special Economic Zones (SEZ)
offer power tariffs as low as
KES 5 per kWh, significantly
reducing operational costs





KONZA
Technopolis

5. Business Friendly Regulations



5. BUSINESS FRIENDLY REGULATIONS

3.1. Incentives through Double Tax Agreement

Kenya offers investors the advantage of Double Tax Agreements (DTAs) with several countries, designed to promote cross-border trade and investment. These agreements eliminate the risk of double taxation on income generated in Kenya and another contracting state, providing substantial cost savings for businesses. Investors can benefit from concessionary tax rates on various categories of payments, including dividends, interest, royalties, and management or professional fees, depending on the terms outlined in the specific DTA.

By leveraging these agreements, Kenya ensures a business-friendly regulatory environment that encourages foreign direct investment and supports seamless international transactions. This framework not only enhances Kenya's appeal as a preferred investment destination but also enables businesses to maximize their profitability in a competitive global market.

3.2. Tax Structure

Kenya offers a predictable and business-friendly tax system tailored to support economic growth and attract investment. Key taxes include:

- Pay As You Earn (PAYE):** A progressive income tax on individual salaries, with rates ranging from 10% on monthly earnings of KES 24,000 to 35% for those above KES 800,000.

- Corporation Tax:** Levied on company profits, with rates of 30% for resident companies and 37.5% for non-resident companies operating in Kenya.
- Value Added Tax (VAT):** Applied at 0% for zero-rated goods and 16% for standard goods and services.
- Excise Duty:** Imposed on specified goods and services, with rates varying by category.
- Turnover Tax:** Charged at 1% on gross sales for small businesses.

- Digital Services Tax (DST):** Focused on income from digital marketplaces, at a rate of 1.5% of the gross transaction value.

- Withholding Tax (WHT):** Deducted on specific payments, such as interest, royalties, management fees, and rents, with rates varying by service type.

Kenya's tax framework offers incentives to investors, fostering transparency and competitiveness while supporting diverse industries and economic activities.

Tax Type	Description	Applications	Rate/Threshold
Pay As You Earn (PAYE)	Tax on individual income from gainful employment	Applied on Individual wages/salary	10% on first KES 24,000/month 25% on next KES 8,333/month, 30% on next KES 467,667/ month, 32.5% on next KES 300,000/ month, 35% above KES 800,000/ month
Corporation Tax	Income Tax that is levied on corporate bodies such as Limited companies, Trusts, and Co- operatives.	Tax on company profits	30% for resident companies 37.5% for non-resident company operating in Kenya
Value Added Tax (VAT)	Tax on value added at each production stage		0% for zero rated goods listed in the 2 nd schedule of the VAT Act 16% for other goods and services
Excise Duty	Duty of excise imposed on goods manufactured in Kenya or imported into Kenya and specified in the 1st schedule to Excise Duty Act, 2015.	Companies	Rate varies depending on the goods and services
Turnover Tax	Tax charged on gross sales of a business as per Sec. 12(c) of the Income Tax Act	Levied on gross turnover	1% on gross sales
Digital Services Tax (DST)	Tax payable on income derived or accrued in Kenya from services offered through a digital marketplace.	Levied on	1.5% of gross transaction value (exclusive of VAT)
Withholding Tax (WHT)	Deducted from certain income at the point of making the payments	<ul style="list-style-type: none"> • Interest • Royalties • Management or professional fees (including consultancy, Agency or contractual) • Commissions • Pensions • Rent received by non- residents. 	Rates vary depending on the nature of service/goods

3.3. Investment Protection and Investment Guarantees

Kenya provides robust legal and institutional frameworks to safeguard investments and ensure investor confidence. These protections are enshrined in the Constitution and supported by additional legislation such as the Foreign Investments Protection Act.

1. Foreign Investments Protection Act: This Act further strengthens investor confidence by allowing foreign investors to apply for certificates that protect their investments. It ensures the transfer of profits and provides mechanisms for dispute resolution.

2. Expropriation: Article 40(3) of the Constitution of Kenya guarantees protection against expropriation of private property. The state does not deprive a person of property unless:

1. The deprivation is for a public purpose or in the public interest.
2. It is carried out in accordance with the Constitution and relevant Acts of Parliament.
3. Prompt and full compensation is provided to the affected party.
4. The affected party has the right to access a court of law to contest the action.

b) Dispute Settlement:

1. In case of any dispute, claim, controversy or difference between the investor and



the Authority, consultations shall be held immediately with the view to expeditiously resolving such differences in a spirit of mutual understanding and cooperation to ensure that the benefits contemplated are fulfilled for the mutual benefit of the parties.

2. If there is a failure to resolve the differences through negotiations or any other alternative dispute resolution mechanism, the dispute shall be referred to arbitration or a court of competent jurisdiction in Kenya.
3. Kenya is host to the Nairobi Centre for International Arbitration.
4. Kenya is a member of the International Centre

for the Settlement of Investment Disputes (ICSID), a World Bank agreement for the settlement of disputes between States and Nationals of other States.

5. Kenya is a signatory to the Multilateral Investment Guarantee Agency (MIGA), which insures
6. private investment against non-commercial risks.
7. Kenya has signed bilateral investment treaties with several countries to protect investments.
8. All investments in Kenya shall be governed by the Laws of Kenya

3.4. Protection of Intellectual Property Rights

Kenya offers a comprehensive legal and institutional framework to safeguard intellectual property rights (IPR), ensuring a secure environment for investors and innovators. Key components include:

- 1. Constitution of Kenya (2010):** Provides the foundation for intellectual property protection.
- 2. Intellectual Property Laws and Regulations:**
 - 1. Anti-Counterfeit Act (2008):** Combats trade in counterfeit goods.
 - 2. Trademarks Act (2003):** Regulates trademark registration through the Kenya Industrial Property Institute (KIPI).
 - 3. Industrial Property Act (2001):** Establishes KIPI, overseeing patents, industrial designs, and utility models.
 - 4. Copyright Act:** Grants automatic copyright protection upon creation, with additional registration services provided by the Kenya Copyright Board (KECOBO).
 - 5. Seeds and Plant Varieties Act (Cap 326):** Protects breeders' rights.
 - 6. IP Regulations (2002) and Statute Law Amendments (2017):** Provide additional procedural guidance.
- 3. Intellectual Property Guidelines:** Guidelines for patenting and commercialization promote clear processes for innovation protection and market application.

Further, Kenya is committed to global IPR protection through membership in the following:

- 1. World Intellectual Property Organization (WIPO) conventions:** including the Patent Cooperation Treaty, Madrid Protocol, and Berne Convention.
- 2. WTO TRIPS Agreement:** Ensures compliance with trade-related IPR standards.
- 3. Regional and Bilateral Treaties:** Such as the Banjul Protocol, Harare Agreement, and Lusaka Agreement, facilitating regional IPR protection.
- 4. Other agreements** like the Paris Convention and Universal Copyright Convention extend protections internationally.

This robust framework reflects Kenya's dedication to fostering innovation and protecting investments, enhancing its appeal as a destination for businesses and creators.

“Kenya provides robust legal and institutional frameworks to safeguard investments and ensure investor confidence.”



3.5. Registration of Business Entities in Kenya

Kenya offers a streamlined and investor-friendly process for registering business entities, ensuring ease of establishment and compliance with local laws. The Business Registration Service (BRS)

oversees the registration of various business entities, providing a one-stop platform for investors. Below are the primary forms of legal incorporation available:

1. Registered Company:

1. Governed by the Companies Act, 2015 (formerly Cap 486), this is the most common form of incorporation.
2. Investors can register private or public limited companies, companies limited by guarantee (for non-profits), or unlimited companies.

2. Branch Office of a Foreign Company:

1. Foreign companies can establish a Kenyan branch by registering with the BRS.
2. This option allows foreign entities to operate locally while maintaining their international identity.

Investors are encouraged to engage legal consultants or law firms with expertise in Kenyan law to navigate the registration process efficiently. These professionals provide guidance on compliance, documentation, and structuring to align with business goals. Konza Technopolis one stop shop service provides this service to potential investors seeking investments at Konza Technopolis.

3. Business Name:

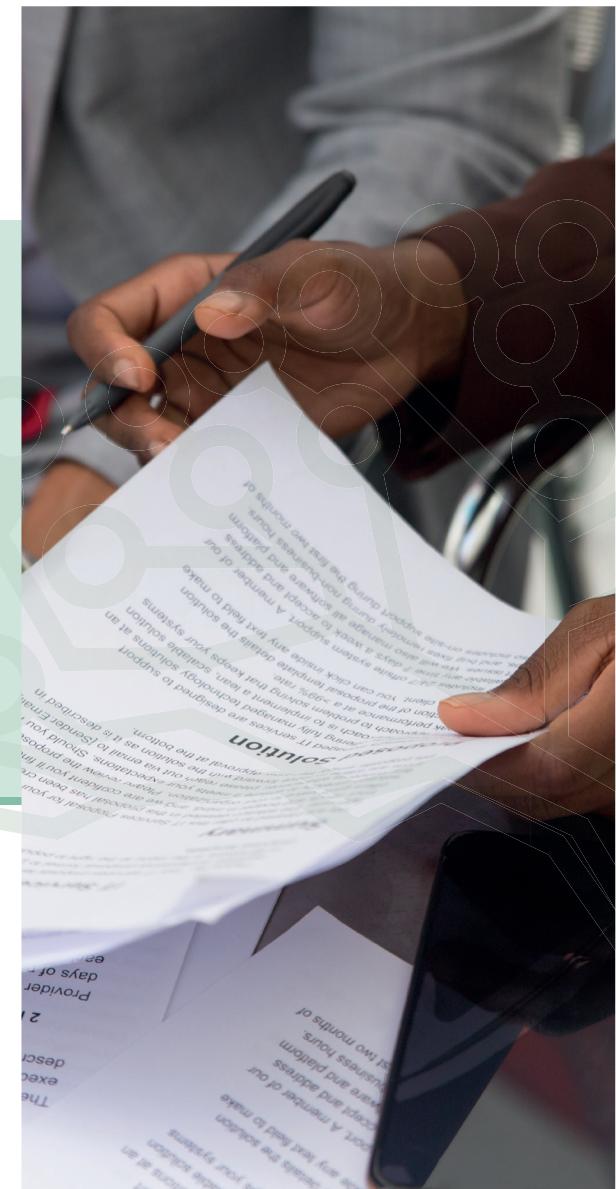
A simpler structure for sole proprietors or partnerships, registered under the Registration of Business Names Act, Cap 499.

4. Limited Liability Partnership (LLP):

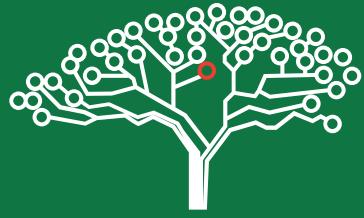
Combines the benefits of a partnership and a company, offering limited liability to partners.

5. Society:

Registered under the Societies Act, Cap 108, this is suitable for associations or groups with shared objectives.



Konza Technopolis One Stop Shop service provides this service to potential investors seeking investments at Konza Technopolis.



KONZA
Technopolis

6. Investing in Konza

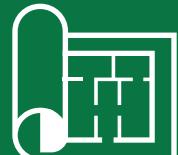


4. INVESTING IN KONZA TECHNOPOLIS:

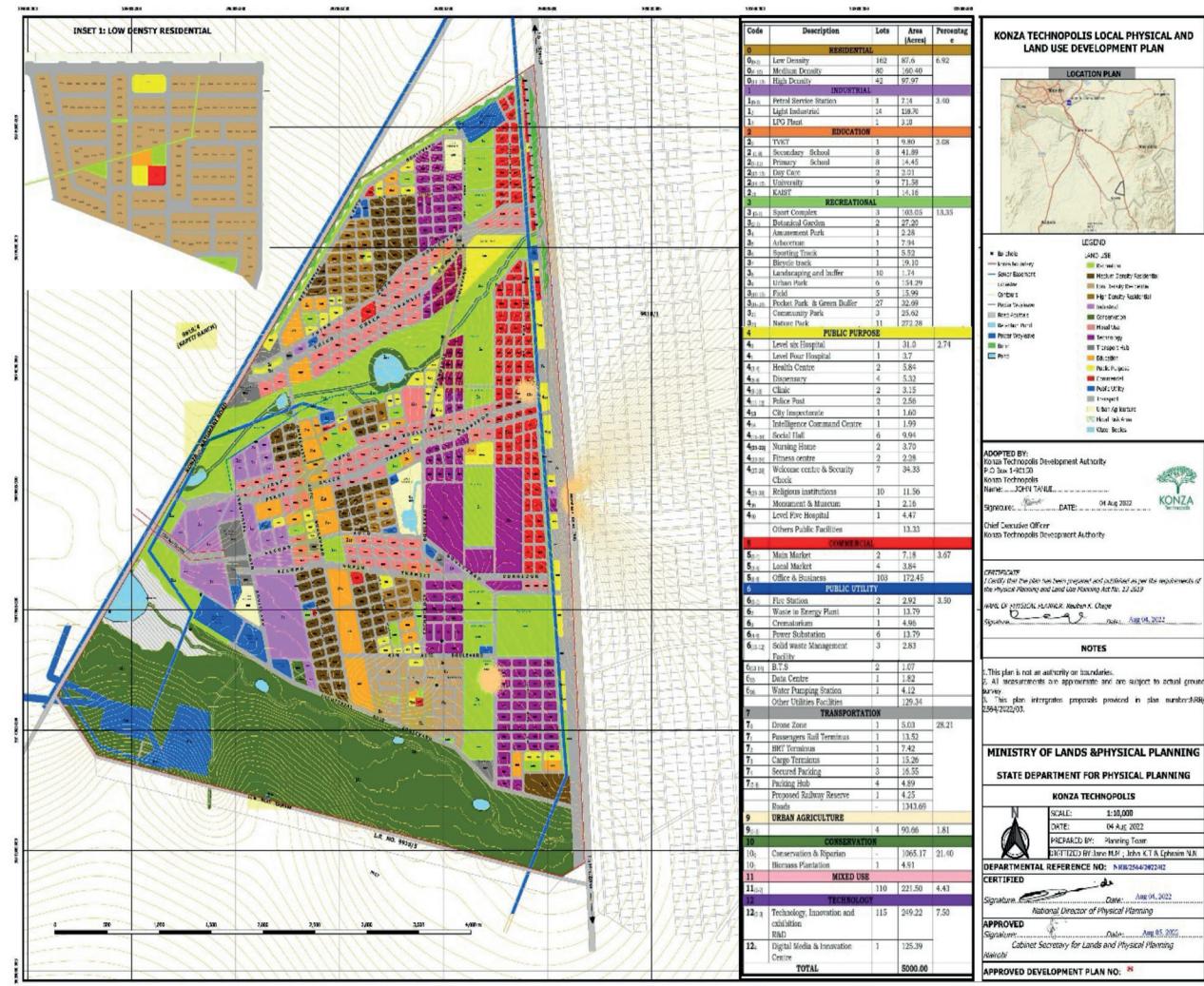
Konza Technopolis presents un-parallelled and exciting investment opportunities; as a key flagship project under Kenya's Vision 2030. As a Special Economic Zone, Konza Technopolis offers attractive fiscal and non-fiscal incentives to investors and businesses operating in the city.

4.1. The Konza Advantage

4.1.1. Master Planned City



Konza Technopolis is planned as a mixed-use, high density walkable city that accommodates a diversity of programs and bands. Planning has taken cues from successful global urban centers yet is specific to the needs of Kenya and the region. The master plan sets the framework for a city that functions both globally and locally, today and in the future by ensuring that there is a well-coordinated service delivery e.g. smart transport and parking, provision of utilities with minimal disruption. The master plan allows for clustering of industries to leverage on synergies across bands.



Additionally, the Authority in conjunction with the counties of Machakos, Makueni and Kajiado prepared and adopted an intercounty physical land use plan to provide a spatial development framework to guide and control development within a 10-kilometer radius of the Konza Technopolis. The main aim of the plan is to provide an integrated spatial development structure that focuses on providing a balanced and harmonious development between Konza Technopolis and the Buffer Zone while ensuring that land fragmentation into uneconomical units, environmental degradation, unplanned development amongst other issues is addressed.

4.1.2. Strategic Location



Konza Technopolis offers excellent accessibility within Kenya and the rest of the world through road, rail and air transport. Konza Technopolis is located approximately 67 kilometers south of Nairobi City, the Capital City of Kenya and approximately 47 kilometers from Jomo Kenyatta International Airport (JKIA), the East Africa's largest airport with over 120 passenger planes daily and over 60 destinations across the world. Konza is well connected through

the Nairobi-Mombasa A8 highway on which extension of the dualling will commence soon up to Emali.

Additionally, plans are underway to ensure Konza Technopolis connects directly to the

Standard Gauge Railway via a soon-to-be constructed spur line. A proposal for an airstrip has been included within the Buffer zone, hence connecting the Technopolis via air.



4.1.3. Smart City



Konza Technopolis as a world class smart city will incorporate the use of Information Communication Technology leveraging on human and social capital to develop a self-sustaining city with an integrated urban information and communication technology (ICT) network. This will support the delivery of connected urban services and allows for efficient management of those services on a large scale. The Konza National Data Centre is a Tier III, Uptime Certified on a 3068 M² of build-up area and an additional 654 M² of whitespace. The Data Center as implemented has government cloud (to support MDAs) and enterprise cloud (to support private business enterprises and smart city facilities) with sufficient storage capacity.

Specifically, a smart city framework will integrate the following six key city services:



SMART ECONOMY (Competitiveness)

Innovative spirit
Entrepreneurship Productivity
Intellectual property



SMART PEOPLE (Social and Human capital)

Social and ethnic plurality
Creativity
Cosmopolitanism
Lifelong learning



SMART LIVING (Quality of Life)

Cultural facilities
Health conditions
Individual safety
Education facilities
Housing quality
Social cohesion



SMART GOVERNANCE (Participation)

Participation in decision making
Transparent governance
Preemptive planning
Public & social services



SMART INFRASTRUCTURE (Transport & Utilities)

Efficient, innovative and safe transport systems
Available, affordable and reliable utilities
(energy, water, ICTs)



SMART ENVIRONMENT (Natural Resources)

Sustainable resource management and environmental protection
Attractive natural conditions

4.1.4. Secure and Predictable Investment Environment



Konza Technopolis stands out as a meticulously master-planned city defined by structured planning and robust safety initiatives. Guided by clearly defined development guidelines and the dedicated Konza Building Codes, the Technopolis ensures a predictable, well-regulated environment that provides regulatory certainty for investors. This unwavering commitment to preparedness and orderly growth is matched by cutting-edge safety measures – the city is currently implementing an integrated smart security system with IoT-enabled surveillance (including smart poles with CCTV cameras and sensors) to enhance safety across the Technopolis. Together, these initiatives reinforce Konza's preparedness, predictability, and commitment to a secure, sustainable urban development, offering prospective investors and stakeholders the confidence of a well-planned and safe investment destination.



4.1.5. Robust and Investor Friendly Policy Framework



KoTDA has developed policies and procedures to guide the Authority in leasing parcels to investors in an open, transparent and fair manner. The policies and procedures have been developed in accordance with the Kenyan Land Laws and regulations.

All Parcels are leased out by KoTDA in accordance with guidelines set forth in the masterplan and parcel leasing policies and procedures.

The ownership of the Parcels is transferred to investors through a Short-Term Sub-Lease or Long-Term Sub-Lease Lease issued by KoTDA. The Leases granted by KoTDA are subject to approved permitted user and development guidelines as per the masterplan and the Vision of the Technopolis.

All Sub-Leases are granted in a manner consistent with accepted conveyancing practices in Kenya, the Kenyan Land Laws and any other applicable legislation, which includes the registration of the Sub-Leases at the Lands Registry.

Konza Technopolis has a clear and seamless on-boarding process that is supported by the One Stop Shop.

4.1.6. One stop Shop



The Konza One-Stop Shop (OSS) is the dedicated Investor and customer support center for Konza Technopolis. It serves as a central hub for business licensing, economic development facilitation, development control, and permitting coordination. Now fully operational, the OSS houses key government agencies, including the Special Economic Zones Authority (SEZA) and the Kenya Revenue Authority (KRA), National Construction Authority(NCA) National Environment Management Authority (NEMA) enabling seamless multi-agency collaboration on regulatory and licensing processes. It plays a pivotal role in onboarding new Investors and providing orientation to individuals and firms, as well as offering comprehensive aftercare services to support existing Investors. As a streamlined single point of access for all regulatory, licensing, and investment support services, the OSS ensures an efficient, Investor-friendly experience conducive to economic development.



4.1.7. Availability of Land



Konza Technopolis sits on a 5,000-acre land parcel, owned and managed by the Konza Technopolis Development Authority (KoTDA). The parcels have been planned and surveyed with individual land transfer documents and is readily available for lease to investors for the specific land uses as stipulated in approved Konza Technopolis Master Plan. The land is zoned for various uses including technology, industrial, education, residential, commercial, and mixed-use developments—ensuring strategic alignment with investor needs. KoTDA offers flexible leasing terms with leases of up to 90-years hence providing security of tenure and for long-term investment.

Konza Technopolis sits on a 5,000-acre land parcel, owned and managed by (KoTDA).



4.1.8. World Class Smart Infrastructure



Konza prides itself of integrated world class infrastructure. Horizontal infrastructure development for Phase One (1) of the Technopolis was completed towards the end of 2024. These include a system of attractive multimodal forty-meter-wide boulevards within Phase 1 providing access to users.

Konza is designed as a walking, biking, and transit-friendly city. A bus transit network will provide service along the main east-west axis, with provision for future extension. A transit hub next to the A8 interchange will be the primary station for Konza, with interim capacity to accommodate bus passengers and future capacity to accommodate commuter rail service to Nairobi.

A bus transit network will provide service along the main east-west axis, with provision for future extension.



Bus transit network

Streetscapes

This entails an integrated road network with provision for motorized and non-motorized traffic, storm water drainage facilities, water reticulation system, waste-water collection & treatment, electrical distribution conduits (passageways), fiber optics conduits and landscaping of streets and parks. This is built as an integrated system with manholes to act as the offtake points for parcel servicing.



Integrated road network for motorized and non-motorized traffic

Water Treatment Plant (WTP)

The Water Treatment Plant (WTP) consists of several water treatment methods including direct gravity sieves, chemical and ultraviolet treatment to ensure provision of potable water at Konza Technopolis.

The water treatment plant is located at the highest point of Konza Technopolis to allow gravitational flow of treated water to consumers. The facility consists of 23 water treatment

processes to conform with WHO and Kenyan standards. The water treatment plant is designed to receive and treat water from three main sources: Boreholes within Konza Technopolis, a river dam and a collection dam.

The initial output capacity of the WTP facility is 7.5 Mega liters per day, expandable to 62 Mega liters per day at full operation of Konza Technopolis. The system has a storage capacity of 13.7 Mega liters of treated water.



The Water Treatment Plant (WTP)

Electrical System & ICT Conduits

Konza Technopolis has an electrical system covering approximately 40 km of power lines, construction of 1 main electrical station and 54 electrical substations and installing ICT conduits covering about 500 km zones.



Konza transformer substation.

Public Facilities

These are utility facilities including a Solid Waste Handling Facility; a security command center and a Fire station; construction of an entrance and security entrance facility; and a welcome center.



Konza's automatic waste collection system, Africa's first.

“
Konza Technopolis has an electrical system covering approximately 40 km of power lines
”

Wastewater Reticulation and Recycling System

This is Konza Technopolis' phase 1 Sewerage Treatment Plant with a recycling capability of 6,000 m³ a day to cater for the city's early population.

The WRF is part of an integrated water management plan at Konza Technopolis aiming at reducing the consumption of freshwater by encouraging reuse of treated sewage effluent for non-potable purposes and maximizing the potential of resource recovery such as biomethane and biosolids production.

The facility is designed to make use of a wastewater treatment technology known as Moving Bed Biofilm Reactor (MBBR); a highly effective biological water treatment process considered one of the best water treatment solutions for high-strength water systems.

Recycled wastewater will be utilized mainly for irrigation purposes for the greening of Konza

Technopolis in compliance with the local and international best practices. The WRF is designed to accommodate average daily flows of 36,000 m³ and a peak flow of 64,800 m³ per day.



Wastewater reticulation and recycling system

4.2. Our Opportunity Clusters

4.2.1. Information Communication Technology and Information Technology Enabled Services (ICT/ITES)

At the heart of Kenya's technology landscape is Konza Technopolis, a premier hub for ICT/ITES investments and businesses. Konza Technopolis is envisioned as a thriving hub for high-tech enterprises and innovation. It offers BPO facilities, hardware/software development spaces, and cutting-edge research opportunities. With government-backed incentives, access to a young and skilled workforce, and collaboration with universities and research institutions, Konza provides unparalleled opportunities for businesses seeking to lead in technological advancement and innovation-driven growth sector of Africa. Investors can leverage Kenya's ICT strengths, including The National Data Center, a tier 3 uptime certified cloud-based facility hosted within Konza Technopolis, that guarantees reliable internet connectivity, robust power supply, and high security standards to advance their IT businesses in the East Africa region.

Konza Technopolis is envisioned as a thriving hub for high-tech enterprises and innovation.

ICT/ITES Investment opportunities in Konza Technopolis include:

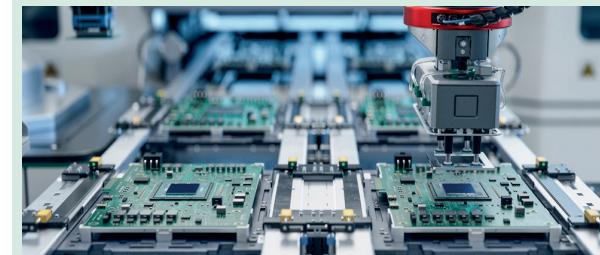
1. Set up of Business Process Outsourcing (BPO) Services



2. Set up of Data Centers and services



3. Design, manufacture and distribution of ICT hardware and software



4. Provision of ICT services including AI, Big Data Analytics and Cybersecurity



5. Emerging technology and innovations, Smart city technologies and services



6. Technology office spaces and ICT enterprise Incubation



4.2.2. The Life Sciences Sector

- 1. Konza Life Sciences & Pharmaceutical Park:** Over 200 acres have been allocated for organizations engaged in research, development, training, and manufacturing of pharmaceutical products and equipment. This park is set to become a hub for innovation, testing, and launching new technologies and products for Kenya and beyond.
- 2. Healthcare Infrastructure:** Investment opportunities include the development of hospitals, wellness centers, specialty clinics, diagnostic facilities, telemedicine services, biotechnology labs, and preventive healthcare initiatives. Konza Technopolis is also positioned as a prime destination for medical tourism, incorporating naturopathy centers and health spas.

- 3. Research and Education:** Konza hosts world-class institutions such as the Kenya Advanced Institute of Science and Technology, The Open University of Kenya, Africa Center for Technology Studies, and Riara University. These institutions foster collaboration between academia and industry, enabling cutting-edge research and innovation within its 420,000 m² knowledge zone

Our proximity to major transport networks ensures seamless import-export logistics for

manufacturing activities. Businesses in the Life Science Cluster benefit from SEZ tax incentives, simplified customs processes, and regulatory support through the Konza Technopolis one-stop shop, reducing operational costs and boosting competitiveness.

“These institutions foster collaboration between academia and industry.”



The Open University of Kenya



Kenya Advanced Institute of Science and Technology



Riara University

4.2.3. Education Sector and Research Institutions

Konza Technopolis is a dynamic center for world-class education and frontier research and development (R&D), seamlessly blending technology, academia, and industry to drive groundbreaking innovation. With cutting-edge facilities, a collaborative ecosystem, and a rich environment primed for discovery, Konza is the ideal destination for research-driven institutions, educational organizations, and innovators.

Spanning approximately 420,000 m², Konza Technopolis fosters an integrated approach to knowledge, encouraging collaboration between academia and industry. It offers a vibrant educational environment tailored to students, researchers, and innovators, hosting renowned institutions such as the Kenya Advanced Institute of Science and Technology, The Open University of Kenya, and the Africa Center for Technology Studies. Already home to three universities, Konza continues to attract forward-thinking organizations seeking to unlock academic and research potential.

Konza Technopolis presents unparalleled prospects for investors in:

1. Establishing university campuses, colleges, and technical/vocational institutes.
2. Developing research centers, laboratories, and shared-use facilities.
3. Launching schools with local and international curriculums.

4. Setting up libraries, archives, museums, and cultural activity hubs.

Konza's emphasis on fostering partnerships between government, academia, private sector, and community creates an environment poised for impactful education, research, and innovation. Positioned as a cornerstone for growth, Konza is ready to welcome visionary investors. Connect with us to shape the future!

Spanning approximately 420,000 m², Konza Technopolis fosters an integrated approach to knowledge, encouraging collaboration between academia and industry.



Konza Technopolis

4.2.4. Light Manufacturing and Logistics

Konza Technopolis is strategically positioned as a premier destination for light industrial activity and logistics, supported by cutting-edge infrastructure and excellent connectivity via air, rail, and road. With approximately 300 acres dedicated to light manufacturing, Konza offers unparalleled opportunities for investors to establish and grow their operations.

Konza Technopolis combines modern infrastructure, strategic SEZ incentives, and streamlined logistics processes, ensuring cost-effective operations and enhancing competitiveness. Positioned near major transport networks, Konza provides seamless access to local and international markets while fostering innovation through proximity to universities and research institutions. For visionary investors, Konza Technopolis is the ideal platform to unlock manufacturing potential and drive sustainable growth.

Key Investment Opportunities

1. Development of industrial parks, warehouses, and storage facilities for own use or rental.



2. Manufacture and assembly of ICT hardware, drones, and other hi-tech equipment.



3. Emerging and light assembly installations, including food processing and value chains.



4. Prototyping facilities, shared-use workshops, and pay-per-use R&D services.



5. Smart mobility solutions: transportation management systems, parking innovations, regional transit, electric charging stations, courier services, and more.



4.2.5. Digital Media and The Creative Sector

Konza Technopolis is actively seeking investors and partners in the digital media and creative sectors. Opportunities include establishing training institutes, production studios, and technology-driven creative enterprises. With a strategic location, robust infrastructure, and government-backed incentives, KDMC offers unparalleled potential for growth in the fast-evolving creative economy.

The Konza Digital Media City (KDMC), spearheaded by the Konza Technopolis Development Authority, is set to become a premier creative and cultural hub in Africa. Designed to foster a modern media ecosystem, KDMC will focus on the development and production of digital media content such as gaming, animation, music, and film for both local

This initiative is supported by international partnerships, including a \$284.1 million funding agreement with South Korea

and global markets. This initiative is supported by international partnerships, including a \$284.1 million funding agreement with South Korea, which underscores the global confidence in KDMC's vision². Once completed, the project is expected to generate approximately 47,000 jobs and contribute \$165.7 million annually to Kenya's economy

Konza Digital Media City is poised to position Kenya as a leader in the creative and digital content industries. Investors are invited to be part of this transformative journey.

Investment opportunities in this focus area include:

- 1. Training and Education:** Multimedia training institutes seeking to develop talent in gaming, animation, music production, and other creative fields.
- 2. Content Creation and Production companies:** Cutting-edge studios and digital media companies including, content creation, post-production facilities for gaming, animation, and music, design among others.
- 3. Ecosystem for Innovation:** Media research, and innovation focussed companies.



Kenya's Principal Secretary of Foreign Affairs Korir Sing'Oei and Executive Director and Board Member Hwang Kiyeon of the Korea Exim Bank during the signing of two funding agreements for the financing of Konza Digital Media City in Seoul, South Korea on June 4, 2024.

4.2.6. Residential and Commercial Developments

Konza Technopolis is envisioned to house a highly skilled workforce, creating a vibrant community of over 30,000 residents in Phase 1, with a projection of over 240,000 residents upon full completion. Phase 1 alone offers a remarkable opportunity to develop over 10,000 housing units within a fully serviced area, featuring a gross-built area of 1,028,000 m². Konza's **Commercial Band** is a vibrant hub for business and lifestyle, strategically positioned along the A109 Mombasa Highway. The commercial and residential band offers prime real estate for:

1. Offices, shopping centers, and retail spaces, hotels and mixed use developments.
2. Entertainment venues and enterprise incubation hubs.
3. Financial services, smart transport solutions, and logistics facilities.
4. **High and Medium-Density Housing:** Multi-story apartments, student hostels, and furnished units to meet the demand for urban living.
5. **Premium Low-Density Housing:** Exclusive developments on half-acre plots, ideal for families and holiday homes, located near the scenic wildlife corridor.
6. **Specialised housing including Care facilities** complemented by smart city services and advanced healthcare systems, ideal for

retirees seeking quality living environments.

With 5,000 housing units planned in Phase I and a goal to create 12,960 homes, Konza Technopolis combines modern infrastructure, strategic incentives, and access to schools, retail spaces, and entertainment. Its integrated urban planning delivers inclusive, community-focused living, making Konza a premier investment destination in East Africa.

4.2.7. Hotels & Convention Centers

Kenya has hosted several high-profile international conferences, including **the 41st IASP**

World Conference on Science Parks and Areas of Innovation which was held in Nairobi in September 2024 and hosted by Konza Technopolis. Konza Technopolis' proximity to Nairobi, The Jomo Kenyatta International Airport and major tourist locations makes it ideal for Meetings, Incentives, Conferences and Exhibitions (MICE).

Konza Technopolis is developing The Konza Conferencing Facility, a five-floor facility with a sitting capacity of 1,400 persons. Investments in hotels and convention centers will complement the natural wildlife corridor and investments at Konza Technopolis.



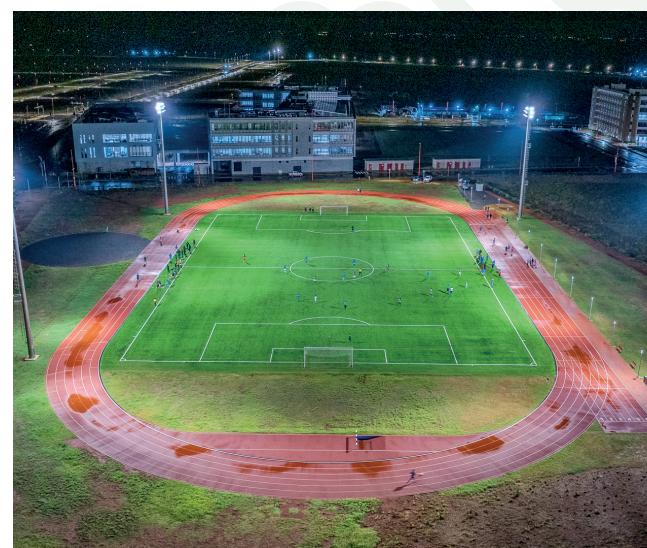
The Konza Conferencing Facility under construction

4.2.8. Sports, Entertainment and Recreational Facilities

Entertainment and Recreational Facilities will enhance the quality of life and overall experience of urban and neighborhood life.

KoTDA is seeking investors to develop the following:

- 1. The Konza Golf course:** KoTDA has set aside appx. 176 acres for the development of a modern 18-hole golf course. The golf course is in Konza's wildlife corridor which is home to a wide variety of wildlife species and birds. No wonder, the tagline for the golf course is 'teeing off with the ostriches'. Abating the golf course, are high-end residential parcels of land for developments of luxurious villas and holiday homes available for investors.
- 2. Sports Complex:** Konza Technopolis has set aside 85 acres for development of a sports complex which is envisaged to comprise of a track and field stadium, swimming pools and indoor arenas among others and be a centre of excellence in sports research, conferencing training in sports science and sports medical centre.
- 3. Recreation and Theme Parks:** KoTDA has set 160 acres for recreational facilities and is seeking investors to develop Amusement parks, Arboretaums and Botanical gardens.



4.2.9. Smart and Urban Agriculture

Konza Technopolis offers investors unique opportunities in smart and urban agriculture, leveraging cutting-edge technology and sustainable practices to enhance food security and economic growth. The city's focus on innovation includes precision farming, vertical agriculture, and smart irrigation systems, which optimize resource use and increase productivity. Investors can explore ventures in agro-processing facilities, urban farming solutions, and research-driven agricultural technologies. Proximity to research institutions and universities fosters collaboration, enabling the development of advanced agricultural methods and products. With government-backed incentives and access to regional and international markets, Konza Technopolis is poised to become a hub for sustainable agricultural innovation and investment.

“ Konza Technopolis is poised to become a hub for sustainable agricultural innovation and investment. ”

Investment opportunities include:

1. Smart Urban agriculture, Agricultural research, Centers of excellence
2. Food Technology, Agro-processing and Value addition centers
3. Manufacture of agri-equipment and devices
4. Farming and agricultural technologies.

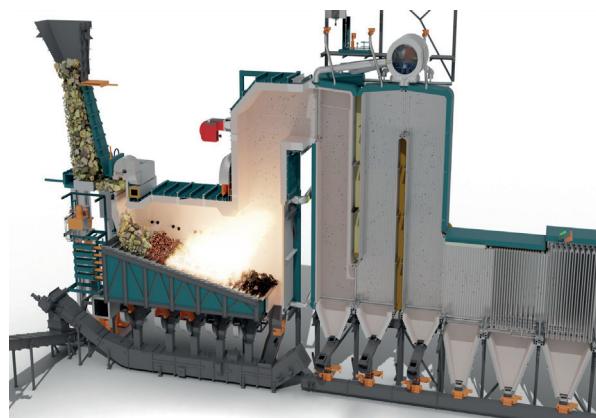


4.2.10. Green Energy

As the world moves towards green energy, Konza offers opportunities for investment in renewable energy. The Konza Waste-Water Reclamation facility, Solid Waste Management plants and natural resources will provide an enabling environment to convert waste to energy. Investment opportunities arise in areas such as:

1. Waste to Energy plants and activities.
2. Production of green energy to meet the city's needs.
3. Manufacture of renewable energy equipment and devices.

Research and development into green energy solutions, operation and maintenance as well as training and capacity building.



A Waste-to-Energy Power Plant



A Solar Farm



A Waste-to-Energy Power Plant



Wind turbines

4.2.11. Retail and Commercial Activities

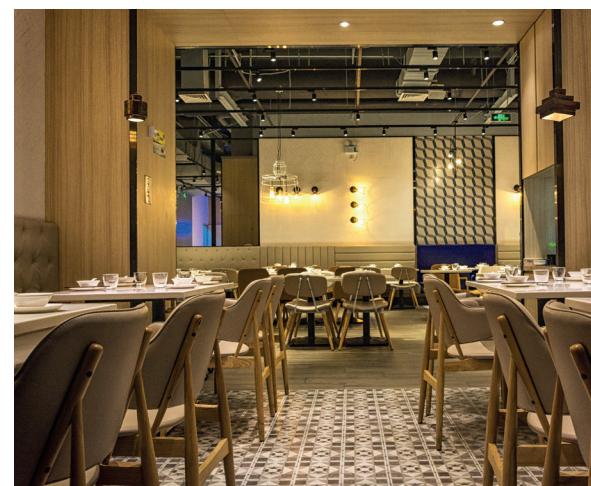
The economic opportunities presented by Konza Technopolis give rise to a vibrant retail ecosystem which presents exciting opportunities for players in this space. Investment opportunities include Food and beverage, homeware and gifts, rental spaces, electronics, convenience stores, transport, grocery stores, laundry shops and other retail services among others.



Homeware and gifts shops



Electronics stores



Restaurants



Laundry shops

4.2.12. Innovation Ecosystem and Enterprise Incubation

Konza Technopolis is a leading hub for innovation, fostering a vibrant ecosystem where technology, academia, and industry converge to drive Kenya's knowledge economy. With partnerships across learning institutions, science parks, and innovation centers, Konza supports start-ups and businesses to scale through cutting-edge technology and research. Currently hosting two innovation hubs, Konza is expanding its footprint by establishing hubs across Kenya, solidifying its position as Africa's Silicon Savannah. Set up of innovation hubs and centers.

Investment Opportunities

- 1. Establishment of Innovation Hubs and Centers:** Develop state-of-the-art facilities to support research, collaboration, and technological advancements.
- 2. Enterprise Incubation and Funding:** Provide incubation and acceleration services, mentorship programs, and access to funding for start-ups and entrepreneurs.
- 3. Business Support Services:** Offer platforms for intellectual property (IP) and patenting support, as well as connections to a network of investors and industry leaders.
- 4. Commercialization of Innovation:** Create opportunities to transform research into market-ready products and services.

Konza Technopolis is committed to shaping an inclusive ecosystem where entrepreneurs and innovators thrive, advancing Kenya's position in the global innovation landscape.



The African Centre for Technology Studies (ACTS) hosting the UN in Kenya DigiKen team to explore modalities for cooperation and partnership under the Digiken programme in Kenya on February 5, 2025 at Konza Technopolis. The visit provided an opportunity for ACTS to showcase the innovative initiatives being carried out under the Green and Digital Innovation Hub (gDIH) at Konza Technopolis.

4.3. Investment Options/Models

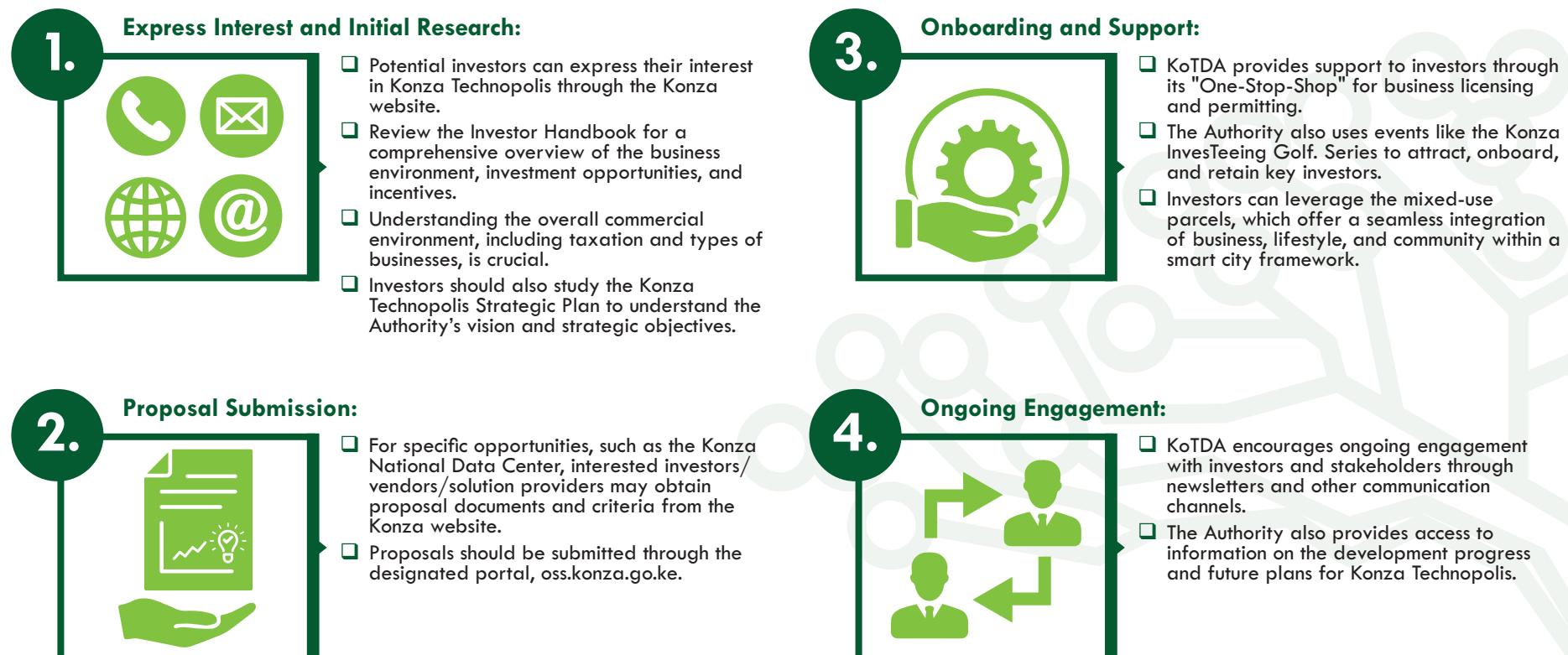
Investors in Konza Technopolis comprises of local and foreign Individuals, Corporations, Non-Governmental Organizations, Government organizations and Joint Ventures. Investments in through:

1. **Direct Local and Foreign Investments** where a sub-lease of land is offered to investors for a period of upto 90 years, renewable on expiry.
2. **Public Private Partnerships (PPP)**: through a contractual arrangement with a private party where the private party undertakes to perform a public function or provide a service on behalf of the contracting authority. This process is governed by the PPP Act 2021 (<https://pppkenya.go.ke>)
3. **Rent of ready build spaces** where investors rent or lease readily built spaces or request for bespoke development of their facilities by KoTDA or other investors.
4. **Commercial business ventures** for business and trading activities e.g, e-mobility, advertisements, events and conferences



Arch. Dr. Reuben Mutiso, former Chairman, KoTDA (right) presenting a dummy key to an investor representing Joint Commercial Supplies Ltd

4.3.1. Investor Onboarding Journey



4.3.2. Konza Technopolis Special Economic Zone (KTSEZ)

Konza Technopolis is designated as a Special Economic Zone (SEZ) under the SEZ Act, 2015, offering investors a wide range of fiscal and non-fiscal incentives as outlined by the SEZ Authority of Kenya. As the lead implementing agency, the Konza Technopolis Development Authority (KoTDA) holds the following SEZ licenses:

1. Developer License: KoTDA is a licensed SEZ Developer, mandated to plan, design, and implement integrated infrastructure within the Technopolis. This includes horizontal infrastructure (roads, water, power, and ICT networks), utility tunnels, smart city components, and industrial park facilities, in alignment with the approved Konza Master Plan.

2. **Operator License:** As a licensed SEZ Operator, KoTDA oversees the day-to-day management and operation of the Konza Technopolis SEZ. This includes development control, investor onboarding, marketing of SEZ opportunities, administration of tenancy and occupancy, and management of leases, utilities, and service charges. KoTDA ensures compliance with SEZ guidelines and facilitates seamless Investor experience within Technopolis.
3. **Enterprise Licensing Facilitation:** KoTDA acts as a one-stop facilitation center for prospective investors seeking to operate within KTSEZ. The Authority supports eligible firms in applying for and acquiring the SEZ Enterprise License, which authorizes them to undertake approved commercial, industrial, or services-related activities within the zone and benefit from SEZ-specific incentives.

Konza Technopolis is designated as a Special Economic Zone (SEZ) under the SEZ Act, 2015, offering investors a wide range of fiscal and non-fiscal incentives as outlined by the SEZ Authority of Kenya.



Konza Technopolis main entrance

Application for Special Economic Zone Enterprise License.

To operate under special economic zone an Investor requires SEZ Enterprise License. The SEZ enterprise license is processed and issued by Special Economic Zone Authority (SEZA):



1.

Submit a Letter of Interest and SEZ Investment Project Proposal Form:

1. Draft a letter expressing your interest in establishing an enterprise within an SEZ.
2. Complete the SEZ Investment Project Proposal Form, providing details about your proposed project.
3. Attach supporting documents such as a project concept note, business plan, or pre-feasibility study.
4. Address and submit these documents to SEZA for initial assessment.



2.

Formal Application:

1. Upon approval of your initial proposal, complete the SEZ Enterprise License Application Form.
2. Gather all relevant supporting documents as specified on the application form.
3. Submit the completed application form along with the supporting documents to SEZA for detailed evaluation.



3.

Issuance of an Approval in Principle Letter:

1. If your formal application meets SEZA's criteria, you will receive an Approval in Principle Letter outlining specific conditions to be fulfilled before the SEZ Enterprise License is issued. These conditions may include:
 - a. Incorporating your business as an SEZ company and providing the Certificate of Incorporation, CR 12 Form, and Kenya Revenue Authority (KRA) Personal Identification Number (PIN) for the new entity.
 - b. Obtaining a National Environment Management Authority (NEMA) permit supported by an environmental impact assessment report.
 - c. Submitting a detailed land-use plan for your proposed operations within the SEZ.
 - d. Applying for land allocation within the SEZ and securing a lease agreement.
 - e. Meeting any additional registration requirements pertinent to your business activity, such as approvals from relevant regulatory bodies (e.g., Pharmacy and Poisons Board).
 - f. Paying the applicable SEZA license fees. (USD 1000)

To operate under special economic zone an Investor requires SEZ Enterprise License.

4.3.3. SEZ Investment Incentives

As a holder of a Special Economic Zone (SEZ) Enterprise License in Kenya, your enterprise is entitled to a range of fiscal incentives designed to enhance investment and operational efficiency. The incentives, as stipulated in the SEZ Act of 2015 are summarized in the table below:

The incentives, as stipulated in the SEZ Act of 2015

Tax Head	Incentive Description
Corporate Tax	First 10 years: 10%- Subsequent 10 years: 15%- Thereafter: 30%As per the Third Schedule to the Income Tax Act Cap 470, paragraph 2(h).
Value Added Tax (VAT)	Supply of goods or taxable services to an SEZ enterprise is zero-rated. According to Section 12 of the Second Schedule of the Value Added Tax Act No. 35 of 2013, revised in 2018.
Stamp Duty	Exempted on instruments executed in relation to the business activities of SEZ enterprises, developers, and operators. As per Part VIII, Section 117(n) of the Stamp Duty Act Cap 480, revised in 2018.
Withholding Tax (WHT)	Exemption on dividends paid by SEZ enterprises, developers, and operators. Exemption on royalties, interest, management fees, professional fees, training fees, consultancy fees, agency, or contractual fees paid to non-residents during the first 10 years of establishment. As provided in the Finance Act of 2023, Section 24(c) 73.
Investment Deduction	100% investment deduction on capital expenditure for buildings and machinery used within an SEZ. As provided in the Finance Act of 2021, Section 19(b).
Excise Duty	Exempted, as SEZ goods and services are considered exports under the Excise Duty Act No. 23 of 2015, revised in 2017.
Import Declaration Fee (IDF)	Exempted for SEZ enterprises. As per the Second Schedule Part A of the Miscellaneous Fees and Levies Act No. 29 of 2016, revised in 2021.
Railway Development Levy (RDL)	Exempted for SEZ enterprises. As per the Second Schedule Part A of the Miscellaneous Fees and Levies Act No. 29 of 2016, revised in 2021.
Capital Gains Tax	Exemption on the transfer of property within an SEZ by enterprises, developers, and operators. As provided in the Finance Act of 2023, Section 24(c) 72.

4.3.4. SEZ Enterprise Licensing and Operational Guidelines

To operate within the Konza Technopolis Special Economic Zone (KTSEZ), an enterprise must first apply for and obtain an **SEZ Enterprise License** from the Special Economic Zones Authority (SEZA). Once licensed, the enterprise is eligible to apply to the Kenya Revenue Authority (KRA) Commissioner for a **Facility Code** to commence operations within a gazetted Customs Controlled Area of the SEZ.

1. Requirements for Facility Code Application:

Enterprises are required to submit the following documents:

- i. Valid SEZ Enterprise License
- ii. Zone License (developer/operator)
- iii. Gazette Notice of the designated Customs Area
- iv. Executed Lease Agreement or Letter of Offer for premises
- v. CR12 (official list of current directors)
- vi. Valid Tax Compliance Certificates for the company and its directors

Upon submission and approval, SEZA facilitates the issuance of a Facility Code, enabling access to Customs systems. Enterprises are then required to execute the relevant **Customs Security Bonds**:

- i. **CB20 and CB21 Bonds:** Cover the handling, movement, and storage of goods within the SEZ.
- ii. **CB16 Bond:** Required for enterprises engaged

in development to facilitate the importation of construction materials. Accompanying documents must include a phased development plan, detailed master list of imports, and Bills of Quantities.

2. Operational Compliance Guidelines:

To ensure compliance with SEZ and Customs protocols:

- i. Enterprises must provide adequate **security infrastructure**, including 24/7 CCTV surveillance and licensed security providers.
- ii. Designated **office space** must be provided for on-site KRA officers and customs operations.

Enterprises are required to:

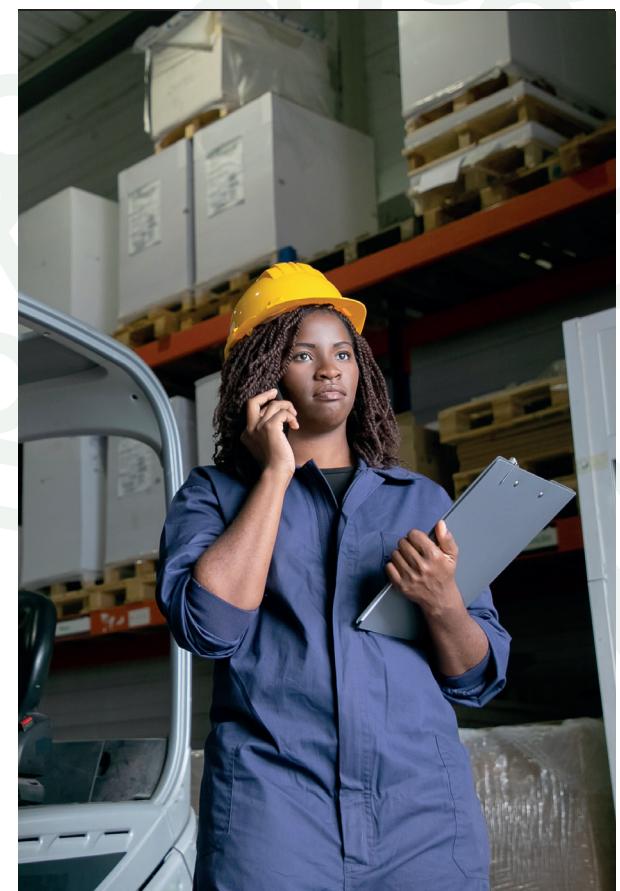
- i. Maintain accurate stock records
- ii. Submit **quarterly returns**
- iii. Account for any missing or unaccounted goods—failure to do so may result in penalties or tax assessments.
- iv. All goods entering, moving within, or exiting the SEZ must follow designated **customs procedures**. Destruction or disposal of goods must be conducted under the supervision of Customs officials.

9. Disqualification & Winding Up:

Enterprises found guilty of tax fraud or with unresolved tax liabilities will be disqualified from operating within the SEZ.

Upon winding up operations, enterprises must:

- i. Report existing stock levels and asset valuations
- ii. Facilitate proper disposal or export of goods
- iii. Settle any outstanding taxes
- iv. Obtain final clearance from the KRA Commissioner



4.3.5. Non fiscal (Tax) Incentives



As a licensed Special Economic Zone (SEZ) enterprise in Kenya, you are entitled to various non-fiscal incentives aimed at facilitating business operations. The SEZ Act of 2015 provides the following exemptions and benefits:

Exemption from Rent and Tenancy Controls:

- i. SEZ enterprises are not subject to the provisions of the Landlord and Tenant (Shops, Hotels and Catering Establishments) Act, granting flexibility in lease agreements and tenancy terms.

2. Exemption from the Foreign Investments and Protection Act:

- i. The requirements related to certificates for approved enterprises under the Foreign Investments and Protection Act do not apply to SEZ enterprises, simplifying the investment approval process.

3. Exemption from the Statistics Act:

- i. SEZ enterprises are exempt from certain provisions of the Statistics Act, which governs the collection and dissemination of statistical information. This exemption reduces reporting obligations.

4. Exemption from County Government Fees:

- i. SEZ enterprises are exempt from paying advertisement fees and business service permit fees typically levied by County Governments, reducing local compliance costs.

5. Exemption from Specific Licensing Requirements:

- i. Alcoholic Drinks Control Act, 2010: SEZ enterprises are exempt from obtaining general and hotel liquor licenses, facilitating operations

involving alcoholic beverages.

ii. Tea Act: Manufacturing licenses required under the Tea Act are not applicable to SEZ enterprises involved in tea processing.

iv. Films and Stage Plays Act: SEZ enterprises are exempt from obtaining filming licenses, easing the production of films and stage plays within the zones.

6. Work Permit Allowances:

- i. SEZ enterprises are entitled to work permits for up to 20% of their full-time employees, facilitating the employment of foreign specialists. Additional work permits may be granted for specialized sectors upon recommendation by the SEZ Authority.

4.4. Ongoing Investor Developments at Konza Technopolis

Over 70 investors have taken long-term leases in Konza Technopolis. Some of the on-going projects include:

4.4.1. The Kenya Advanced Institute of Science and Technology (Kenya-AIST)

Modelled after the Korean Advanced Institute of Science & Technology, the Kenya Advanced Institute of Science and Technology (KAIST) is an institution of strategic importance. This is especially since Science, Technology, and Innovation are considered a critical catalyst for fast-tracking modernization and transformation of the Kenyan society into a middle-income country by 2030. Kenya-AIST aims to produce highly qualified scientists and engineers with both theory and practical knowledge for the future industry in Kenya and East African region.

The production of well-trained graduates in S&T will contribute to knowledge-based economy and sustained growth with innovation. The project will conduct relevant Research and Development (R&D) and promote industrial-academic collaboration to stimulate technological and industrial transformation. This will lead to improved national competitiveness and help make Kenya an industrializing middle-income country as envisaged in Kenya Vision 2030. The Kenya-AIST project is based on the premise that S&T, as the engine of modern economic growth, can and should be harnessed to speed up Kenya's modernization. Key to this effort is the generation

of highly skilled engineers and scientists, who can put their knowledge and skills into industrial applications and social problem-solving activities.

The construction of Kenya-AIST is nearing completion and the first intake of graduates is expected later in the year 2025.

KAIST is an institution of strategic importance.



4.4.2. Konza Digital Media City Project

Konza Digital Media City (KDMC) is a creative digital multi-media and cultural hub whose aim is to create a modern media ecosystem where digital media content such as gaming and animations are developed and produced for the local and global markets.



4.4.3. Science & Technology Park Project

KoTDA is working with the Ministry of Education to establish a Science & Technology Park and an area of innovation with incubation and acceleration facilities, physical sciences and laboratory facilities, pharmaceutical, and natural products.



4.4.4. The Konza Affordable Housing Project

Construction is on-going for phase 1 of Konza Technopolis affordable housing which comprises of over 1,000 units of a mixed variety of houses under development by the Government of Kenya.

4.4.5. The Konza Cradle

This is the Authority's Corporate Headquarters and the first building at Konza Technopolis. The Konza Cradle is a stimulus project for Konza Technopolis, and it comprises of an Office Block, Conference Facility and Hotel Block.

The Office Block consists of a 9-floor Complex, with two basement parking floors serving as the Authority's Headquarters since March 2020, with additional office space to accommodate anchor tenants, investors, and innovation community.

The office complex sets pace for the planned sustainable developments and enables national government presence at Konza Technopolis site to facilitate implementation, administration, and operationalization of infrastructure projects as well as private investments. It is also key to the early realization of the Live, Work and Play goals of the city.

The Conference Centre & Hotel is a premier facility hosting a model Huduma Centre and Smart City Exhibition Spaces for local and international partners.

The Authority also intends to develop a hotel under a Public-Private Partnership model. The hotel wing is expected to support efforts to position Konza Technopolis as a Meetings, Incentives, Conferences and Exhibitions (MICE) destination. The hotel is needed to provide the following services to complement the Konza conference facilities: -

- Core services (Accommodation and amenities supporting accommodation)
- Facilitating services (Food and beverages services)
- Entertainment

"The office complex sets pace for the planned sustainable developments and enables national government presence at Konza Technopolis site."



4.4.6. Comprehensive Smart Immunization (Vaccine) Facility Project

This project entails the establishment of a Smart Vaccine Production Facility at Konza Technopolis which will utilize smart operation technologies to develop, produce and deliver “Safe, Effective and Affordable Vaccines” for better public health in Kenya. The facility is the anchor project in the Life Sciences band and the Pharmaceutical Park at Konza Technopolis.

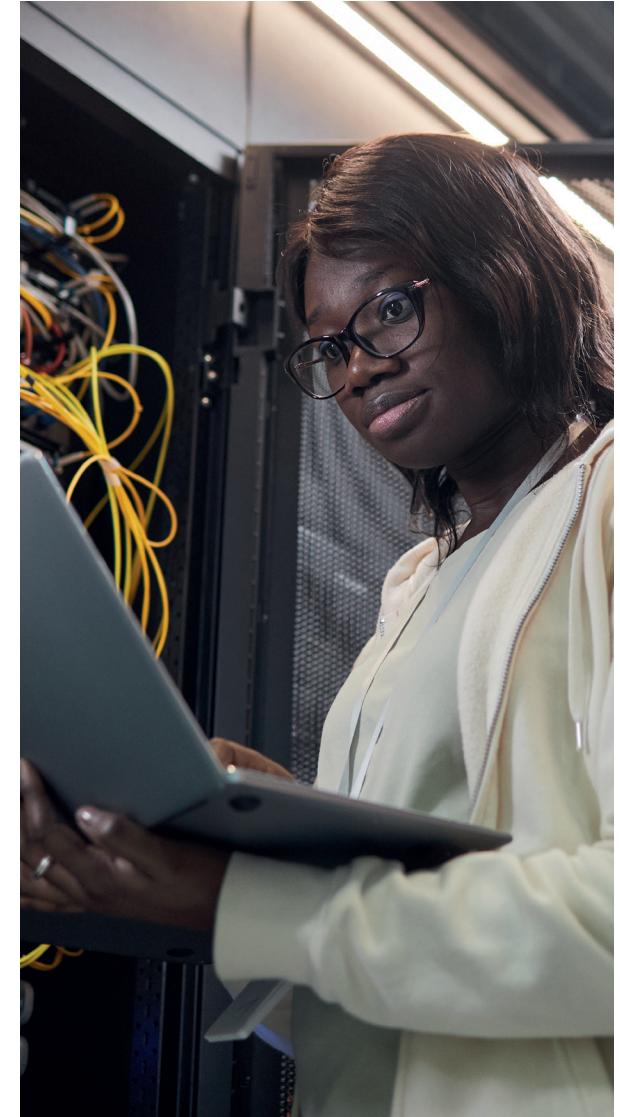
4.4.7. Vibrant Innovation Ecosystem and Knowledge-Based Industries

Konza Technopolis is rapidly evolving into Kenya's premier smart city and innovation hub,

with major infrastructure milestones including a completed link road, smart utilities, an operational Tier III National Data Centre, and affordable housing projects underway. The city now hosts the Open University of Kenya and is attracting investors with ready-built facilities and SEZ incentives. Through the Konza Innovation Ecosystem Initiative (KIEI), the Technopolis actively nurtures innovation via programs like the Konza Tech Forum, Kids Bootcamp, and Jitume hubs. Key developments like the planned Digital Media City, biotech centers, and new R&D and training institutions further position Konza as a key driver of Kenya's knowledge economy and Vision 2030 agenda.



Jitume lab at Kapropita Girls High School, Baringo County.



4.5. Recreation, Environmental Conservation and Wildlife Management

4.5.1. Recreation and Greening of Konza Technopolis

To meet the ‘work, live and play’ vision for the Technopolis, the approved Konza Technopolis land use plan has dedicated 668 acres for development of urban parks and amusement parks. These recreation areas include nature parks, civic parks, urban plazas, squares and gardens, pocket parks, playgrounds and athletic fields. Konza Technopolis parks and open spaces vision celebrates its savanna context while



developing a sensitive approach to the city ensuring sustainable and ecological sustenance.

Additionally, the establishment of a 176-acre golf course within the wildlife corridor enhances the Authority’s commitment towards developing a Technopolis where people can work and live harmoniously with nature. The golf course is situated adjacent to the low-density residential area, hence making it a walking distance from the living space to where one can ‘play’ in nature.

The green spaces have over 10,000 trees and 50 different sites matched plant and shrub species along all roads, berm area and all parks and open spaces as well as 63,000sqm of grass, water storage and recreational ponds. It also has more than 15 km of cycling paths.

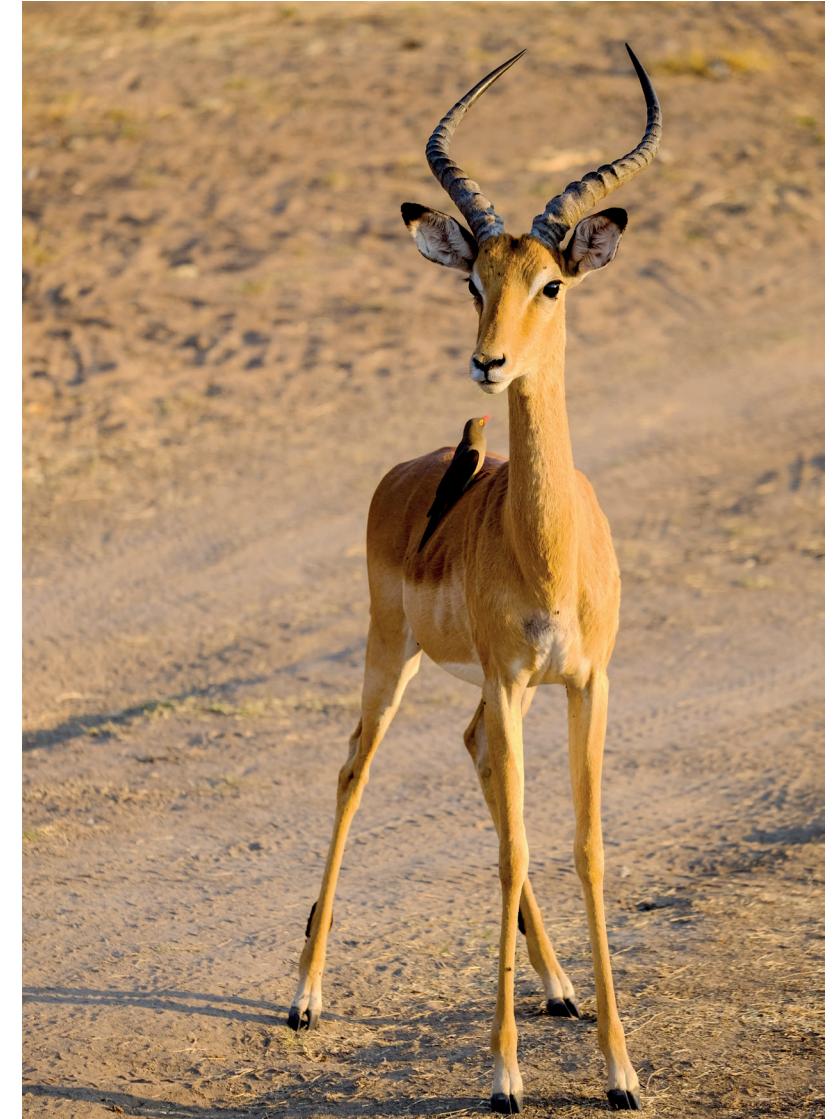
The Authority further plans to leverage technology to establish a smart tree nursery and increase the capacity to generate 10 million seedlings per year for increased sustainability. In this regard, the Authority has set up a 50 acre tree nursery, raising the capacity to generate up to 20 million seedlings per year for use within Konza Technopolis Phase 2 and 3, surrounding communities, urban areas and degraded forests.

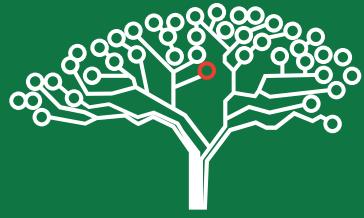
4.5.2. Wildlife Management

The Authority is working with the Kenya Wildlife Service to conserve wildlife within the Technopolis. This has been done by retaining the nearly 1000-acre wildlife corridor and by ensuring minimum interference by human

activities on the known bird breeding grounds. Additionally, there are plans to provide underpasses for wildlife crossings where the wildlife corridor intersects with the Nairobi-Mombasa A8 highway.







KONZA
Technopolis

5. Frequently Asked Questions



5. FREQUENTLY ASKED QUESTIONS

On Land

1. Can I own land within Konza Technopolis?

Yes, Land ownership in Konza Technopolis is through a sub-lease issued by KoTDA upon application, evaluation and approval of an investment proposal submitted by an investor.

2. What are the costs of owning land in Konza?

The cost of subleasing land at Konza Technopolis is as determined by the Authority and is broken down as follows:

- i. Stand Premium – This is a one-off payment that an investor pays as the amount charged for the acquisition of the sub-lease. Stand Premium is paid in full before the sub lease is registered in favour of the investor.
- ii. Annual Ground Rent – this is an annual amount payable throughout the sublease period as rent for the parcel.
- iii. Service Charge – this is an annual payment payable in respect of the management and administration of common areas within Konza Technopolis.

3. What is the size of land that one can hold in Konza?

There are no fixed parcel sizes. On average the size of land range from 1 -3 acres depending on the planned land use as is stipulated in our Master Plan.

4. How long is the sub-lease period?

Parcels at Konza Technopolis are subleased for Short-Term period of 21 years or Long-Term period of 90 years. Both lease term periods are renewable.

5. Is the sub-lease transferable?

The sub-lease is only transferable after the parcel has been developed and with the consent of the Authority.

6. If I want to sub-lease land in Konza, what should I do?

All you need to do is submit a written Expression of Interest on investing in Konza to the Authority. The Expression of Interest should contain at a minimum information on:

- Who you are
- What you do
- Experience in specific areas of interest
- The intended investment

Alternatively, you visit

<https://oss.konza.go.ke/#/landing/home>

Or email: invest@konza.go.ke

7. Are there any special requirements for me to be qualified for land sub-lease?

There are no special requirements. However, compliance to Authority's requirements and the Kenyan Laws and Regulations is mandatory. The requirements include:

- i. Legal Documents (Certificate of incorporation, Articles of association, CR12 etc..) as applicable for companies
- ii. Financial Documents (Audited financial statements, bank letter or evidence of proposed project financing)
- iii. General Documents – company profile, experience etc

8. What are some of the benefits of investing in Konza?

- i. Special Economic Zone benefits
- ii. One Stop Shop services
- iii. Secure serviced land
- iv. State of the art infrastructure
- v. Master planned city
- vi. Smart city facilities among others

9. What are the investment opportunities in Konza?

Refer to section 4.2 of the handbook

6. What incentives do I get when I choose Konza?

Refer to section 4.3.1 above



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