



## SUMMARY

### What is the NIFC?

1. The NIFC is a new business environment established to make it easier and more attractive to invest and conduct financial services and related activities in Kenya.
2. The goal is to develop a more predictable, efficient and globally competitive environment that encourages both domestic and foreign investment, supports innovation, and contributes to the sustainable economic growth of the country. It is a flagship initiative under the economic pillar of the Kenya Vision 2030.

### How will the NIFC achieve this objective?

3. The NIFC Act provides a number of incentives to NIFC firms, in line with other successful financial centres, such as the freedom to repatriate profits, employ certain categories of staff, not be subject to nationalisation and can be owned up to 100% by non-Kenyans.
4. The NIFC will also offer a more predictable business environment and regulatory framework designed to attract long term investments in key strategic sectors, as well as an improved dispute resolution framework. The NIFC Authority collaborates closely with key stakeholders to develop the appropriate framework and incentives.
5. Additionally, a NIFC Steering Council chaired by the President provides a critical mechanism to resolve cross-sector challenges facing the financial sector and investors, thereby increasing the chances of those challenges being addressed and the economy benefitting.

### What are the benefits of creating the NIFC?

6. The NIFC will fast-track many of the improvements needed to increase finance and investment in key areas of development.
7. The NIFC unique ecosystem allows it to provide certain benefits and incentives within the NIFC. It will also focus on making wider improvements, for example in relation to dispute resolution.



### **Can the financial and related sectors develop without the NIFC?**

8. Yes – but the NIFC will support the sector to grow at a faster pace. The NIFC is part of the concerted efforts to continually improve the ecosystem in Kenya, in line with the National Vision 2030.

### **Why is the financial sector and related services important?**

9. The financial sector contributes over 15% of GDP and provides necessary capital for investment and growth, not only to the private sector but also to the public sector. Additionally, new innovations like fintech and green finance are critical to future economic growth. Consequently, continuous development of the business environment is needed.

### **Does the NIFC create an uneven playing field, especially for Kenyan institutions?**

10. No - any firm can apply to be an NIFC firm including Kenyan firms.
11. Furthermore, the NIFC Authority will develop incentives aimed at attracting international firms to partner and collaborate with local firms, in order to enhance local capacity. The NIFC will also offer incentives to encourage firms to export their services from Kenya to other countries regionally.
12. Finally, the NIFC will focus on attracting financial and related services that contribute to growing the economy as opposed to those activities that are already well provided for in the current environment. For example, focusing on attracting investment in infrastructure, funding for green projects and manufacturing will be key areas of focus.

### **How do you become an NIFC firm?**

13. Firms considering conducting business through the NIFC must apply for certification by the NIFC Authority. The NIFC Authority will provide a checklist of the required documentation and upon receipt will review and process all applications. Certification is open to both domestic and international firms as long as they meet the requirements.
14. Firms proposing to conduct regulated activities such as corporate banking or insurance will also be required to follow the normal regulatory licensing procedures.



### **What is the relationship between existing financial regulators and NIFC Authority?**

15. The NIFC Authority does not carry out any regulatory oversight over firms that are regulated by a financial regulator.
16. However, the NIFC Authority will work closely with the regulators to ensure that the NIFC operating framework remains effective.

### **What types of firms and activities is the NIFC targeting?**

17. The NIFC will focus on attracting enterprises that contribute to growing the economy as opposed to those activities that are already well provided for in the current environment. It will concentrate on attracting global businesses that provide large pools of capital, drive innovation and are committed to sustainable growth.
18. The types of investment and services that are required to achieve these goals include financial institutions, asset managers, insurance companies, private equity, venture capital and investment firms, as well as financial services focused on fintech, green finance and digital finance. Additionally, professional services that are critical to a modern financial system such as actuarial, trust and custody services will also be needed.

### **What is the status of an NIFC firm?**

19. NIFC firms do not have any special or distinct legal status. An NIFC firm that is incorporated in Kenya remains subject to Kenyan laws and obligations. The NIFC simply provides a tailored framework and incentives that are applicable to NIFC certified firms.

### **Why Nairobi?**

20. Combined with the country's strong financial credentials, Nairobi is a gateway into sub-Saharan Africa and the development of the African Continental Free Trade Area (AfCTA) will make it easier to trade across 54 African countries with 1.3 billion people and a combined GDP of \$3.4 trillion.

For further information please visit <https://nifc.ke/>, call [+254 792 000 555](tel:+254792000555), or email [info@nifc.ke](mailto:info@nifc.ke)