



KENYA'S RIDE-HAILING AND DIGITAL MOBILITY SECTOR:

Legal and Regulatory Requirements for Market Entry, NTSA Licensing and Operations

17th October 2026

EXECUTIVE SUMMARY

Kenya is a leading African market for technology-enabled mobility services, offering significant opportunities for Transport Network Companies (TNCs), ride-hailing platforms, technology providers, fleet operators and investors.

Ride-hailing services are principally regulated under the [National Transport and Safety Authority \(Transport Network Companies, Owners, Drivers and Passengers\) Regulations, 2022 \(Legal Notice No. 120 of 2022\)](#) (the TNC Regulations), made under the [National Transport and Safety Authority Act, 2012](#). Beyond NTSA licensing, operators must navigate corporate establishment, taxation, data protection, cybersecurity, payment services, competition and consumer protection, employment, immigration and other applicable regulatory requirements.

Kenya's regulatory framework accommodates asset-light ride-hailing models, while alternative pricing structures, including zero-commission and driver-subscription arrangements, require careful assessment against applicable legal and regulatory requirements. Foreign entrants must also evaluate whether a Kenyan subsidiary or registered branch best serves their commercial, tax, liability and investment objectives.

Digital mobility platforms face additional obligations concerning personal data, cross-border data transfers and payment services, particularly where their operations involve location tracking, digital wallets or third-party funds.

Against an evolving regulatory landscape, including the High Court's judgment of 1 September 2026 declaring the TNC Regulations

procedurally defective and unconstitutional (with the declaration of invalidity suspended for 12 months and enforcement of the 18% commission cap and the three-year data retention and disclosure requirement restrained in the interim) and the proposed Draft TNC (Amendment) Regulations, 2026, a coordinated market-entry and compliance strategy is essential. Operators should align their corporate structure, licensing, commercial arrangements, technology, taxation and regulatory obligations from the outset to mitigate risk and support sustainable growth.

1. REGULATION OF TRANSPORT NETWORK COMPANIES AND RIDE-HAILING PLATFORMS IN KENYA

The TNC Regulations establish the principal framework governing technology-enabled ride-hailing services in Kenya.

Broadly, a Transport Network Company (TNC) is an entity that connects passengers with drivers exclusively through a digital platform for the provision of transport services. Conventional taxi and limousine services are excluded, and a “transport network vehicle” is limited to a motor vehicle designed to carry not more than seven passengers excluding the driver; motorcycles are expressly excluded.

Motorcycle (boda boda) ride-hailing services therefore fall outside the TNC Regulations and should be assessed separately, including under the [National Transport and Safety Authority \(Operation of Motorcycles\) Regulations, 2015](#) and applicable county legislation.

The regulatory framework focuses on the nature of the services facilitated through the platform rather than merely on ownership of the vehicles used to transport passengers.

Accordingly, a business may qualify as a regulated TNC even where it describes itself primarily as a software company, technology intermediary, digital marketplace or mobility-as-a-service provider.

The regulatory classification should be determined by examining the platform’s actual activities, contractual relationships, pricing

arrangements, revenue model and operational responsibilities.

International ride-hailing companies should therefore undertake a Kenyan transport regulatory assessment before commencing operations, including where their platforms have already been licensed or successfully deployed in other jurisdictions.

2. ASSET-LIGHT RIDE-HAILING AND MOBILITY-AS-A-SERVICE BUSINESS MODELS

Kenya’s regulatory framework accommodates asset-light ride-hailing models, under which Transport Network Companies (TNCs) connect passengers with drivers operating independently owned vehicles without maintaining their own fleets.

While this model reduces capital requirements and facilitates expansion, TNCs remain subject to applicable regulatory obligations concerning driver eligibility, vehicle verification, insurance, roadworthiness, passenger safety, complaints management and platform governance.

Regulatory obligations are determined by the nature of the services provided rather than vehicle ownership. This distinction is particularly relevant to foreign technology companies entering Kenya through franchise arrangements, technology licensing or independent driver networks.

3. ZERO-COMMISSION RIDE-HAILING PLATFORMS AND DRIVER SUBSCRIPTION MODELS

Kenyan ride-hailing platforms may adopt alternative revenue structures to conventional per-trip commissions, including zero-commission, fixed daily, weekly or monthly driver subscriptions, hybrid pricing and fleet subscription arrangements.

The TNC Regulations contemplate subscription arrangements, including activation and deactivation procedures. However, the legality of each model depends on its economic substance, contractual terms, pricing transparency and compliance with applicable regulatory



requirements.

Regulation 9(2)(g) of the TNC Regulations also capped the commission payable to a TNC at 18% of the total earnings of a trip, and Regulation 9(3) prohibited contractual terms designed to raise the effective commission above that level. Subscription and hybrid models were therefore exposed to challenge where they recovered more than the equivalent of that cap. The enforceability of the cap is now affected by the High Court judgment discussed in Section 4.

Operators should assess whether subscription charges genuinely relate to platform access, their relationship to trip volumes or driver earnings, and their compliance with applicable commission and pricing rules, taking account of the High Court judgment and the proposed minimum-fare and minimum-compensation rules discussed in Section 4.

4. JUDICIAL AND REGULATORY DEVELOPMENTS AFFECTING TNC COMMISSION REGULATION

In [Bolt Operations OÜ v Cabinet Secretary for Roads and Transport & 3 others \(Petition E101 of 2025\) \[2026\] KEHC 13383 \(KLR\)](#), the High Court (Aburili J) on 1 September 2026 declared the TNC Regulations procedurally defective, unconstitutional, null and void. The Court found that provisions with significant economic impact had been added after stakeholder consultation without renewed public participation, that no Regulatory Impact Statement had been prepared as required by section 6 of the [Statutory Instruments Act, 2013](#), and that the Regulations had been enforced before being laid before Parliament, contrary to section 11 of that Act and Article 94(5) of the [Constitution](#).

The Court further declared that the provisions imposing the 18% commission cap and restricting booking fees, together with Regulation 11(e) and the three-year data storage and surrender requirement in Regulation 17, are ultra vires the [National Transport and Safety Authority Act, 2012](#) and violate Articles 31 and 40 of the [Constitution](#) and section 25 of the [Data Protection Act, 2019](#). In the Court's view, the commission cap lacked statutory foundation, a Regulatory Impact Statement or economic justification, could not be justified as a reasonable limitation under Article

24, and amounted to an arbitrary deprivation of property; the level of commission should instead be left to the contracting parties to negotiate. The Court also found that the Regulations exceed the rule-making power in section 54 of the NTSA Act and discriminate against digital platforms relative to conventional taxis, contrary to Article 27 of the [Constitution](#).

The declaration of invalidity is suspended for 12 calendar months from the date of judgment, that is, until 1 September 2027. Within that period, the Cabinet Secretary, NTSA and the National Assembly must conduct fresh public participation on the provisions added after the initial consultation, undertake a Regulatory Impact Assessment of the entire Regulations and align them with the [Constitution](#) and the enabling legislation. The Regulations remain in force during the suspension period, save that the Cabinet Secretary and NTSA are prohibited from enforcing the 18% commission cap and Regulation 17 against the petitioner and other digital transport operators. If compliance is not achieved within the suspension period, the Regulations will cease to be enforceable.

The Court rejected the petitioner's argument that national licensing of ride-hailing platforms encroaches on devolved county functions. It held that, insofar as the Regulations establish a national licensing regime for digital platforms operating across counties, they are properly anchored in the constitutional allocation of functions, while counties retain authority over individual vehicles, drivers and parking facilities within their boundaries.

Separately, in [Republic v Transport Licensing Appeals Board; National Transport & Safety Authority & 14 others \(Interested Parties\); Uber BV \(Ex parte Applicant\) \[2025\] KEHC 9417 \(KLR\)](#), the High Court held that the Transport Licensing Appeals Board may only hear appeals from decisions of NTSA under section 38 of the [National Transport and Safety Authority Act, 2012](#), and that Regulation 23 of the TNC Regulations cannot confer jurisdiction beyond that conferred by the parent Act.

Further regulatory change is anticipated. The Draft [National Transport and Safety Authority \(Transport Network Companies, Owners, Drivers](#)

[and Passengers\) \(Amendment\) Regulations, 2026](#), published for public participation in mid-2026, propose a minimum fare structure, a guaranteed minimum compensation per trip for drivers and riders payable separately from commissions, taxes and other deductions, and a prohibition on discounts or promotions that would reduce driver earnings below that minimum. At the time of writing, these proposals had not been gazetted.

Such judicial developments may affect the enforceability of particular regulatory requirements. Operators should therefore

examine the full judgment, the terms of the 12-month suspension of the declaration of invalidity (which expires on 1 September 2027), any interim orders, appeals and subsequent regulatory action before relying on a particular legal position.

A zero-commission or subscription-based ride-hailing model should not automatically be regarded as either prohibited or approved. Its legality depends on the applicable law, current judicial position and the specific commercial arrangements adopted.

5. FOREIGN RIDE-HAILING COMPANIES: BRANCH REGISTRATION VERSUS KENYAN SUBSIDIARY

Foreign transport technology companies entering Kenya must determine the most appropriate legal structure for their operations.

The two principal options are registration of a foreign company under Part XXXVII of the [Companies Act, 2015](#), or incorporation of a Kenyan subsidiary.

This choice has direct licensing consequences. Regulation 6 of the TNC Regulations requires an applicant to be a body corporate legally recognised in Kenya, to be tax compliant, to be registered with the Data Commissioner as a data controller or data processor and to have a registered office in Kenya. Regulation 7(a) calls for a certified copy of the certificate of incorporation where the applicant is a company incorporated under the [Companies Act](#), and in the Bolt case the petitioner characterised the Regulations as requiring local incorporation. A foreign company intending to apply through a registered branch should therefore confirm with NTSA in advance that this will be accepted.

Corporate structure	Principal legal and commercial considerations
Foreign company or branch	Registration of the overseas parent to carry on business in Kenya. The branch is not a separate legal entity, and the foreign parent generally remains responsible for its Kenyan operations.
Kenyan subsidiary	Incorporation of a separate Kenyan legal entity, ordinarily providing greater separation between the liabilities of the Kenyan operation and those of the foreign shareholder.

The preferred structure should be assessed by reference to NTSA licensing, corporate liability, taxation, profit repatriation, banking, beneficial ownership, intellectual property, employment, investment protection and future regional expansion.

Foreign-company registration generally involves submission of prescribed corporate documents, details of directors and beneficial owners, a registered office in Kenya and the names and addresses of one or more persons resident in Kenya authorised to accept service on the company's behalf, which must be delivered to the Registrar within 30 days of establishing a place of business in Kenya.

International groups should also consider whether the Kenyan operation will own or license the technology, contract directly with drivers and passengers, receive platform revenues or provide services on behalf of an overseas parent.

These arrangements may have material implications for tax compliance, transfer pricing, data protection and regulatory accountability.

6. NTSA TRANSPORT NETWORK COMPANY LICENSING REQUIREMENTS IN KENYA

A business falling within the TNC regulatory framework must obtain the appropriate NTSA transport network company licence before commencing regulated ride-hailing operations.

The licence is valid for one year from the date of issue and may be renewed only after an NTSA compliance audit (Regulation 12). The prescribed application and annual renewal fee is KES 100,000 (Regulation 8(2) and the Schedule), and NTSA is required to consider an application within 14 days of submission (Regulation 8). Contravention of the Regulations is an offence punishable by a fine not exceeding KES 20,000, imprisonment for a term not exceeding six months, or both (Regulation 25), in addition to the risk of suspension or cancellation of the licence (Regulation 13).

The licensing process involves more than submission of incorporation documents.

Applicants must address matters concerning corporate registration, tax compliance, registered premises, data-protection registration, vehicles and vehicle owners, driver arrangements, pricing structures, revenue-sharing arrangements, subscription procedures, complaints management and deactivation policies.

A TNC should therefore prepare a comprehensive regulatory and operational documentation package, including appropriately structured agreements with drivers, vehicle owners and passengers.

International platforms should not assume that standard contracts used in other jurisdictions automatically comply with Kenyan law. In

particular, Regulation 10 requires agreements with vehicle owners, drivers and subscribers to be governed by Kenyan law, with disputes determined by Kenyan courts or tribunals. Offshore governing-law and foreign-seated dispute resolution clauses commonly found in global driver terms should be revised accordingly.

The licensing process should also be coordinated with the platform's technology team to ensure that its digital systems support applicable driver verification, passenger information, safety, reporting and complaints-management obligations.

Operators should confirm the current NTSA application procedures, administrative guidance and the enforceability of the relevant regulatory provisions in light of the High Court judgment before submitting an application.

7. DRIVER LICENSING, VEHICLE COMPLIANCE AND PASSENGER SAFETY

TNC compliance obligations continue after the initial licence has been granted.

The regulatory framework addresses driver eligibility, vehicle documentation, insurance, roadworthiness, passenger information, safety mechanisms and reporting of specified incidents.

Ride-hailing platforms should therefore implement systems for:

- Verifying driver identities, qualifications and applicable authorisations, including a valid driving licence with the relevant NTSA endorsement and a valid PSV badge (Regulation 20);
- Confirming vehicle ownership, valid insurance, roadworthiness, transport network vehicle licensing and compliance with the 16-year maximum vehicle age (Regulations 11 and 19);
- Monitoring the validity and expiry of driver and vehicle documentation;
- Providing passengers with prescribed information concerning journeys, drivers, vehicles and estimated fares before a trip is accepted, and issuing trip receipts (Regulation 14);

- Managing safety incidents, complaints and emergency escalation, including a panic button connected to a response centre manned at all times and reporting of fatal or serious-injury accidents to NTSA within 24 hours (Regulation 11);
- Enforcing driver rest requirements, under which a driver must be logged out for at least four consecutive hours after eight hours of continuous service within any 24-hour period (Regulations 14 and 21); and
- Applying transparent and legally compliant driver suspension and deactivation procedures, including written notice and reasons, an opportunity to respond and notification of NTSA within seven days (Regulation 15), and mandatory deactivation and reporting to NTSA within 48 hours in the cases specified in Regulation 18, such as criminal complaints, allegations of sexual misconduct and traffic accidents resulting in a fatality.

For technology-enabled transport businesses, regulatory compliance should be incorporated directly into the platform's design and operating procedures.

A compliant ride-hailing platform requires both legally appropriate documentation and technology capable of implementing the relevant regulatory safeguards.

8. DATA PROTECTION, PASSENGER LOCATION DATA AND CYBERSECURITY COMPLIANCE

Ride-hailing and digital mobility platforms process substantial volumes of personal information.

Such information may include passenger and driver identities, telephone numbers, photographs, vehicle registration details, payment information, trip histories and real-time or historical geolocation data.

The [Data Protection Act, 2019](#), together with the [Data Protection \(General\) Regulations, 2021](#) and the [Data Protection \(Registration of Data Controllers and Data Processors\) Regulations,](#)

[2021](#), is therefore central to the regulation of ride-hailing platforms in Kenya.

Operators should assess their obligations concerning:

- Mandatory registration with the Office of the Data Protection Commissioner (ODPC), which applies to transport services firms, including online passenger-hailing applications, irrespective of turnover or number of employees, and which is a pre-condition for the TNC licence;
- Lawful processing of passenger and driver personal data;
- Privacy notices, consent where required and data-subject rights;
- Data minimisation, retention and deletion policies;
- Data Protection Impact Assessments (DPIAs), under section 31 of the [Data Protection Act](#), which will ordinarily be required given the systematic, large-scale processing of real-time geolocation data;
- Cybersecurity, access controls and incident-response procedures, including notification of personal data breaches to the Data Commissioner within 72 hours of becoming aware of them (section 43) and compliance with the [Computer Misuse and Cybercrimes Act, 2018](#), as amended; and
- Contractual arrangements with cloud providers, technology vendors and other data processors.

Operators should also take account of the High Court's finding in the Bolt case that the blanket three-year retention and disclosure requirement in Regulation 17 of the TNC Regulations infringes the right to privacy under Article 31 of the [Constitution](#) and the data minimisation and proportionality principles in section 25 of the [Data Protection Act, 2019](#). NTSA is currently prohibited from enforcing Regulation 17 against digital transport operators. Platforms should continue to respond to lawful requests from NTSA, the police and the courts, but should verify that each request has a clear legal basis and limit disclosures to what is necessary and proportionate.

9. CROSS-BORDER TRANSFERS OF PASSENGER AND DRIVER DATA

International ride-hailing platforms frequently rely on overseas servers, cloud infrastructure, technical support teams and centralised data-processing arrangements.

Where personal data originating in Kenya is transferred or made accessible outside the country, the operator must comply with sections 48 to 50 of the [Data Protection Act](#) and the [Data Protection \(General\) Regulations, 2021](#). Transfers are permitted only where the operator can demonstrate appropriate safeguards, an adequate level of protection in the destination country, the necessity of the transfer for a specified purpose, or the consent of the data subject. Transfers of sensitive personal data require the data subject's consent and appropriate safeguards, and the Cabinet Secretary may prescribe that certain processing be carried out only through servers or data centres located in Kenya.

Particular attention should be given to the legal relationship between the Kenyan operating entity and its foreign parent, the location of data-hosting infrastructure, access by overseas personnel and appropriate contractual and technical safeguards.

Compliance should be embedded into the platform's architecture from the outset rather than addressed only after the commencement of operations.

10. DIGITAL PAYMENTS, PAYMENT GATEWAYS AND IN-APP WALLET REGULATION

The payment architecture adopted by a ride-hailing platform may create obligations under Kenya's financial-services regulatory framework.

A platform that collects payment for its own subscription or technology services through an appropriately licensed bank, mobile-money operator or payment service provider may present a different regulatory profile from a platform that holds or transfers funds belonging to passengers, drivers or vehicle owners.

Additional considerations may arise where the platform introduces digital wallets, stored-value arrangements, payment gateways, passenger fare collection, driver settlement services or cross-border payment functionality.

Such arrangements should be assessed under the [National Payment System Act, 2011](#), the [National Payment System Regulations, 2014](#) and relevant requirements of the Central Bank of Kenya (CBK).

Where a platform offers drivers vehicle financing, fuel advances or other forms of credit, the [Central Bank of Kenya \(Digital Credit Providers\) Regulations, 2022](#) may also apply, and any virtual-asset functionality should be assessed under the [Virtual Asset Service Providers Act, 2025](#). In addition, with effect from 1 July 2026, the [Finance Act, 2026](#) subjected fees and commissions on financial services supplied over a digital platform by payment service providers to VAT at 16%, which may affect the cost of payment partnerships.

Transport licensing does not automatically authorise a business to undertake separately regulated payment services.

11. FINANCIAL TECHNOLOGY PARTNERSHIPS AND PAYMENT-SERVICE LICENSING

TNCs should consider whether their proposed payment arrangements can be implemented through partnerships with licensed financial institutions or payment service providers, or whether separate regulatory authorisation may be required.

The assessment should address the contractual payment flows, ownership and safeguarding of funds, settlement arrangements, customer disclosures, outsourcing, cybersecurity and anti-money laundering and counter-financing of terrorism requirements under the [Proceeds of Crime and Anti-Money Laundering Act, 2009](#).

For international platforms, cross-border settlement arrangements and payments to foreign technology or intellectual-property providers may require additional legal and tax analysis.

12. TAXATION OF RIDE-HAILING PLATFORMS AND DIGITAL MOBILITY BUSINESSES

Tax structuring is an important component of establishing a ride-hailing or digital mobility business in Kenya.

The relevant obligations may include corporate income tax, Value Added Tax (VAT), withholding tax, payroll taxes, transfer pricing and taxation of cross-border technology, management and intellectual-property payments.

The tax treatment may differ depending on whether the Kenyan operation is established as a branch or subsidiary, whether revenues are collected locally or overseas, and whether the platform earns commissions, subscriptions or other service fees.

Foreign platforms should also consider the treatment of intra-group technology licensing, management charges and other related-party transactions, noting that the [Finance Act, 2026](#) expanded the definition of “royalty” to include payments for access to digital platforms and payment processing, which may attract withholding tax.

Corporate structure, commercial contracts, revenue flows and payment architecture should therefore be designed together to support tax efficiency and statutory compliance.

13. EMPLOYMENT, IMMIGRATION AND THE LEGAL STATUS OF PLATFORM DRIVERS

Ride-hailing companies establishing operations in Kenya may require local management, technology personnel, compliance officers, customer support teams and other employees.

Kenyan employment and payroll obligations will apply to employees, while foreign personnel deployed to Kenya may require work permits (ordinarily a Class D permit) or other immigration authorisations under the [Kenya Citizenship and Immigration Act, 2011](#).

The legal relationship between the platform and its drivers requires particular attention.

Descriptions such as “driver”, “Captain”, “partner” or “independent contractor” do not conclusively determine the legal status of the relationship.

The substance of the arrangement should be assessed, including the degree of operational control, contractual independence, pricing arrangements, working practices, disciplinary procedures and the allocation of commercial responsibilities.

Certain features of the TNC Regulations, including mandatory driver rest periods, deactivation procedures and the obligation on drivers to comply with lawful instructions of the TNC, together with the proposed guaranteed minimum compensation per trip, may be cited in support of arguments that drivers are subject to a degree of control indicative of employment. Platforms should ensure that their driver documentation and operational practices reflect the actual commercial relationship and should assess potential exposure under the [Employment Act, 2007](#), the [Labour Relations Act, 2007](#) and the [Work Injury Benefits Act, 2007](#).

As legal and policy developments concerning platform workers continue, operators should regularly review their driver agreements and operational practices.

14. COMPETITION LAW, CONSUMER PROTECTION AND DIGITAL PLATFORM GOVERNANCE

Ride-hailing platforms operate multi-sided markets connecting passengers, drivers, vehicle owners and other commercial participants.

These arrangements may raise competition-law considerations concerning pricing, exclusivity, promotions, platform access, driver terms, market power and relationships between competing platforms and commercial partners.

These matters are governed by the [Competition Act, 2010](#), which prohibits restrictive trade practices, abuse of a dominant position and abuse of buyer power, and establishes the merger-control regime administered by the Competition Authority of Kenya.

Consumer protection is equally important, in particular under the [Consumer Protection Act, 2012](#) and the consumer-protection provisions of the [Competition Act, 2010](#).

Platforms should ensure that passenger fares and other material charges are transparently disclosed, advertising is not misleading and customer-facing terms clearly explain the services, payment arrangements, complaints procedures and relevant liabilities.

Driver-facing agreements should similarly address subscription fees, commission arrangements, account suspension, deactivation, complaints and dispute resolution.

Regulation 16 of the TNC Regulations further provides that promotional pricing must not negatively affect vehicle owners, and the Draft (Amendment) Regulations, 2026 propose to prohibit promotions that would reduce driver earnings below the proposed minimum compensation.

Regulatory compliance should be supported by transparent platform governance and fair commercial practices.

15. INTELLECTUAL PROPERTY, TECHNOLOGY LICENSING AND BRAND PROTECTION

The brand, software, algorithms, databases and technology infrastructure of a ride-hailing platform may constitute some of its most valuable commercial assets.

International entrants should consider protecting their trade marks and other intellectual property rights in Kenya, whether through registration with the Kenya Industrial Property Institute (KIPI) under the [Trade Marks Act \(Cap. 506\)](#) or by designating Kenya under the [Madrid System](#), and by documenting copyright in software under the [Copyright Act, 2001](#), rather than relying exclusively on registrations obtained in their home jurisdictions.

Technology agreements should address ownership and licensing of software, application programming interfaces (APIs), algorithms, databases and other proprietary systems.

Where Kenyan developers, technology vendors or commercial partners are engaged, contractual arrangements should clearly allocate intellectual-property ownership, licensing rights, confidentiality obligations, cybersecurity responsibilities and service standards.

Appropriate intellectual-property protection is particularly important where a platform intends to expand into additional East African markets.

16. EXPANSION OF RIDE-HAILING OPERATIONS BEYOND NAIROBI

International ride-hailing companies frequently use Nairobi as their initial Kenyan market before expanding into Mombasa and other major urban centres.

Expansion should not be treated solely as a marketing or operational decision.

Additional business premises, county permits, local commercial arrangements and operational requirements may need to be considered.

In the Bolt judgment, the High Court held that national licensing of digital platforms that operate across counties is consistent with the national government's mandate, and that it does not displace county authority to license individual vehicles, drivers and parking facilities operating within their boundaries. County business permits and other local requirements should therefore be addressed for each operating location.

Coastal markets also present opportunities for integration between digital mobility and Kenya's wider hospitality and tourism ecosystem, including hotels, resorts, airport transfers, tour operators, travel agencies and online booking platforms.

Airport transfers and pick-ups at Jomo Kenyatta International Airport, Moi International Airport and other airports may also be subject to Kenya Airports Authority access, permit and designated pick-up requirements.

A coordinated national expansion strategy should therefore address the legal, regulatory and commercial requirements applicable to each operating location.

17. PRACTICAL MARKET-ENTRY AND REGULATORY COMPLIANCE ROADMAP

The principal legal and regulatory workstreams for an international ride-hailing or digital mobility platform entering Kenya can be summarised as follows:

Workstream	Key legal and regulatory considerations
Corporate establishment	Branch versus subsidiary, registered office, local representative and beneficial ownership
NTSA licensing	TNC licence application, operating model, driver and vehicle requirements; status of the September 2026 High Court judgment and the Draft (Amendment) Regulations, 2026
Commercial model	Commission, zero-commission, subscription or hybrid pricing; 18% cap (enforcement currently restrained); proposed minimum fares and driver compensation; driver and vehicle-owner arrangements
Data protection and cybersecurity	ODPC registration, DPIAs, location data, privacy, security and cross-border transfers
Digital payments	Payment collection, PSP partnerships, digital wallets, payment gateways and CBK regulatory requirements
Tax compliance	Corporate income tax, Significant Economic Presence Tax , VAT, withholding tax, eTIMS, transfer pricing and revenue flows
Employment and immigration	Kenyan employees, expatriate personnel, work permits and platform-worker arrangements
Competition and consumer protection	Pricing, promotions, platform terms, complaints and market conduct
Intellectual property	Trade marks, software, APIs, algorithms and brand protection
County compliance	Business permits, premises and geographical expansion requirements
Ongoing regulatory compliance	Annual licence renewals and NTSA compliance audits, corporate filings, regulatory reporting, compliance monitoring and legal updates

These workstreams should, where possible, proceed in parallel.

The objective is not simply to obtain regulatory approvals, but to ensure that the corporate structure, technology, contracts, revenue model, payment architecture and operational processes correspond with the licences and authorisations obtained.

HOW WE CAN ASSIST

CM Advocates LLP's Hospitality, Travel & Leisure (HTL) Group, working closely with its Financial Services, Innovation & Regulation (Fin-SIR) Practice, provides integrated legal, regulatory, transactional and strategic advisory services to transport network companies, ride-hailing platforms, travel-tech businesses, mobility service providers, technology companies, vehicle owners, fleet operators, payment service providers, investors and other businesses operating within Kenya's digital mobility ecosystem.

Our multidisciplinary approach combines sector-specific expertise, financial regulatory knowledge, technology-sector experience and commercial understanding to help clients establish compliant operations, manage regulatory risks, protect investments and pursue sustainable growth within Kenya's evolving digital mobility sector.

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