



PRESS RELEASE

LICENSING OF DIGITAL CREDIT PROVIDERS

The Central Bank of Kenya (CBK) announces that the transition period for all operating unregulated Digital Credit Providers (DCPs) to apply to CBK for a license **ended on September 17, 2022**. This is pursuant to Section 59(2) of the Central Bank of Kenya Act (CBK Act), that required all operating unregulated DCPs to apply to CBK for a license within six months of the publication of the Central Bank of Kenya (Digital Credit Providers) Regulations, 2022 (the *Regulations*), i.e., by September 17, 2022, or cease operations.

On March 21, 2022, CBK [announced](#) the publication of the [Regulations](#) on March 18. They provide for the licensing and oversight of DCPs. The *Regulations* were issued pursuant to Sections 57(1), 57(3) and 57(4) of the CBK Act. Further, on May 17, 2022, CBK [reminded](#) all currently operating DCPs to apply to CBK for a license.

CBK has received 288 applications since March 2022 and has worked closely with the applicants over the last six months in reviewing their applications. Additionally, CBK has engaged other regulators and agencies pertinent to the licensing process, including the Office of the Data Protection Commissioner. We acknowledge the efforts of the applicants and the support of other regulators and agencies in this process.

So far, 10 applicants have now been licensed as DCPs, pursuant to the CBK Act and the *Regulations*. Details of the licensed DCPs can be accessed [here](#). Other applicants are at different stages in this process, largely awaiting the submission of requisite documentation. We urge these applicants to submit the pending documentation expeditiously to enable completion of the review of their applications. All other unregulated DCPs that did not apply for licensing must **cease and desist from conducting digital credit business**.

Reports by the public on unregulated DCPs can be sent to dcps@centralbank.go.ke.

The licensing and oversight of DCPs as indicated [previously](#), was precipitated by concerns raised by the public about the predatory practices of the unregulated DCPs, and in particular, their high cost, unethical debt collection practices, and the abuse of personal information.

CENTRAL BANK OF KENYA

September 19, 2022