



## **PRESS RELEASE**

### **LIFTING OF MORATORIUM ON LICENSING OF NEW COMMERCIAL BANKS IN KENYA**

The Central Bank of Kenya announces that with effect from July 1, 2025, it will lift the moratorium on licensing of new commercial banks. The [moratorium](#) has been in place from November 17, 2015.

The moratorium was imposed against a backdrop of governance, risk management, and operational challenges in the banking sector. It was intended to provide space for the strengthening of the Kenyan banking sector. Since then, significant strides have been made in strengthening the legal and regulatory framework for Kenya's banking sector. Notably, there have been a number of mergers and acquisitions by existing players and entry of new domestic and foreign strategic investors into the sector.

The recent increase, in the Business Laws (Amendment) Act, 2024, of the minimum core capital requirements for commercial banks to Ksh.10 billion will further reinforce the strengthening of the banking sector. Following the lifting of the moratorium, new entrants to the Kenyan banking sector will be required to demonstrate that they can meet the enhanced minimum capital requirements of Ksh.10 billion.

Stronger and more resilient banks will be able to navigate the growing risks in the global, regional, and domestic arenas. Additionally, they will be able to support large scale financing needs to meet Kenya's development aspirations.

**CENTRAL BANK OF KENYA**  
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