



Immigration Alert

The new Class N - Digital Nomad permit

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Introduction
On 1 October 2024, the Cabinet Secretary for Interior and National Administration issued a notice under the Special Issue Kenya Gazette making amendments to the Kenya Citizenship and Immigration Regulations, 2012 and introducing the Kenya Citizenship and Immigration (Amendment) Regulations, 2024. The amendment introduces a new class of permit known as the Class N - Digital Nomad, which brings the total number of permit classes in Kenya to ten.

Background
The new Class N - Digital Nomad permit makes provisions for non-Kenyan citizens who are professionals employed by or work for companies domiciled outside of Kenya.

The regulation creates a new class of permits that stipulates the following requirements

for issuance of such resident permits: a valid national passport, proof of remote work, an assured annual income of \$55,000 derived from sources outside Kenya, proof of accommodation in Kenya and, finally, proof of a clean criminal record from the country of habitual residence.

The regulation further requires the person seeking to be issued with the Class N - Digital Nomad permit to provide a commitment not to engage in any form of employment or income generating activity of any kind for companies registered in Kenya. Ultimately, the individual's presence in Kenya should be deemed to be of benefit to Kenya.

Please note that the recent amendments did not set the fees for the new permit class. We expect further guidelines to be issued in due course regarding the applicable fees.

What this means for non-resident employers and remote workers

The new Class N - Digital Nomad permit introduces regulations for remote working, which had not been specifically addressed under previous immigration laws.

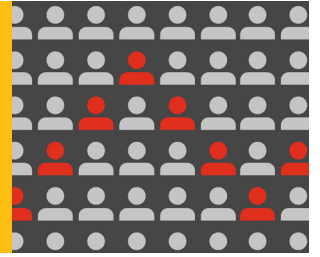
This permit aims to regulate digital nomads, including foreign freelancers and remote working employees of non-resident companies, offering them a legal framework to operate in Kenya without the requirement of an employer presence in the Kenyan territory.

Therefore, individuals currently in the country without the appropriate permits must align and regularise their immigration status.



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The current amendment lacks essential details, such as the costs involved, including filing and issuance fees, as well as the duration of the permit, making it difficult for potential applicants to compare it with other residency or work permits



Please note that regardless of the permit applied for, foreign employers, employees, and remote workers intending to work in Kenya should carefully evaluate the employment and personal tax implications of their work arrangements in Kenya.

Kenyan tax law imposes specific obligations on both resident and non-resident employers and employees to comply with domestic income tax and social security requirements depending on the nature of employment and the period of residency in Kenya.

The specific obligations could include appointment of local tax representatives, registration of

employees with tax and social security authorities, as well as the filing and payment of local taxes and social security contributions. Expert tax advice should be sought in relation to any work arrangements by non-Kenyan citizens.

Impact on the Kenyan economy

The new work permit is expected to positively impact several sectors of Kenya's economy. The tourism industry will benefit from longer stays by digital nomads, including visits by family and friends due to the digital nomads' residency status. This may boost the local economies of tourist areas in Kenya (as many nomads typically

come from high-spending developed countries), including reducing seasonal fluctuations.

The real estate market may also see growth, with increased demand for rentals, property purchases, and co-working spaces. Additionally, the education sector could experience a rise in demand for quality schools, leading to more opportunities for Kenyan teachers, particularly those with experience in international curricula.

Further information expected

Kenya's introduction of the Class N - Digital Nomad permit marks a first step in attracting global remote workers. This permit may be especially appealing to those in technology, consulting, freelancing, and similar fields as it allows non-Kenyan professionals to live and work in Kenya without being subject to rigorous work permit requirements.

However, the current amendment lacks essential details, such as the costs involved, including filing and issuance fees, as well as the duration of the permit, making it difficult for potential applicants to compare it with other residency or work permits.

For this Digital Nomad permit to be a success, it should have shorter processing times, a longer validity period, and lower fees compared to a visitor visa.

We will continue to monitor developments and keep you updated on any changes or new requirements.

For more information, feel free to contact any of the team members listed herein.

