



DIGITIZATION OF THE COMPANY REGISTRY

The Companies Registry is responsible for the registration of business names and limited companies in Kenya. The Registry was digitized and migrated to online registry in October 2017. Besides making it easier to incorporate new businesses, the digitization exercise aims at increasing transparency and faster access to company registry services. Subsequently, manual filing and processes have been phased out.

The Registrar of Companies directed that all registered business entities i.e. companies, partnerships and sole proprietorships should be linked to their relevant directors, shareholders, partners or owners' eCitizen accounts on the eCitizen platform.

At least one director, shareholder, partner or owner is therefore required to log into their e-citizen accounts and link their businesses through the Business Registration Services link on the platform.

The new platform, however, has been fraught with many challenges. A major one is that there are difficulties linking older companies on the platform. Sometimes the business name is not available and where available, the company number does not match that on the certificate of incorporation.

Where you do manage to link a business, it is taking very long for the company details to be verified and approved. This has been attributed to shortage of people to go through the numerous requests.

Another challenge is where a business has foreign directors and shareholders only. None of them would have an e-citizen account to access the system and link the business. In such cases, getting the company secretary or local representative granted access is a lengthy procedure.

The system is also unreliable and sometimes inaccessible making the business linking process lengthy and time consuming. It was down for almost two weeks in early February.

These and other challenges have resulted in a huge backlog of unattended service demands such as obtaining official search (CR12), filing annual returns and updating changes in director and shareholders. The platform, nevertheless, has great promise of quick and efficient service delivery when fully operational. It is therefore our hope that the Registrar will work on resolving these issues as soon as possible.

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