



## APPOINTMENT OF INAUGURAL DIRECTOR GENERAL OF THE GAMBLING REGULATORY AUTHORITY

### 1. Overview

On 26 February 2026, the Board of Directors of the Gambling Regulatory Authority of Kenya (GRA) announced the appointment of Mr. Peter Maina Karimi as the GRA's first substantive Director General, effective immediately. The appointment was made pursuant to section 16(1) of the Gambling Control Act, 2025 (Act No. 14 of 2025) (the "Act" or "GCA"), which requires the Board to appoint the Director General through an open, transparent and competitive process. The recruitment was publicly advertised on 23 January 2026 and involved a shortlist of eight candidates.

The GRA was established under the GCA as the successor to the Betting Control and Licensing Board (BCLB). Since its establishment, Mr. Peter Mbugi served as Acting Director General, steering the Authority through an institutional transition phase. Mr. Karimi's appointment as substantive Director General completes the GRA's foundational governance structure and marks the decisive shift from institution-building into full operational mode.

This Alert examines the statutory appointment of the Director General, the mandate vested in the office under the GCA, and the implications of this appointment for operators, investors and all stakeholders as the new regulatory regime accelerates.

### 2. The Appointment at a Glance

Appointee	Mr. Peter Maina Karimi
Designation	Director General, Gambling Regulatory Authority of Kenya (GRA)
Effective Date	26 February 2026 – immediate effect
Term of Office	Three (3) years, renewable subject to satisfactory performance evaluation
Statutory Basis	Section 16(1), Gambling Control Act, 2025
Recruitment	Open competitive process; advertised 23 January 2026; shortlist of eight candidates
Appointing Body	GRA Board of Directors, chaired by Hon. Joseph Kirui Limo
Predecessor	Mr. Peter Mbugi (Acting Director General – to be reassigned within the Authority)

### 3.The Director General’s Statutory Role under the GCA

The GCA vests the Director General with a clearly delineated institutional role. Under section 16(3) of the Act, the Director General holds a threefold statutory designation: Chief Executive Officer of the GRA, custodian of all records of the Authority, and the officer responsible for a defined suite of executive duties, which are prescribed in mandatory terms.

The Director General’s statutory responsibilities under section 16(3)(c) are as follows:

In addition to the foregoing, the Board may by resolution delegate to the Director General the exercise of any of its own powers or functions under the Act (section 20). This delegation mechanism effectively expands the Director General’s operational authority beyond the express mandate in section 16(3), subject always to Board control and direction.

### 4.Implications of the Director General’s Appointment for Full Implementation of the Act

The detailed operation provisions of GCA are dependent almost entirely on subsidiary instruments that the GRA is mandated to formulate, and on a licensing infrastructure that does not yet exist in its final form. The appointment of a substantive Director General, as the officer charged under section 16(3)(c)(ii) with facilitating, coordinating and ensuring mandate execution, is the structural prerequisite for that process to advance in earnest. The following are the critical implementation dimensions that stakeholders must now engage with urgently.

#### a)Subsidiary Regulations and Operational Guidelines [ss.11, 119]

Under section 119, the Cabinet Secretary makes regulations in consultation with the Board for the better carrying into effect of the Act. The matters reserved for subsidiary regulations include licensing procedures and fees, classification of licences, the conduct of casinos and online gambling, the location and distribution of gambling premises, gambler exclusion mechanisms and guidelines for responsible gambling.

Under section 11, the Cabinet Secretary also prescribes gambling operation guidelines in consultation with the Authority, covering fair conduct, child protection, data protection, AML safeguards and responsible marketing.

The Director General, as the officer responsible for both facilitating the mandate and preparing the Board’s work programmes, is the operational engine that drives these instruments towards completion.

Operators should actively engage in public participation processes when draft regulations and guidelines are published, as this is the primary opportunity to ensure that operational realities are reflected in the final instruments.

Statutory Function	Prescription under the GCA
Day-to-Day Management s.16(3)(c)(i)	The Director General is responsible for the day-to-day management of the affairs and staff of the Authority, making this office the principal operational executive across all GRA functions.
Mandate Facilitation & Coordination s.16(3)(c)(ii)	The Director General must facilitate, coordinate and ensure the execution of the Authority’s mandate as set out in section 10 of the Act, covering licensing, regulation, enforcement, monitoring, research and inter-governmental cooperation.
Staff Efficiency s.16(3)(c)(iii)	The Director General is responsible for the management and maintenance of the efficiency of the Authority’s staff, encompassing human resource oversight across all technical, professional and administrative cadres.
Execution of Board Decisions s.16(3)(c)(iv)	All decisions of the Board must be executed by the Director General. This provision positions the Director General as the implementation interface between the Board’s policy direction and operational reality.
Work Programme Preparation s.16(3)(c)(v)	The Director General prepares and submits to the Board, for approval, programmes of work for the achievement of the Authority’s mandate, providing the strategic planning architecture for GCA implementation.
Custody of the Common Seal s.21(1)	The common seal of the Authority is kept in the custody of the Director General and may only be used on the order of the Board, authenticated by the Director General’s signature alongside that of the Chairperson.
Prosecution of Offences s.118	The Director of Public Prosecutions may appoint a duly qualified officer of the Authority as a public prosecutor for any case under the Act, enabling the DG’s office to provide officers to support enforcement prosecutions.

**b) Licensing Infrastructure and Transition from the BCLB [ss.28, 29, 30, 122]**

Under section 28(2), the GRA issues licences across seventeen prescribed categories, ranging from bookmaking and online gambling to casino operation, lottery promotion, platform provision, gambling equipment testing and key employee licensing.

Under section 122, gambling licences issued under the repealed *Betting, Lotteries and Gaming Act* remain valid for the unexpired period of their licences.

Upon expiry, however, each licence holder must apply to the GRA for a new licence under the GCA. There is no automatic rollover.

Operators should now map their existing licence categories against the new framework and prepare compliant applications in anticipation of expiry dates.

In particular, all applicants must meet the requirements of section 30, including submission of the declarations set out in the Second Schedule, proof of gambling capital (s.41) and provision of a security bond or bank guarantee (s.40).

**c)Local Incorporation and Ownership Requirements [s.29]**

Section 29 sets out the baseline requirements for all GRA licences. Every applicant must be a body corporate in which a minimum of 30% of shares are held by Kenyan citizens and must maintain an account with an authorised financial institution registered in Kenya into which all gambling revenues are paid.

The enforcement of local shareholding and structural requirements has been largely anticipatory pending institutional readiness. The Director General's appointment signals the commencement of active compliance oversight in this area.

Foreign or foreign-controlled operators should now treat the 30% Kenyan ownership requirement as an immediate compliance priority. The likelihood of strict enforcement upon licence application or renewal has increased materially, necessitating prompt restructuring where required. Delayed action may result in inability to secure licences under the new regime.

**d)Financial Security and Gambling Capital Requirements [ss.40, 41 and Third Schedule]**

The operationalisation of financial safeguards, particularly security bonds and capital adequacy thresholds, requires administrative direction and coordination with the Cabinet Secretary. The Director General is now positioned to drive both enforcement of prescribed security requirements and the finalisation of outstanding capital thresholds.

Operators should anticipate enforcement of existing bond requirements in the near term and the gazettement of gambling capital thresholds shortly thereafter. Financial planning must now incorporate these obligations as imminent, not prospective, requirements.

**e)Real-Time Monitoring and Technical Compliance [ss.10(h), 68(5)–68(7)]**

The implementation of a central real-time monitoring system is a technically intensive undertaking requiring leadership, procurement, and regulatory coordination. The Director General's role is pivotal in advancing this infrastructure from concept to deployment.

The rollout of monitoring and data access requirements is now likely to proceed on defined timelines. Operators should begin immediate technical audits of their systems to ensure readiness for integration, data sharing, and ongoing compliance with access and reporting obligations.

**f)Responsible Gambling and Advertising Standards [ss.87, 115]**

While these provisions are already legally binding, their enforcement has been limited by institutional capacity. The Director General's appointment enables structured compliance monitoring and enforcement in these areas.

Operators should expect heightened scrutiny of advertising practices and strict enforcement of responsible gambling obligations, including the 20% responsible gambling airtime requirement and mandatory self-exclusion mechanisms.

Non-compliance now carries a significantly increased enforcement risk.



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## **g) Enforcement and Penalties [ss.33, 34, 79, 98, 112–113]**

The most immediate effect of the Director General's appointment is the activation of a coordinated enforcement regime. With statutory responsibility for preparing enforcement work programmes, the Director General will institutionalise inspections, investigations, and sanctioning processes.

Regulated entities should anticipate a shift to proactive and sustained enforcement, including inspections, licence reviews, and prosecution of offences. Exposure to unlicensed gambling, whether direct or indirect, now presents a heightened legal and commercial risk. Payment service providers and other facilitators must reassess their risk exposure and compliance frameworks without delay.

### **Conclusion**

The appointment of the Director General is not merely administrative, it is the catalytic event that triggers the transition from legislative framework to active regulation.

For stakeholders, this marks the end of the implementation lag and the beginning of a compressed compliance horizon. Immediate, structured, and well-advised engagement with the evolving regulatory framework is now essential.

## **How CM Advocates LLP Can Assist**

Our Betting, Lotteries and Gaming Practice Group provides end-to-end legal support to all stakeholders in the gambling sector, including operators, investors, service providers, and financial institutions. The team advises across the full regulatory lifecycle, from licensing and compliance to enforcement and dispute resolution.

Key services include licence applications and renewals, regulatory compliance audits, corporate restructuring for local ownership requirements, AML/KYC and responsible gambling frameworks, and advisory on cryptocurrency and dual-licensing regimes.

The practice also supports transactions and M&A, represents clients before regulators and courts, and delivers regulatory training. In addition, the team provides tax advisory, data protection audits, immigration assistance, intellectual property protection, legislative advocacy, and structuring of financial guarantees to meet regulatory requirements.

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