Start up festival Kenya

EXECUTIVE SUMMARY REPORT

Kenya Startup Festival

4 - 5 JUNE 2025

WINDSOR GOLF HOTEL, NAIROBI

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Kenya National Innovation Agency

Kenya Startup Festival 2025: Igniting Innovation for a Thriving Startup Ecosystem

Introduction to the Kenya Startup Festival 2025

The Kenya Startup Festival 2025 was hosted by the Kenya National Innovation Agency (KeNIA) on June 4 – 5 at the Windsor Golf Hotel & Country Club in Nairobi. The Festival was organized as an inaugural event under KeNIA's Startup Ecosystem Pillar and aligned directly with the Agency's Strategic Plan (2023 –2027). It focused on strengthening institutional coordination, improving startup support infrastructure, and embedding a culture of innovation across all sectors. Participants took part in policy dialogues, exhibitions, panel discussions and structured investor startup engagements. Notable moments included the graduation of 24 faculty champions under the Startup School Educator Edition, Kenya's first hosting of the Startup World Cup, Enterprise Support Ecosystem Players Breakfast and the Corporate Deal Room. The Festival concluded with a renewed sense of alignment among ecosystem actors. It underscored Kenya's improved position on the Global Startup Ecosystem Index (GSEI), rising to 58th globally in 2025, the country's highest rank to date and affirmed KeNIA's national convening role in strengthening innovation outcomes.

Why the Festival Was Convened

The Kenya Startup Festival was designed to serve as a unifying platform for the innovation ecosystem. Its purpose was to bring together government, academia, investors, corporates, and development partners to reflect on progress, identify challenges, and outline shared priorities for supporting startups.

The event aimed to:

- Advance national dialogue on startup related policy and regulation.
- Connect startups to impact driven investment and create conditions for access to capital.
- Foster partnerships between corporates and startups for co creation and venture building.
- Support commercialization of research and knowledge transfer from institutions to
- markets.
- Elevate Kenya's visibility as a destination for innovation and entrepreneurship.

Attendance Summary

The Kenya Startup Festival 2025 brought together a total of 250 delegates from eight countries, including 228 Kenyan participants and 22 international delegates. The attendees represented a broad cross section of the startup ecosystem. This included 50 startups, 48 innovation enablers, 34 investors, 33 corporate representatives, 29 exhibitors, 28 academic participants, 10 government officials, and 18 speakers. In terms of gender representation, the Festival hosted 139 men, 111 women, and 3 persons with disabilities.Academic institutions were well represented, with 13 in total comprising 8 public universities, 3 private universities, and 2 Technical and Vocational Training Institutions (TVETs).

Corporate Venture Development

The Corporate Venture Development track brought together senior leaders from corporations, academia, and the innovation ecosystem to explore how the private sector can take a more active and strategic role in Kenya's startup ecosystem. The session created a space for honest reflection on the gap between startup innovation and corporate strategy, and how that gap can be closed through structured collaboration.

In his opening remarks, Dr. Tonny Omwansa, CEO of KeNIA, emphasized the agency's evolving role in strengthening innovation through direct engagement with the private sector. He underscored the need for corporate participation toward models that integrate innovation into core business operations.

Executives from leading organizations shared practical experiences:

- Britam Holdings has incubated 15 InsurTech startups through its BetaLab, offering mentorship, capital, and pilot support aligned with its commercial goals.
- Kenya Airways launched the Fahari Innovation Lab during COVID-19 to foster internal problem solving, now embedding innovation KPIs across departments.
- Equity Group supports early stage ventures through market access, mentorship, and business development programs, emphasizing startup readiness.
- Safaricom is co-building ventures through its Spark Accelerator, focusing on scalable, co- created solutions.
- TRIFIC, a Special Economic Zone for Services, is providing infrastructure and regulatory support to help startups become export-ready.

A common theme emerged: corporate innovation in Kenya is shifting from one-off engagements to long term, strategic partnerships. Startups are now viewed as innovation allies and are expected to bring operational and governance readiness to the table.

KeNIA's facilitative role was highlighted as critical in reducing friction between sectors, aligning interests, and creating platforms for dialogue and execution.

Impact Investing in Kenya

The Impact Investing track focused on how Kenya can unlock capital that delivers measurable social and environmental outcomes. The session brought together investors, fund managers, ecosystem enablers, and policy advocates to examine the state of impact investing and the changes needed to strengthen it.

The panelists explored how capital can better align with the realities and ambitions of early stage, mission driven enterprises. The session opened with the theme "Beyond Venture Capital," acknowledging that while capital exists, it often fails to reach startups in forms that suit their models or stage. The discussion emphasized the importance of moving past transactional fundraising to build founder investor relationships based on shared purpose and long term alignment. Startups were encouraged to consider whether equity is always the right fit and to focus too on governance, legal clarity, and business fundamentals. Investors, in turn, were challenged to provide networks, insight, and hands on support. The conversation also highlighted the value of local angel networks and collaborative capital pools in bridging funding gaps, especially in the early stages. However, the lack of visibility into successful deals remains a barrier to unlocking more local capital. The panel called for better storytelling around impact successes to encourage replication and attract new funders.

Case Study: Kenya Climate Ventures (KCV)

KCV, an impact fund based in Nairobi, demonstrated how disciplined, locally rooted investing can work in practice. The fund offers flexible ticket sizes ($39K – $5M) and uses blended capital structures, tailored to a startup's model and growth stage. All investments are made in Kenya shillings, reducing foreign exchange risk and strengthening local relevance.

Another critical point was the current overreliance on mentorship in the absence of real investment. While capacity building is essential, it must be designed to de-risk investment. The panel advocated for a "capital-first" mindset, that mentorship and technical support should lead to capital access, not replace it.

Impact measurement was also a major theme. Panelists agreed that while defining impact has improved, reporting processes remain overly complex for startups. They recommended limiting indicators to three mission aligned metrics, making impact tracking a tool for learning and growth rather than donor reporting. Startups and investors alike were encouraged to embed monitoring and evaluation as a practical part of managing for impact.

Research Based Startups in Kenya

This track focused on the critical role of research in driving innovation and commercialization. It brought together stakeholders from academia, government, and the private sector to examine how Kenya can strengthen pathways from research to enterprise and scale up Research Based Startups (RBS) across the country.

The session opened with a call to rethink research beyond knowledge generation, as a source of entrepreneurship and commercially viable innovation. Drawing from local and global models, the session highlighted progress made and what remains to be done to create a strong RBS pipeline.
KeNIA's CEO outlined Kenya's journey in research commercialization, noting that only a small number of startups have emerged from academic institutions. He presented the Research to Commercialization (R2C) program and emphasized the need for more institutional adoption, improved IP frameworks, and stronger incentives for researchers. Plans include scaling R2C to 25 universities by 2026

A keynote by the BioInnovation Institute (BII) of Denmark showcased how integrated infrastructure, public investment, and strong academia industry collaboration support science based venture creation. BII's model was positioned as a global benchmark. Lightning talks featured personal stories of researchers who built ventures from the lab. These stories challenged the notion that scientists cannot be entrepreneurs and highlighted rigid funding structures and university culture as key barriers to commercialization. More risk tolerant capital and institutional flexibility were called for.

The session also introduced Technology Transfer Office as a Service (TTOaaS), a shared model to help universities manage IP, licensing, and commercialization. Pilots are underway, with plans to formalize TTOaaS nationally by the end of 2025, backed by dedicated funding and shared expertise.

A broader panel discussion proposed the creation of a National Innovation Framework to align academic training, IP systems, government policy, and private sector capital. Storytelling and visibility were also emphasized as key tools to showcase opportunities and shift perceptions.

Resolutions and Action Points

Based on the discussions across all three tracks, KeNIA commits to the following next steps to strengthen Kenya's startup ecosystem:

Corporate Venture Development

KeNIA will coordinate structured follow up sessions between startups and corporates engaged in the Corporate Deal Room. These sessions will focus on clarifying collaboration terms, co designing pilot projects, aligning resource commitments, and setting measurable KPIs. In partnership with Knight Castle & King (KCK), KeNIA will also support corporates in internal vetting to identify appropriate engagement models ranging from supplier agreements to co development pilots. To de-risk future collaborations, KeNIA will develop and disseminate practical tools including readiness checklists, compliance guides, and governance templates for startups. To drive long term engagement, the Agency will launch biannual corporate innovation forums aimed at building consistent dialogue, tracking progress, and deepening policy alignment around procurement, IP protection, and innovation incentives.

Impact Investing In Kenya

KeNIA will work with Impact Investing Kenya to develop a National Impact Investing Roadmap. This will align stakeholders investors, regulators, and ecosystem builders around key reforms in policy, capital structuring, and investment pipeline development. In parallel, KeNIA will support efforts to unlock more local capital by engaging angel investors and corporates, sharing local success stories, and promoting co investment models. The Agency will also prioritize capacity building for both startups and funders around simplified, mission aligned impact metrics.

Research Based Startup in Kenya

KeNIA will expand the Research to Commercialization (R2C) program to 25 universities by 2026, and operationalize the TTOaaS Secretariat by end of 2025. It will also launch an annual RBS Showcase and publish a yearly RBS Ecosystem Scorecard. To sustain this pipeline, KeNIA will mobilize partners to build a national support framework that brings together investors, corporates, and universities. E`orts will include fostering collaboration with KIEFF, venture studios, and international institutions, while exploring mechanisms such as IP backed financing and expanding global storytelling platforms to raise visibility of science driven ventures.

Strategic Partners

JICA

RISA
Research and Innovation Systems for Africa

Riara University

Ecosystem Partners

KCK
KNIGHT CASTLE & KING

UK Kenya Tech HUB

SILICON XCHANGE

ASSOCIATION OF COUNTRYWIDE INNOVATION HUBS

KEPSA
KENYA PRIVATE SECTOR ALLIANCE

assek

NaIBAN

IMPACT INVESTING KENYA

Qhala

Allan & Gill Gray FOUNDATION

LA FRENCH TECH

Together, we're building an ecosystem where startups scale, capital flows, and innovation leads.

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