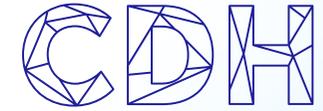


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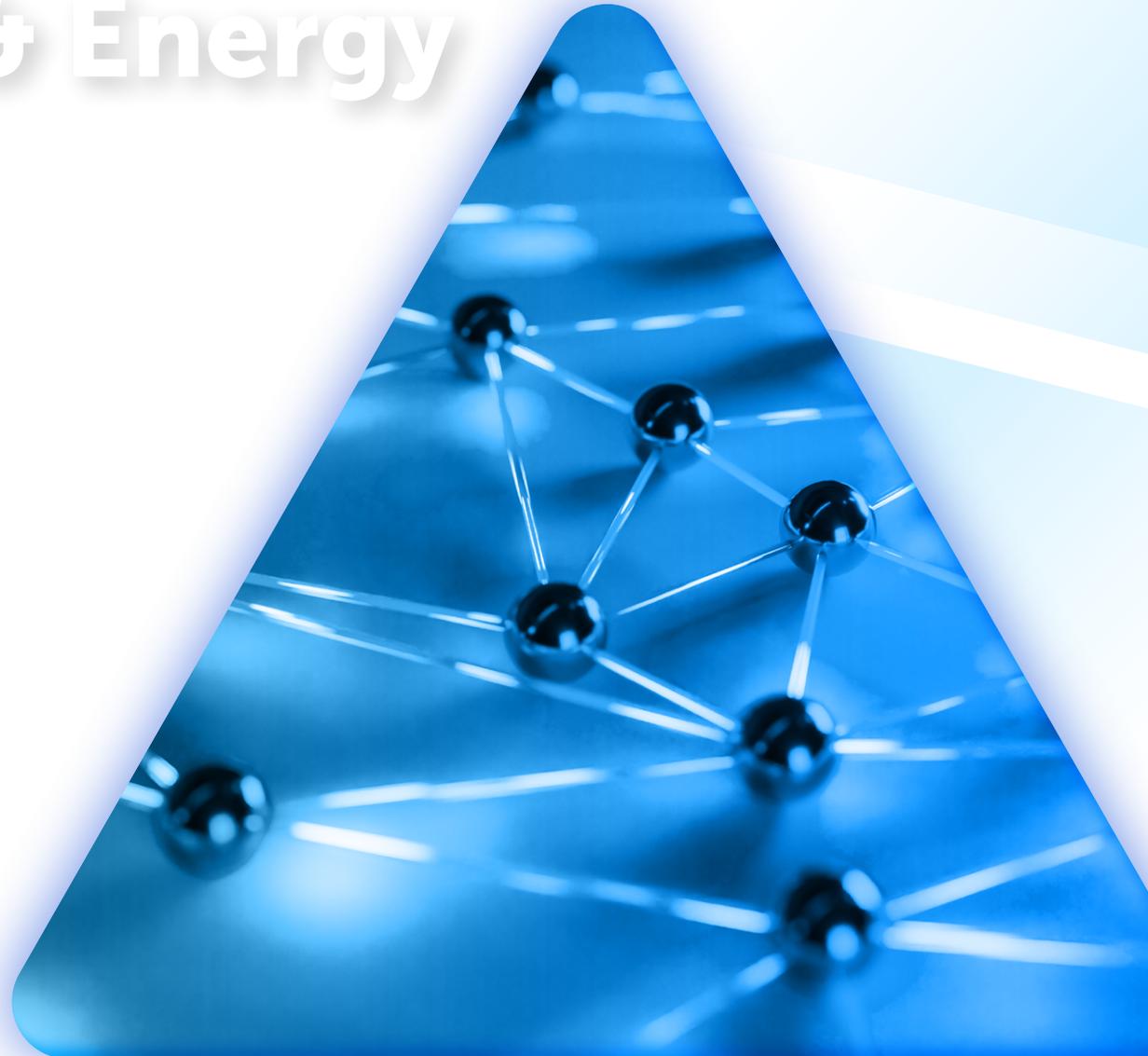
1 April 2026

Kenya

- Second time's a charm? A review of the Energy (Solar Water Heating) Regulations, 2025



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Second time's a charm? A review of the Energy (Solar Water Heating) Regulations, 2025

On 9 July 2025, the Energy (Solar Water Heating) Regulations, 2025 (Regulations) were gazetted and came into force, marking an important step in Kenya's move towards clean energy.

Kenya previously attempted to introduce similar mandates under the Energy (Solar Water Heating) Regulations, 2012 (2012 Regulations), but the adoption of solar water heating systems and overall compliance levels with the 2012 Regulations were low. [News reports](#) indicate that the Energy Regulatory Commission, now the Energy and Petroleum Regulatory Authority (EPRA), had to extend the compliance deadline for the 2012 Regulations, which required existing premises with high hot water demand to install solar water heating systems.

The National Assembly's Committees on Delegated Legislation reviewed the 2012 Regulations and found that they imposed punitive fines of up to KES 1 million or one year's imprisonment, far exceeding the limits under the Statutory Instruments Act and lacked enabling authority under the Energy Act, 2006. Parliament also noted the absence of an explanatory memorandum as required under the Statutory Instruments Act, making it impossible to assess the extent of public participation conducted before the regulations came into force. These deficiencies ultimately led to the annulment of the 2012 Regulations.

This alert sets out an analysis of the key provisions of the Regulations, as Kenya makes a second regulatory attempt at increasing the adoption of solar water heating countrywide.

Scope of the Regulations

The Regulations apply broadly across both the supply and demand sides of the solar water heating sector. On the supply side, they regulate manufacturers, importers, vendors, contractors and technicians. On the demand side, they apply to developers, promoters and property owners involved in the design and construction of premises. The definition of "premises" is deliberately wide. It includes all domestic dwellings or residential houses; commercial buildings such as hotels, lodges, clubs, restaurants, cafeterias, laundries, eating places and similar premises; health institutions, such as hospitals, health centres and clinics; and educational institutions such as universities, colleges, boarding schools and similar institutions. As a result, the Regulations have a wide reach and are likely to affect most new developments across the country.

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Licensing framework

A key feature of the Regulations is the introduction of a mandatory licensing framework, overseen by EPRA. Anyone installing, testing, commissioning, maintaining or repairing solar water heating systems must have a valid licence. There are two main types of worker licences:

- **SHW1:** For small, standalone systems serving a single home or unit.
- **SHW2:** For both standalone and larger centralised systems that serve multiple units or buildings.

Businesses in the sector, including manufacturers, importers, vendors and contractors must also be licensed. These licences are categorised, such as SHC1, SHC2 and SHM, depending on the scale and type of systems handled. In addition, contractors must either hold the relevant worker licence themselves or employ someone who does.

Licences are valid for up to three years and are renewable subject to compliance and payment renewal fees. Workers are also required to undertake continuous professional development to maintain their licences. This framework is designed to professionalise the solar thermal sector and improve installation quality.

Mandatory solar water heating provision in new premises

One of the most commercially significant provisions of the Regulations is that all new premises must have a provision for solar water heating systems in their design. County Governments will enforce this requirement when approving architectural and engineering designs for new buildings. Responsibility for compliance is expressly placed on developers of housing estates, construction promoters, owners, architects and engineers involved in the design or construction of premises, with non-compliance constituting an offence that attracts a fine of KES 20,000 for each incident of non-compliance. The more moderate penalty shows an effort to avoid the punitive approach that undermined the 2012 Regulations.

The Regulations also require EPRA, in consultation with County Governments, to set minimum solar energy contribution levels for each county within two years. These are expected by mid-2027 and will guide how much solar energy should be used to meet hot water needs. County Governments are further empowered to enact supporting legislation, creating a collaborative framework in which EPRA sets technical standards while counties oversee implementation and enforcement.



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Technical standards, design declarations and warranties

The Regulations introduce detailed technical standards for solar water heating systems. Manufacturers and importers must ensure that systems and components comply with the applicable Kenya Standards. Installation and maintenance must also comply with the Building Code, relevant health and safety laws, and the technical guidelines set out in the schedules to the regulations.

Before any installation begins, a licensed contractor must provide the system owner with a system design declaration. This must include an assessment of hot water demand, system specifications and an installation timeline, among other requirements. The declaration must be signed by both parties and retained as part of the project records.

Upon completion, the contractor must issue a completion certificate and provide supporting documentation, including user manuals and system drawings. The Regulations also require a minimum one-year workmanship warranty and component warranties of up to five years. These requirements help protect consumers and help ensure better system quality.

Offences and penalties

The Regulations introduce more proportionate penalties for offences than the 2012 Regulations. The Regulations do away with the KES 1 million or imprisonment for up to one year for failure to install and use a solar water heating system on premises with a daily hot water demand above the specified threshold and depart from the quashed 2012 Regulations which prescribed that an electric power distributor or retail supply licensee should not provide electricity supply to non-compliant premises. Instead, the Regulations empower EPRA to issue compliance orders where specific provisions of the Regulations have been contravened and also introduce daily penalties for ongoing violations, such as:

- **KES 1,000 per day** for failure to practicing without a licence;
- **KES 5,000 per day** for providing inaccurate or incomplete information to EPRA;
- **KES 20,000 per incident** for failing to comply with compliance notices issued by EPRA; and
- **KES 50,000 per day** for obstructing an inspector.

In addition to these fines, EPRA has broader administrative powers, which include suspending or revoking licences, ordering the removal or shutdown of non-compliant systems at the installer's cost, and recovering unpaid penalties as civil debts.

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Dispute resolution and appeals

Disputes arising between system owners and licensees, or among licensees themselves, must first be referred to EPRA. Parties have a right of appeal to the Energy and Petroleum Tribunal under the Energy Act.

Conclusion

The Regulations represent a more measured and legally grounded attempt to mainstream solar water heating in Kenya compared to the 2012 Regulations, which were ultimately annulled. The current Regulations appear to address the 2012 Regulations' shortcomings by adopting more proportionate penalties, involving counties in implementing solar water heating in the country, entrenching solar water heating within established building approval processes, and emphasising the training and licensing of solar water heating systems technicians.

However, the success of the Regulations lies in how well they are implemented, especially in terms of the co-ordination between EPRA and County Governments and the consistency of enforcement through the building approval process. Compliance will depend not only on enforcement but also on affordability and awareness. The upfront cost of solar water heating systems may still be a barrier for some developers and property owners and efforts to promote renewable energy financing, tax incentives and local manufacturing will therefore play an important role in easing adoption. At the same time, greater awareness of the Regulations among developers, professionals and the public will be necessary to ensure that solar water heating is factored into projects early in the design stage, rather than treated as an afterthought.

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Our BBBEE verification is one of several components of our transformation strategy and we continue to seek ways of improving it in a meaningful manner.

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