

# Kenya

An overview of the economy and of the business environment of the country.



Kenya is a country in Eastern Africa bordering the Indian Ocean, Ethiopia, Somalia, South Sudan, Tanzania, and Uganda. It is geographically heterogeneous with coastal plains, mountains, glaciers and highlands and thanks to its geography the country has an extremely rich and varied wildlife. Kenya has a mixed economic system including many forms of free market and centralized economic planning and regulations. Kenya is also a member of the Common Market for Eastern and Southern Africa (COMESA) and the East African Community (EAC).



Kenya is the economic, financial and transport hub of East Africa. Over the last decade Kenya has made significant political and economic reforms that have helped the economic growth, social development, and political stability and the real gross domestic product growth has averaged over 5%. However, also Kenya's economy has been hit hard by Covid-19 especially by the supply and demand crisis both on external and domestic fronts.

Luckily, the agricultural sector, a keystone of the Kenyan economy, has remained resilient and has mitigated the contraction in GDP.

In 2021, the economy had a good recovery even though some sectors, like tourism, remained under pressure. GDP growth is projected at 5.0% in 2022. Despite the economic outlook is very positive, it is exposed to great uncertainty, especially due to Kenya's exposure to the global price increases and to the situation in Ukraine.



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Agriculture is definitely the backbone of Kenya's economy and contributes to approximately one third of Kenya's GDP. About 75% of Kenya's population work within the agricultural sector, including livestock and pastoral activities. The main agricultural products are tea, sugar cane, milk, maize, potatoes, bananas, camel milk, cassava, sweet potatoes, mangoes/guavas, cabbages.

The tea industry makes an important contribution to the Kenyan economy. Tea is among leading foreign exchange earner contributing about 23% of total foreign exchange earnings and 2% of the Agricultural GDP.

The industry supports about 5.0 million people directly and indirectly while an estimated 650,000 tea growers depend on tea. Kenya tea is renowned worldwide for its quality and safety due to the industry adherence to good agricultural practices (no pesticides or agro-chemicals), to the selection of high quality varieties and to expert processing practices (no additives, preservatives or artificial colouring).



The agricultural sector also pushes other sectors such as building and construction, education, manufacturing, transportation, tourism, and other social services.

The manufacturing sectors mainly includes small-scale consumer goods (plastic, furniture, batteries, textiles, clothing, soap, cigarettes, flour), oil refining; aluminium, steel, lead; cement, commercial ship repair.

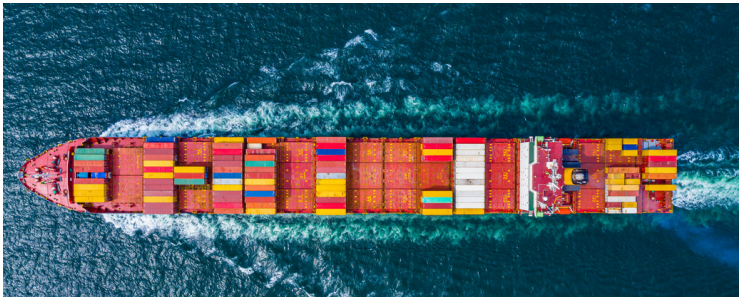
With regard to services the country relies mostly on tourism and on some information technology and telecommunication companies.

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The top exports of Kenya are Tea, Cut Flowers, Refined Petroleum and Coffee. They export mostly to Uganda, Pakistan, Netherlands, United State and United Kingdom.



The top imports of Kenya are Refined Petroleum, Palm Oil, Broadcasting Equipment, Packaged Medicaments and Cars. They import mostly from China, India, United Arab Emirates, Japan and Saudi Arabia.

The Central Bank of Kenya has reported that Kenya's exports to other African countries rose 20 percent year on year in the first quarter of 2022 as the east African nation's efforts to expand its trade bonds with various nations were profitable and successful. Exports to Tanzania and the Democratic Republic of the Congo (DRC) contributed to the increase. Kenya had signed various cooperation agreements with the DRC last year as well as launched a trade mission to deepen economic ties. Similarly, in December 2021, the country has signed three agreements and five memoranda of understanding to strengthen bilateral ties with Tanzania.

Doing good business in Kenya and importing or exporting to/from this region requires an in depth knowledge of the country. In order to overcome these problems and get reliable information on companies, a business information company needs to have a local presence in the country. Only the local presence and the support of local and native agents can allow access to manual registries, build stronger networks and react faster to political and social unrests and cultural/religious manifestations affecting the delivery time of the reports.

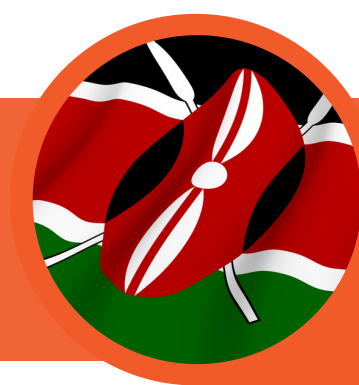
SkyMinder ensure the most reliable business credit information available on Kenyan companies thanks to the most trustworthy and competent local information providers.

Team of high skilled local experts access all local official entities and other sources, collect all available data and analyse them by using trusted and sophisticated risk models.



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All Full reports are freshly investigated.

SkyMinder full reports include the following information:

- Complete company identification details: correct company name, adresse(s), contact details such as phone, fax, email, webs, etc.
- Company registration details: our local providers try to access local registries and to get registration number, company id, fiscal code, and any information that can be retrieved at the local registry
- Directors and company structure: board of directors, shareholders and related companies
- Financials: most times financials are not filed at the local registries, however, our local providers thanks to their information network and to the interview to the company try to get the most detailed financial information on the requested company
- Credit rating and suggested credit limit
- Number of employees
- Activity details: sector and industry of the company, when possible also information on import and export activities, company brands, main suppliers and customers names, etc.
- Legal and negative information on the company

Of course the availability of each single details depends on the company type and on other contingent factors, but SkyMinder always guarantees that all the information included in a report is the result of the best expertise and efforts and that the details included are the best available on the company at the time of the search.

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SkyMinder offers different types of solutions in order to satisfy all business information needs.

In addition to the Full Report including all complete details on Kenyan companies, on SkyMinder it is possible to order other type of reports allowing you to get an in-depth and exhaustive knowledge of your business partners:



- Verification Report focusing on the shareholding structure of a company.
- Compliance Check Report and Extended Check Report: Through SkyMinder you can access the Lexis Nexis Risk Solutions platform and check if a business partner is involved in financial crimes, bribery, corruption and money laundering actions.
- Patent Due Diligence Report: a report with an in-depth analysis of the patents owned by a company
- Cyber Risk Report: thanks to the test performed to a company website and related domains and emails, you can understand in advance if a partner or potential partner is vulnerable to a cyber-attack.

Sources: <https://www.worldbank.org>; [www.bloomberg.com](http://www.bloomberg.com); <https://www.usaid.gov/kenya>; <https://taxsummaries.pwc.com/kenya>; [www.bbc.com](http://www.bbc.com); <https://english.news.cn/>