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**Report Highlights:**

Kenya's consumer-oriented food imports increased 4.5 percent to \$484 million in 2021. This growth was driven by a sound macroeconomic environment and a slight recovery from impacts associated with the Covid-19 pandemic. Best prospective products for export to Kenya include snack foods, sauces and condiments, distilled spirits, wine, beer, pet food, and tree nuts.

# Market Fact Sheet: Kenya

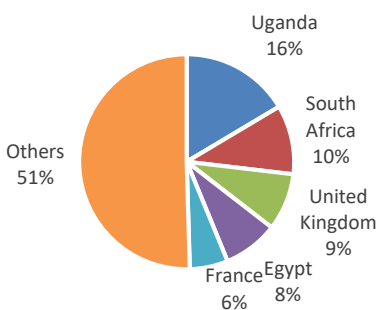
## Executive Summary

Kenya is East Africa's economic powerhouse with a strong financial sector and a relatively well-developed logistics network making it a regional hub. Kenya is a net importer of agricultural products. Agricultural exports to Kenya reached \$3.26 billion in 2021, an increase of 21 percent from 2020. A fast-growing population and middle class, as well as an expanding food service and modern food retail sector offer opportunities for U.S. exporters.

## Imports of Consumer-Oriented Products

Kenya imported consumer-oriented products valued at \$484 million in 2021. Uganda, Europe, South Africa, and Egypt were Kenya's major suppliers with the United States supplying 2 percent of total imports.

Kenya's Consumer-Oriented Product Imports, 2021



## Food Processing Industry

Manufactured and processed food production increased by 5.5 percent in 2021, compared to a 1 percent contraction in 2020 due to impacts associated with the Covid-19 pandemic. Sub-sectors with strong 2021 growth include sugar processing (16%), meat and meat products (13.1%), dairy products (10.8%), and bakery products (9.3%). Processed fruits and vegetables declined by 14% while animal and vegetable oil production declined by 2.8%.

## Food Retail Industry

Modern grocery retailers stock most categories of imported consumer-oriented high value products. An expanding middle class with rising disposable income, increased urbanization, and rapid growth in e-commerce are anticipated to further drive growth in this sector. Most of Kenya's major food retail chains have developed an online presence through partnerships with online firms like Jumia, Glovo, Copia, and Uber Eats.

## Quick Facts CY 2021

**Imports of Consumer-Oriented Products: \$484 million**

### Top Growth Products in Kenya

- 1) Snack foods (baked snack foods, mixes of nuts and fruits, potato chips, and prepared peanuts and peanut butter).
- 2) Distilled spirits, wine, and beer.
- 3) Sauces, condiments, jams, and jellies.
- 4) Pet food.
- 5) Tree nuts (almonds, pistachios, walnuts, pecans, and others).

### Food Industry by Channels, 2021

Formal Sector Food Industry Output	\$4.6 billion
Food Exports	\$2.7 billion
Food Imports	\$2.9 billion
Inventory	No credible data available
Retail (includes grocery sales of non-food items)	\$8.2 billion
Food Service	\$707 million
Wet Market	No credible data available

### Top Host Country Retailers (by number of outlets)

- 1) Naivas (84)
- 2) Quickmatt (53)
- 3) Chandarana FoodPlus (25)
- 4) Carrefour (16)
- 5) Cleanshelf (12)
- 6) Eastmatt (9)
- 7) Maathai (8)

### GDP/Population in 2021

Population: 53.0 million  
 GDP (Nominal): \$110.35 billion  
 GDP per capita (ppp): \$5,211

**Data and Information Sources:** Kenya Economic Survey 2022, Euromonitor International (2021), Economist Intelligence Unit, World Bank, Trade Data Monitor, newspaper articles, and market reports.

## Strengths/Weaknesses/Opportunities/Challenges

Strengths	Weaknesses
<i>Dynamic, market-based economy.</i>	<i>Price-based purchasing decisions.</i>
<i>Rapidly developing online retail presence.</i>	<i>High shipping costs for U.S. exporters.</i>
Opportunities	Threats
<i>Regional hub for seven East Africa countries.</i>	<i>Strong competition from EU, regional countries, and local industry.</i>
<i>Local importers, distributors, and consumers, have a limited awareness of U.S. food products.</i>	

## Section I: Market Overview

<b>Advantages</b>	<b>Challenges</b>
Kenya's strategic location in East Africa makes it a regional trade hub.	U.S. suppliers face stiff competition from Uganda, South Africa, Egypt, Europe, and India due to geographical advantages.
U.S. food products are associated with premium quality and have a positive image in the Kenya and East Africa market.	Many Kenya buyers are price-sensitive.
Kenya has a vibrant and diversified private sector and consumer spending is expected to increase due to rising incomes.	Kenya consumers, importers, retailers, and processors have a limited awareness of U.S. agricultural and food products.
Kenya has an expanding modern food retail sector, food service sector, and food processing sector.	U.S. suppliers face higher transportation costs than competitors in South Africa and Europe.
An emerging eating-out culture in Kenya's middle class is driving growth in fast food outlets, restaurants, and coffee shops.	Exporters face competition from locally produced goods through the Government of Kenya's (GoK) "Buy Kenya, Build Kenya" campaign.
Kenya has internet access rates at nearly 80 percent and a growing e-commerce sector. The spread of broadband internet and e-commerce platforms alongside deeper financial inclusion will help create new market opportunities.	East African Community (EAC) and Common Market for Eastern and Southern Africa (COMESA) member states have a preferential tariff advantage.

The following table summarizes Kenya's key economic trends:

<b>Economic Trends</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022<sup>E</sup></b>	<b>2023<sup>F</sup></b>
Population (millions) <sup>1</sup>	49.0	50.0	51.0	52.0	53.0	54.0	55.1
Formal Sector Employment (millions) <sup>2</sup>	2.8	2.9	2.9	2.7	2.9	3.0	3.1
Informal Sector Employment (millions) <sup>2</sup>	16.5	17.3	18.1	17.4	18.3	18.5	19.0
Public Sector Employment ('000s) <sup>2</sup>	833.1	842.9	865.2	884.7	923.0	940.0	960.0
Nominal Gross Domestic Product (GDP) (in billions \$US) <sup>3</sup>	82.04	92.20	100.38	100.66	110.35	115.56	121.32
GDP per capita (\$US at PPP) <sup>1</sup>	4,204	4,522	4,752	4,550	4,793	5,035	5,225
Real GDP growth rate (%) <sup>1</sup>	4.8	6.3	5.2	- 0.3	7.5	4.9	5.0
Inflation (% change) <sup>1</sup>	8.0	4.7	5.2	5.3	6.1	5.9	5.7
Exchange Rate Kshs: \$US(end-period) <sup>1</sup>	103.46	101.85	101.34	109.17	113.14	122.10	126.50

**Data Sources:** <sup>2</sup>Economic Survey, 2022; <sup>1</sup>World Bank, <sup>1</sup>EIU/IMF estimates; and <sup>E, F</sup>FAS/Nairobi estimates and forecasts based on trendline analysis.

Kenya's population is forecast to grow at an annual average rate of 2.2 percent between 2021 and 2025, reaching 60 million by 2025, according to the Economist Intelligent Unit (EIU). In 2021, the economy grew 7.5 percent, increasing to \$110 billion with all economic sectors except agriculture registering

positive growth. Kenya’s agriculture sector contracted .2 percent in 2021 partly due to poor weather conditions, including drought and untimely rains during harvest.

## Key Demographics

Kenya’s rising urban population remains the largest and fastest-growing consumer market for high-value consumer-oriented food products. According to the World Bank, Kenya’s urbanization is growing at an annual average rate of 4 percent against a global average of 1.9 percent. Nairobi is the country’s political, economic, and financial center with an estimated population of 5.0 million. Nairobi’s high concentration of consumers, combined with the city’s commercial power, makes it Kenya’s most important market, followed by Mombasa, Kisumu, Nakuru, and Eldoret.

The following table summarizes Kenya’s urban population by age groups, 2016-2022.

	2016	2017	2018	2019	2020	2021 <sup>E</sup>	2022 <sup>F</sup>
Urban population (millions)	12.5	13.0	13.5	14.0	14.5	15.1	16.0
Urban population (%)	26.1	26.6	27.1	27.5	28.0	28.5	29.0
Population aged 0-14 (%)	41.1	40.6	40.1	39.5	39.0	38.6	38.3
Population aged 15-64 (%)	56.3	56.8	57.2	57.7	58.2	58.5	58.7
Population aged 65+ (%)	2.6	2.6	2.7	2.8	2.8	2.9	3
Male population (%)	49.7	49.6	49.6	49.6	49.6	49.6	49.6
Female population (%)	50.3	50.3	50.4	50.4	50.4	50.4	50.4
Life expectancy male (years)	60.1	60.1	60.3	60.7	60.4	60.5	60.6
Life expectancy female (years)	64.2	65.0	65.2	65.3	65.1	65.2	65.3
Adult literacy (%)	79.4	80.5	81.5	82.1	82.5	82.6	82.7

**Data source:** Euromonitor International, 2022, <sup>E, F</sup>FAS/Nairobi estimates and forecasts based on trendline analysis.

## Section II: Exporter Business Tips

### Local Business Customs and Trends

In general, Kenya business executives are relatively informal and open. Business gifts are not common, but business entertainment activities such as lunches, golf, and cocktails are common courtesies during major deals and agreements. A U.S. exporter should allow for additional shipping time to Kenya and ensure that the Kenya buyer is continuously updated on changes to shipping schedules and routing. It is better to quote a later delivery date that can be guaranteed than an earlier one that is uncertain. Some Kenya importers prefer lower-volume shipments, particularly for new products in order to assess their popularity in Kenya without committing to a large order.

### General Consumer Tastes, Preferences, and Trends

Kenya high-end consumers demand quality and exceptional service. They more frequently make purchasing decisions based on brand awareness.

Kenya food retailers stock a wide range of products to meet a diverse set of consumer tastes and preferences. Consumers cannot always depend on an imported brand to be available in supermarkets and must stock products they like or try other similar products. Many U.S. brands like Kraft Foods, Heinz, General Mills, Post, and Betty Crocker are available in the Kenya marketplace, even though the product may have been produced outside the United States and with non-U.S. food ingredients. Private label brands that use 100 percent U.S. ingredients such as the ‘American Garden’ brand have penetrated Kenya’s modern food retailing market and have significant market share in certain food categories like peanut butter, sauces, and condiments.

### **Section III: Import Food Standards & Regulations and Import Procedures**

The main regulatory agencies for imported food products include the Kenya Bureau of Standards (KEBS), the Kenya Plant Health Inspectorate Service (KEPHIS), the National Biosafety Authority (NBA), the Department of Veterinary Services (DVS), and the Department of Public Health (DPH). Review more information at: [2022 FAIRS Country Report](#).

#### **General Import and Inspection Procedures (Customs clearance)**

A Certificate of Conformity (CoC) is required for most food exports to Kenya. To obtain a CoC, an imported product must satisfy Kenya import requirements, as evaluated by a government-appointed pre-shipment inspection (PSI) company. Imports from the United States are inspected and certified by the Société Générale of Surveillance (SGS).

#### **Country Language Labeling Requirements**

English is required on all Kenya labeling. Labeling combining English with other languages is permitted. The GoK has implemented mandatory labeling of all food containing or derived from genetically modified organisms (“GMOs”). More information is available at: [2022 FAIRS Country Report](#).

#### **Tariffs and FTAs**

Kenya generally follows the common external tariffs (CET) of the East African Community (EAC). Effective July 1, 2022, the EAC raised the CET for several agricultural products to 35 percent, including dairy and meat products, cereals, edible oils, beverages, and spirits.<sup>1</sup> For several products, Kenya applies tariffs higher than the CET including milk and dairy products (60 percent), corn (50 percent), rice (75 percent), wheat flour (60 percent), and sugar (100 percent). The full EAC tariff book is available at: <https://www.eac.int/documents/category/eac-common-external-tariff>.

Kenya is an active player in African economic integration initiatives. Kenya and Ghana were the first countries to ratify and deposit instruments of ratification for the African Continental Free Trade Agreement (AfCFTA). In June 2022, Kenya was designated as one of seven countries (including Egypt, Ghana, Cameroon, Mauritius, Rwanda, and Tanzania) to pilot the AfCFTA rollout.

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<sup>1</sup> For more information, see: <https://www.fas.usda.gov/data/kenya-east-africa-community-countries-raise-communal-tariffs-agricultural-products>.

As noted in last year's report, Kenya signed a free trade agreement with the United Kingdom which went into effect in January 2021. Additionally, Kenya participates in two regional economic blocks that lower tariffs between members. Kenya is a member of the EAC which includes Uganda, Tanzania, South Sudan, Rwanda, the Democratic Republic of the Congo, and Burundi. Kenya is also a member of the Common Market for Eastern and Southern Africa (COMESA) alongside Burundi, Comoros, the Democratic Republic of the Congo, Djibouti, Egypt, Eritrea, Ethiopia, Libya, Madagascar, Mauritius, Rwanda, the Seychelles, Sudan, Swaziland, Uganda, Zambia, and Zimbabwe.

## **Documents Generally Required for Imported Food Products**

Below is a list of required documents and certificates to export food products to Kenya:

### Pre-Shipment Documents

- Plant Import Permit (PIP) for bulk commodities issued by the Kenya Plant Health Inspectorate Service (KEPHIS). The PIP form can be found at [KEPHIS Forms](#).
- Import Declaration Form (IDF) issued by the Kenya Revenue Authority (KRA) found at [KRA Forms](#).

### Post-Shipment Documents

- Certificate of Conformity (CoC).
- Phytosanitary Certificate (PC) containing required additional declarations for bulk commodities (corn, wheat, pulses, rice, sorghum, barley, etc.).
- Non-Genetically Modified Organisms (GMO) Certificate.
- Bill of Lading (three original B/Ls plus non-negotiable copies).
- Commercial Invoice.
- Packing List.
- Customs Entry Form.
- Certificate of Origin.
- Health Certificates (for cleanliness, weight, and quality).
- Insurance Certificate.

Find more in the [2022 FAIRS Export Certificate Report](#).

## **Trademark and Patent Protection**

Kenya, a member of the World Intellectual Property Organization (WIPO) since 1971, has four intellectual property protection bodies: the Kenya Industrial Property Institute (KIPI), the Kenya Copyright Board (KECOBO), Kenya Plant Health Inspectorate Services (KEPHIS) and the Anti-Counterfeit Agency (ACA). KIPI, established in 2002, is the lead agency that protects and promotes intellectual property rights including trademarks and patents. Find more specific information at [KIPI](#).

## **Section IV: Market Sector Structure and Trends**

### **Food Retail Sector**

Kenya's retail food sector continues to expand as a result of population growth, increased urbanization, rising middle class purchasing power, investment in modern retail space and shopping malls, and entry of foreign brands, producers, and retailers such as Carrefour into the market. Retailers attract customers through a variety of product promotions and convenience services including 24-hour operations, customer loyalty shopping cards, and special offers. In addition, key retailers have adopted online retailing and partnered with delivery service companies to better serve their customers. Local producers and importers of consumer-oriented products use in-store promotions, weekend and/or holiday discounts, billboards, brochures, and flyers to advertise products.

### **Food Processing Sector**

Kenya's food manufacturing sector grew 5.5 percent in 2021, compared to a decline of negative 1 percent in 2020. Fast-growing subsectors included sugar (16.0% growth), meat and meat products (13.1% growth), dairy products (10.8% growth), and bakery products (9.3% growth).

U.S. suppliers of food ingredients may find opportunities in Kenya's food processing sector. Local ingredient production does not always meet the processing industry's demand, including for key ingredients such as soybeans, corn, wheat, and rice.

### **Hotels, Restaurants, and Institutions (HRI)**

American fast food chain outlets such as Kentucky Fried Chicken (KFC), Subway Ltd., Domino's Pizza, and Cold Stone Creamery have been established in Kenya. American pizzeria, Papa John's International, has plans to open four restaurants in Sub-Saharan Africa beginning with Nairobi.

International hotel brands such as the Best Western Group, Villa Rosa Kempinski, Crowne Plaza, the Marriot Group, Dusit2 International, and Accor have also entered the Kenya market. Nairobi's prominence as a business and conferencing center has driven this expansion. Twenty new hotels are expected to add 3,444 hotel rooms in Kenya between 2018 and 2023, according to the 2018 Pipeline report released by W. Hospitality.

### **Distribution Channels**

Most Kenya food retailers and service providers purchase U.S. food products from local importers instead of importing directly. Local importers usually source U.S. products from consolidators in the United States, the United Arab Emirates, South Africa, and Europe. Importers then sell their goods directly to food retailers, hotels, and restaurants, or indirectly through appointed distributors and agents. U.S. food manufacturers and distribution companies do not generally have a direct presence in Kenya.

Kenya food processors and importers have collaborated with USDA cooperators to develop markets for U.S. food ingredients. These cooperators include the World Initiative for Soy in Human Health, the U.S. Soybean Export Council, the U.S. Dry Bean Council, the USA Dry Pea and Lentil Council, the American Peanut Council, U.S. Wheat Associates, and the U.S. Grains Council. Market development activities include in-country technical seminars, trade servicing visits, and short-term specialized training in the United States.

### Best Consumer-Oriented Product Prospects Based on Growth Trends in 2021

Product Category/ <i>HS Code</i>	<sup>1</sup> Market Size, Metric Tons	<sup>1</sup> Import Value (2021)	<sup>1</sup> 5-Year Import Growth Rate (%) 2017-2021	<sup>2</sup> Tariff Rate (%) 2022	Key Constraints For Market Development	Market Dynamics
Snack foods (baked goods, mixes of nuts and fruits, potato chips, and prepared peanuts and peanut butter)	10,485	\$20.1 million	12.4 %	25%	High landed costs and competition from Argentina, India, Egypt, Uganda, and the United Kingdom (UK).	Good growth potential. U.S. brands perceived as high quality, premium brands.
Sauces, condiments, jams, and jellies	Data split between tons and liters	\$11.1 million	11.9%	35%	Competition from low-cost suppliers such as China, Egypt, Indonesia, and South Africa.	Good growth potential.
Pet food (for dogs and cats) <i>HS Code:230910</i>	2,406	\$3.43 million	5.3%	35%	High landed costs and competition from Germany, Turkey, South Africa, and Spain.	Good growth potential. (A fast-growing market).
Distilled spirits and other alcoholic beverages (excluding wine and beer)	18.95 million liters	\$63.3 million	18.4%	35%	Competition from the UK, Tanzania, France, and South Africa.	Good growth potential.
Wine and beer	15.5 million liters	\$28.0 million	5.9%	35%	Competition from South Africa, *Europe, and Chile.	Good growth potential.
Tree nuts	455	\$1.4 million	1.9%	35% for shelled and 10 % for almonds in shell.	Competition from India for almonds and walnuts. Competition from Tanzania and Mozambique for cashews.	Good growth potential.

Data sources: <sup>1</sup>Trade Data Monitor (TDM); <sup>2</sup>East Africa Community [EAC] Common External Tariff [CET]Book; \*\*Reflects import volumes only

\*Europe means *The Netherlands, Denmark, France, Belgium, and Italy.*



## Best Ingredient Prospects Based on Growth Trends in 2021

Product Category/HS Code	<sup>1</sup> Market Size – 2021 (Volume) Metric Tons	<sup>1</sup> Imports (2021) (\$1,000)	<sup>1</sup> 5-Year Average Annual Import Growth Rate (%) (2017-2021)	<sup>2</sup> Import Tariff Rate (%) (2022)	Key Constraints Over Market Development	Market Attractiveness for USA
Wheat	1.89 million	\$562,929	8.7%	35%	Competition from low-cost suppliers of hard wheat such as Russia, Argentina, Germany, Ukraine, Canada.	U.S. hard wheat considered high quality and used for blending with cheaper wheat. U.S. soft wheats also have good market potential.
Dextrines, Peptones, and Proteins	3,361	\$5,596	10.0%	10%	Competition from suppliers such as China, Belgium, Austria.	U.S. ingredients are considered high quality.
Fats and oils	880,670	\$1,044,451	12.8%	35%	Competition from low-cost suppliers such as Malaysia, Indonesia, Thailand, and Singapore.	Good growth potential.

**Data Source:** Trade Data Monitor

More specific retail information can be found at:

- [Quickmart Supermarkets Ltd.](#)
- [Carrefour Supermarkets Kenya](#)
- [Chandarana Food Plus](#)
- [Naivas Supermarkets](#)
- [Retail Trade Association of Kenya](#)

## **Section V: Agricultural and Food Imports**

<b>Agricultural Products Imports</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022<sup>E</sup></b>	<b>2023<sup>F</sup></b>
Total agricultural product imports (in millions \$US)	3,239	2,613	2,607	2,701	3,261	3,262	3,421
Total agricultural products imports from the United States (in millions \$US)	87	53	78	32	63	70	72
Total agricultural and related products imports from the United States (in millions \$US)	88	54	78	32	63	70	72
Total import of consumer-oriented food and seafood products from the world (in million \$US)	454	475	502	464	485	537	562
Total imports of consumer-oriented foods and seafood products from the United States (in million \$US)	12	9	8	8.50	9.8	10	11

**Data Source:** TDM.

Information on U.S agricultural exports to Kenya for all categories including bulk, intermediate, and consumer-oriented products may be found [here](#).

## **Section VI: Key Contacts and Further Information**

### **Office of Agricultural Affairs, Embassy of the United States of America**

United Nations Avenue, Gigiri  
P.O. Box 606 Village Market 00621 Nairobi, Kenya  
Tel: 254-20-3636340  
Email: [Agnairobi@usda.gov](mailto:Agnairobi@usda.gov)  
[www.fas.usda.gov](http://www.fas.usda.gov)

### **Kenya Bureau of Standards (KEBS)**

P.O. Box 54974 Nairobi, Kenya  
Tel: 254-20-6948000 or 69028201/401/410  
Email: [info@kebs.org](mailto:info@kebs.org)  
[www.kebs.org](http://www.kebs.org)

### **Customs and Excise Department**

Kenya Revenue Authority  
P. O. Box 48240 – 00100  
Tel: +254 20 281 0000  
<https://www.kentrade.go.ke/> and [www.kra.go.ke](http://www.kra.go.ke)

### **Kenya Plant Health Inspectorate Service (KEPHIS)**

P.O. Box 49592 Nairobi, Kenya  
Tel: 254-20-020 661 8000  
Mobile: +254 709 891 000  
Email: [director@kephis.org](mailto:director@kephis.org)  
[www.kephis.org](http://www.kephis.org)

### **Department of Veterinary Services (DVS)**

P.O. Private Bag 00625 Kabete, Kenya  
Tel: 254-20-8043441631383/2231/1287  
Cell: 254-722376237  
Email: [veterinarydepartment@yahoo.com](mailto:veterinarydepartment@yahoo.com)  
<https://www.kilimo.go.ke/management/state-department-of-livestock/>

### **Ministry of Health**

Public Health Department  
P.O. Box 30016-00100 Nairobi, Kenya  
Tel: 254-20-2717077 <http://www.health.go.ke/>

### **SGS North America Inc.**

201 Route 17 North  
7th and 8th Floors  
Rutherford, New Jersey, 07070  
United States  
Tel: [+1 201 508 3000](tel:+12015083000)  
<https://www.sgsgroup.us.com/>

### **National Biosafety Authority (NBA)**

P.O. Box 28251 – 00100 Nairobi  
Tel: +254 20 2678667/+254 713854132  
Email: [info@biosafetykenya.go.ke](mailto:info@biosafetykenya.go.ke)  
<https://www.biosafetykenya.go.ke/>

**Attachments:**

No Attachments