ISSUE 5

Stanbic Bank

AFRICA TRADE BAROMETER

AN OVERVIEW OF THE CURRENT
CROSS-BORDER TRADE LANDSCAPE OF AFRICA.

KENYA

FOREWORD

Global trade is undergoing a profound realignment, one in which Africa's role is being redefined.

For decades, those seeking to understand and unlock African trade have relied on fragmented or externally produced data, often shaped by institutions and multinational perspectives that do not fully reflect the realities of businesses operating across the continent. The Standard Bank (also known as Stanbic Bank), Africa Trade Barometer was created to address that gap. It provides reliable, contemporary, Africa-centric insight into the conditions under which businesses trade across ten key markets representing 68% of Sub-Saharan Africa's GDP.

By combining quantitative indicators with direct business sentiment, this Barometer equips policymakers, investors and corporates with the clarity required to make informed decisions in an increasingly uncertain global environment.

This fifth edition arrives at a pivotal moment for global trade and Africa's place within it. Global trade flows are being reshaped by geopolitical realignment, tariff adjustments, supply chain diversification and renewed industrial policy. While volatility defines the present landscape, it also presents opportunity. For Africa, long positioned at the periphery of global trade architecture, this recalibration offers a rare window to move beyond participation and become a strategic architect within global value chains.

The findings in this edition reflect growing resilience across African markets, even as global complexity intensifies. Businesses are diversifying supplier networks, expanding export destinations and leveraging emerging trade corridors. Across our client base, we see increasing sophistication in how African enterprises are positioning themselves for long-term competitiveness.

Our Africa–China Trade Solutions, enabled by our strategic partnership with ICBC, are helping African manufacturers and agro-processors to access advanced technology, capital equipment and new markets at scale. At the same time, intra-African trade under the African Continental Free Trade Area (AfCFTA) continues to strengthen supply chain resilience and deepen continental integration.

Africa's transformation is unfolding on multiple fronts. Agricultural commodities are increasingly processed at source, unlocking greater value retention and industrial growth. Renewable energy, climate-smart agriculture and water technologies are becoming central to resilience. Critical minerals are anchoring the continent within emerging global industrial supply chains. And a young, dynamic workforce continues to drive productivity, innovation and market expansion.

Trade remains the connective tissue across all these developments.

As global systems evolve, Africa now has the opportunity to shape, rather than simply respond to, the next era of international trade. Realising this potential will require disciplined execution, coordinated reform and sustained investment in competitive infrastructure and value addition.

The Stanbic Bank Africa Trade Barometer is our contribution to that journey: enabling better decisions through better insight and supporting Africa's transition into a more influential and strategic participant in global trade.

We are committed to supporting that transformation.

Philip Myburgh

Executive Sponsor: Standard Bank Africa Trade Barometer
Group Head: Trade, Business & Commercial Banking

BEHIND THE BAROMETER

Enabling Insight. Shaping Impact.

Behind every credible trade index lies not only data, but design, discipline and deliberate execution. This is the story behind the Stanbic Bank Africa Trade Barometer.

The Africa Trade Barometer is more than a publication. It is a proprietary intelligence platform built to deepen understanding of trade dynamics across ten of Africa's most influential markets. From a marketing and technical perspective, our role has been to transform complex economic signals into accessible, strategic insight, ensuring that this Barometer serves as a trusted tool for the bank, its clients, policymakers and academia.

At its core, the Barometer integrates multiple layers of intelligence. It combines reliable macroeconomic and financial data, sourced from institutions such as the World Bank, the International Monetary Fund, the International Trade Centre, country central banks and the Stanbic Bank Economics Unit, with expert economic analysis and qualitative insights drawn directly from market participants.

Crucially, the research goes beyond publicly available economic indicators. Through comprehensive quantitative surveys and in-depth interviews with traders, decision-makers and industry stakeholders across diverse regions, the Barometer captures the lived realities of domestic and cross-border trade. On average, approximately 65% of surveyed businesses are small enterprises, ensuring that the perspectives of those who form the backbone of Africa's commercial ecosystem are meaningfully represented.

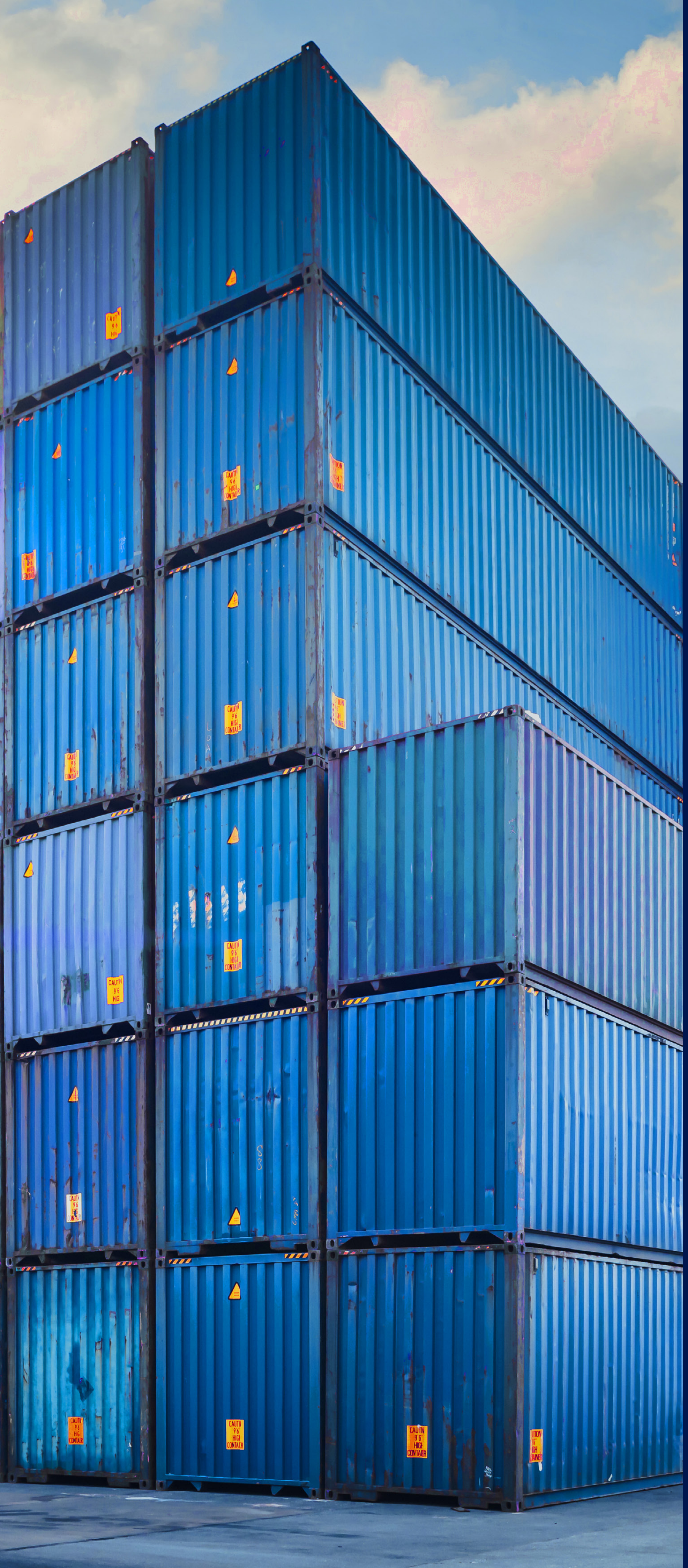
By engaging traders in regions where trade activity is most dynamic, the research provides a genuine pulse of business conditions, reflecting not only performance metrics, but sentiment, constraints and opportunity.

Our mandate has been to ensure that this intelligence is rigorous, accurate and strategically presented, translating economic complexity into insight that informs decision-making and strengthens Stanbic Bank's leadership in enabling trade across the continent.

The Africa Trade Barometer stands as a reflection of that commitment: insight with integrity, relevance and impact.

Italia Matlala

Executive Group Head: Brand & Marketing
Standard Bank Business and Commercial Banking



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EXECUTIVE SUMMARY

Being Africa's largest bank, Standard Bank (trading as Stanbic Bank) has leveraged its presence and expertise across the continent to create the Stanbic Bank Africa Trade Barometer (SB ATB).

REPORT KEYS

Arrows indicate statistically significant increase/decrease from the previous survey

The SB ATB was launched in 2022 with the intent of creating Africa's leading trade index to address the information vacuum of reliable African trade data and to support and enable the growth of intra-African trade.

Availability of trade data remains a challenge across Africa, and the SB ATB aims to fill part of this data gap through up-to-date survey data on the views of African businesses on the environment they operate in, their trade behaviour, trading activities and their perceptions on trade.

This is Issue 5 of the SB ATB. The SB ATB focuses on 10 countries: Angola, Ghana, Kenya, Mozambique, Namibia, Nigeria, South Africa, Tanzania, Uganda and Zambia.

In order to construct the SB ATB index rankings, seven broad thematic categories of data are collected from both primary and secondary data sources. These thematic categories are trade openness, access to finance, macroeconomic stability, infrastructure, foreign trade, governance & economy, and traders' financial behaviour. These are the seven variables on which the Trade Barometer scores for each country are constructed.

From a primary data perspective, the Stanbic Bank Survey Trade Barometer (SB STB) is constructed. The SB STB scores and ranking by country are the averages of all the data collected only from the primary research surveys conducted with 2 218 firms across the 10 countries of interest.

From a secondary research perspective, the Stanbic Bank 3-Year Quantitative Trade Barometer (SB QTB) is constructed. The SB QTB scores and ranking by country are the averages of all the selected indicators collected only from existing secondary data sources.

The SB ATB is an aggregate of the SB QTB and the SB STB.

This is the country report for Kenya. It contains an analysis of the primary and secondary data gathered specifically for Kenya between September and October 2025 and showcases trends and opportunities in trade within the country.

Kenya's position in the overall SB ATB ranking fell from position 6 in August 2024 to position 7 in this iteration of the survey. With regards to the SB QTB, its ranking also declined, falling from 5th place to 6th. However, Kenya rose from 7th place to 5th in SB STB. Therefore, the mixed performance in the SB QTB and the SB STB led to a drop in its overall SB ATB position in relation to the other markets. It is important to note that the SB ATB ranking of countries is relative to the 10 countries themselves. In other words, countries are ranked against each other, i.e., relative scores to each other.

Kenya fell in the overall SB ATB ranking from position 6 in August 2024 to position 7.

The table below shows Kenya's relative performance in the seven broad thematic categories of the SB ATB.

SB STB performance for Kenya across seven thematic areas

Note: All (with the exception of the ease of trade) indicators have an index score ranging from 0 to 100, where 0 represents a low score and 100 the highest score. For the ease of trade indicator, 0 represents a high score and 100 a low score.

October 2025
August 2024

Kenya's macroeconomic environment has remained resilient, navigating a path of recovery and consolidation. In 2025, the economy maintained a steady growth trajectory with real GDP growth rising to 5.1%, and projected to reach 5.3% in 2026, largely anchored by the services sector, which contributed over 55% to GDP. While the agriculture sector faced initial headwinds with a decline in output during the first quarter due to drier conditions, above-average rainfall in the third quarter signalled a potential rebound for crop production. Inflation eased to an estimated annual average of roughly 4.1%, a trend that allowed the Central Bank of Kenya (CBK) to adopt a more accommodative monetary stance by lowering the Central Bank Rate (CBR) by a cumulative 225 basis points to 9.0% in 2025. Furthermore, the Kenyan shilling stabilised within a narrow band of 129–130 against the US dollar, supported by a favourable current account position and a projected increase in foreign exchange reserves to an estimated USD 12.4 billion. Furthermore, the Kenyan shilling stabilised within a narrow band of 129–130 against the US dollar, supported by a favourable current account position and a growth in FX reserves to USD 12.4 billion by January 2026.

Kenya's business confidence index rose to 63 from 55 in August 2024, partly signalling rising optimism among surveyed businesses. This score reflects a strengthening sentiment fueled by a stable macroeconomic environment and a significant easing of monetary policy, which saw the Central Bank Rate lowered in October 2025, partly stimulating private sector credit. Notably, 81% of surveyed businesses expect their turnover to increase in the next three years, a significant 20 percentage-point increase from August 2024. This optimism is driven primarily by expectations of increased sales, orders, and demand. While challenges regarding decreased sales and political instability remain concerns, the intensity of these risks has eased in 2025.

Kenya's Government support index for trade rose to 56 from 50 in August 2024, partly reflecting restored confidence in the Government's commitment to facilitating cross-border trade through 2025. This significant improvement was partly anchored by aggressive digital transformation at the Kenya Revenue Authority (KRA) and the launch of decentralised Trade Facilitation Hubs in strategic locations like Kainuk and Lodwar, slashing cargo clearance times from 110 hours to just 43 hours. Support was further boosted by the launch of the 2025 Route to Market Strategy and the signing of strategic bilateral agreements, such as the Comprehensive Economic Partnership Agreement (CEPA) with the UAE, specifically designed to integrate Micro, Small and Medium Enterprises (MSMEs) into global value chains. This renewed policy focus has partly mitigated the previous year's scepticism, positioning Government-led reforms as a key driver of Kenya's trade expansion. Indeed, 60% of surveyed big businesses now perceive the Government as supportive in October 2025, a marked increase from 33% in the August 2024 survey.

Surveyed businesses indicated a rise in the quality of trade-related infrastructure, with the index score rising to 55 from 48 in August 2024. This recovery was defined by a pivot toward digital and physical modernisation, significantly buoyed by the Kenya Digital Economy Acceleration Project and the national AI strategy, which helped push the telecommunications score to 3.6 as broadband penetration exceeded 78%. Logistics capabilities are set to be further boosted by the Government's approval of a USD 1.6 billion modernisation programme for Jomo Kenyatta International Airport (JKIA), designed to expand capacity to 31 million passengers by 2035 and enhance air freight efficiency. Energy reliability also strengthened business confidence as Kenya Power's system losses declined to 21.2% in the 2024/25 financial year from 23.2% in the previous year, and transmission reliability remained at 99.9%, supported by a grid that is over 80% renewable. This renewed emphasis on high-impact digital and physical resilience, including climate-adaptive road infrastructure under the AWARE Project, is partly restoring faith in Kenya's physical capacity to handle expanding trade volumes.

Access to credit for surveyed Kenyan businesses' index score has risen to 55 from 45 in August 2024, partly signalling an easing of the credit market and a return to formal borrowing. This positive shift was primarily catalysed by the Central Bank of Kenya's measured monetary easing cycle, which saw the Central Bank Rate (CBR) reduced from 10.75% in February to 9.25% by October 2025. Consequently, lending interest rates were projected to ease to 15.8%, supporting the banking sector in surpassing its annual commitment to lend KES 150 billion to Micro, Small and Medium Enterprises (MSMEs) by September. However, even as the transition from restrictive financing to a more accommodative lending landscape reinvigorated investment appetite, surveyed businesses did not pivot away from alternative liquidity; instead, the use of supplier credit increased to 65% from 55% among surveyed businesses, suggesting a deepening reliance on diverse funding channels alongside formal bank borrowing.

The ease of trade index score also rose to 45 among surveyed businesses, from 41 in August 2024, signalling a gradual recovery in confidence regarding foreign trade operations.

Kenya's position in the overall SB ATB ranking fell
from position 6 in August 2024 to position 7 in this iteration of the survey.

Kenya's macroeconomic environment has remained
resilient, navigating a path of recovery and consolidation.

This upward shift was supported by a significant rebound in regional commerce, driven by the August 2025 agreement with Uganda that eliminated tariff barriers by reclassifying goods as transfers. Additionally, exports to the rest of Africa surged among surveyed businesses to 78%, up from 48% in August 2024 among surveyed businesses. Furthermore, the operational environment was enhanced by the Kenya Revenue Authority's introduction of reverse invoicing, which simplified tax compliance and reduced administrative burdens for cross-border traders, alongside a robust engagement with Asian markets where 58% of traders cited product quality as a key driver for preferential partnerships. While the expiration of the African Growth and Opportunity Act (AGOA) in September 2025 heightened uncertainty, the impact was cushioned by new US tariff policies on Asian competitors and Kenya's strategic deepening of ties with China, including a pledge for zero-tariff treatment for Kenyan agricultural exports.

Kenya's cross-border trade is expanding among surveyed businesses, as its index score rose to 52 from 49 in August 2024 among surveyed businesses, reflecting a period of strategic diversification and deepening diplomatic ties through October 2025. This growth was significantly driven by the deepening of ties with China following a state visit in April 2025, which yielded a Framework Agreement on Economic Partnership that expanded market access for Kenyan agricultural exports like tea, coffee, and avocados, and included a pledge for 100% zero-tariff treatment for Kenyan goods. Openness was further institutionalised by the launch of the Comprehensive Economic Partnership Agreement (CEPA) with the UAE and the renewal of the Strategic Partnership with the UK in July 2025, landmark deals intended to open new markets and streamline trade processes for businesses. Within the East African Community, trade resilience was strengthened by the signing of the Kenya-Uganda Free Trade Agreement in August 2025, which eliminated tariff barriers by reclassifying goods as transfers rather than imports, a pivot that helped drive the proportion of surveyed businesses exporting to the rest of Africa to 78%. Additionally, cooperation with Tanzania improved following an August 2025 agreement to eliminate non-tariff barriers and harmonise trade charges, with the aim of concluding the resolution of all outstanding barriers by March 2026. These combined efforts to secure diverse market access have partly mitigated the uncertainty surrounding the expiration of AGOA, positioning Kenya for sustained export growth.

In conclusion, Kenya's trade landscape in 2025 is defined by an upward trajectory, as businesses navigate a transition from recovery to proactive growth. While Kenya's overall position in the SB ATB dropped to 7th, this decline largely reflected faster economic improvements in other surveyed markets rather than a deterioration of domestic conditions, as evidenced by the country's rise to 5th place in the survey-specific ranking driven by strengthened business confidence and Government support. The year was consequently marked by a strategic deepening of regional ties alongside tangible improvements in power supply and telecommunications infrastructure. As Kenya capitalises on a stabilising shilling, digitised trade facilitation, and a more accommodative monetary environment, future iterations of the survey will be insightful in tracking whether these structural reforms translate into a recovery in the country's comparative standing.

Access to credit for surveyed Kenyan businesses' index score has risen
to 55 from 45.

Kenya's cross-border trade is expanding among surveyed businesses,
reflecting a period of strategic diversification and deepening diplomatic ties.

Kenya's trade landscape in 2025 is defined by an upward trajectory, as businesses navigate
a transition from recovery to proactive growth.

1 INTRODUCTION

Africa's largest bank, Standard Bank (trading in Kenya as Stanbic Bank), has leveraged its presence and expertise across the continent to create the Stanbic Bank Africa Trade Barometer (SB ATB).

The SB ATB was conceived with the intent of creating Africa's leading trade index to address the information vacuum of reliable African trade data and to support and enable the growth of intra-African trade.

Trade – in the context of the SB ATB – should be understood as the process of production and transfer of goods and services that are enabled by solutions that effectively connect domestic and international supply chains to create economic value.

Launched in 2022, this is Issue 5 of the SB ATB. Issues 1, 2, 3 and 4 were published in June 2022, November 2022, September 2023 and August 2024, respectively. The SB ATB focuses on 10 countries: Angola, Ghana, Kenya, Mozambique, Namibia, Nigeria, South Africa, Tanzania, Uganda, and Zambia.

The objective of the SB ATB is to provide dynamic and insightful analysis that can intelligently inform and grow Africa's trade ecosystem.

Updated annually, the data enables stakeholders to take the pulse of African trade in near real-time to measure improvements or declines in business confidence, track operational challenges, and identify shifts in overall tradability.

The SB ATB is based on primary and secondary data sources. Primary research is gathered through a survey of over 2 218 firms representing small, large, and corporates across the 10 countries. The survey is augmented by in-depth interviews (IDIs) with select thought leaders in the respective countries, and secondary data from sources such as the World Bank, the International Monetary Fund (IMF) and central banks of the respective countries.

This is the country report for Kenya. It contains an analysis of the primary and secondary data gathered specifically for Kenya and showcases trends and opportunities in trade within the country. Primary and secondary data were gathered in Kenya between September and October 2025 for this fifth issue of the SB ATB.

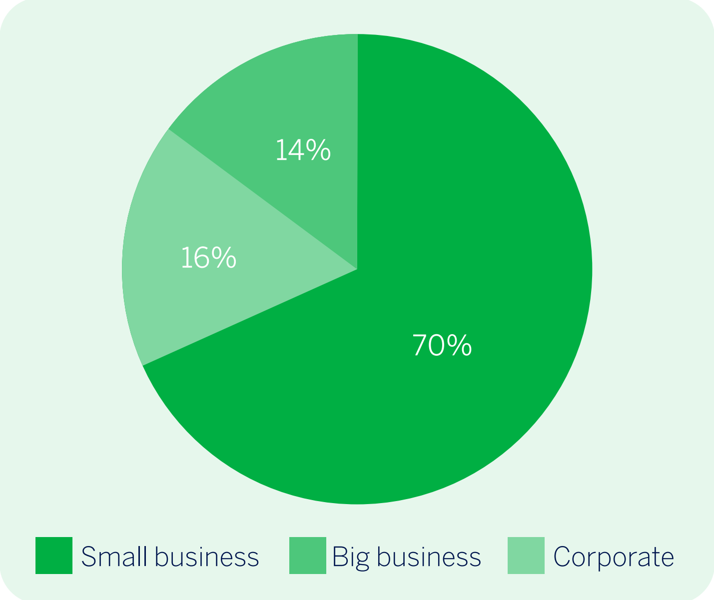
A total of 215 businesses were surveyed in Kenya.

The surveyed businesses in Kenya were located in the following cities or towns: Nairobi, Mombasa, Nakuru, Kisumu and Eldoret. In order to be representative, the majority of these (70%) were small businesses (see **Figure 1**), given that most businesses in the country fall in this category. Three IDIs were conducted in Kenya as part of this issue. These were with representatives from the Ministry of Trade and Industrialisation, the Ministry of Investments, Trade and Industry, and the Kenya Immigration Office.

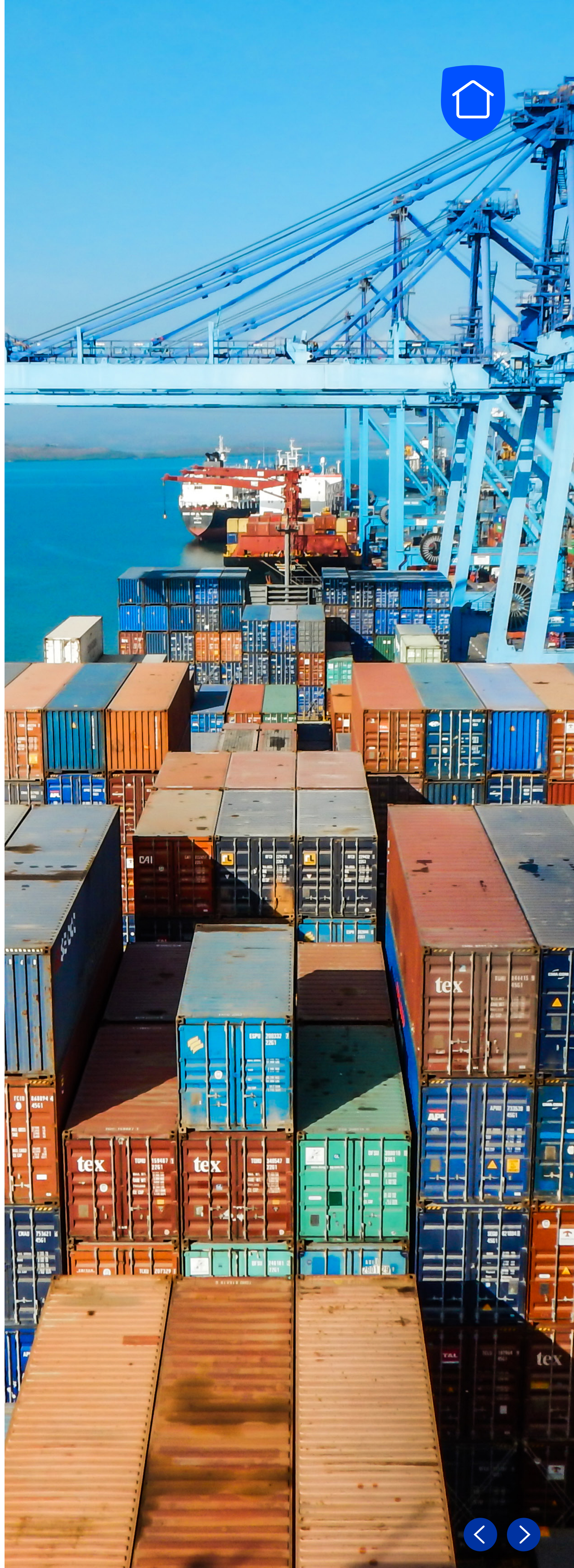
The fact that the majority of surveyed businesses were small businesses is a key value-add of the Stanbic Bank Africa Trade Barometer (SB ATB). Aggregate trade data and information on the African continent are skewed by large businesses that trade specific commodities in large volumes. The trading activities and behaviour of small businesses are therefore not adequately represented. The emphasis and findings in the SB ATB relate to small businesses, their trade behaviour, trading activities, and perceptions of trade. The SB ATB also contributes to understanding the trade perceptions of small businesses in Africa that do not necessarily engage in cross-border trade. Understanding the trade perceptions of all small businesses is key, as it aids in Africa's journey from a disjointed trading landscape to a more cohesive one where a broad range of economic participants actively engage in trade with one another.

Notes: Certain survey findings in this report may differ from data at the aggregate level because data at the aggregate level is skewed by a few large businesses that trade large volumes of specific commodities. This is pointed out in the report, where relevant.

Figure 1: Breakdown of surveyed businesses in Kenya by business segment



Source: Stanbic Bank Africa Trade Barometer Issue 5



2 STANBIC BANK AFRICA TRADE BAROMETER ISSUE 5 COUNTRY RANKINGS

Kenya dropped to position 7 in the Stanbic Bank Africa Trade Barometer ranking.

To construct the Stanbic Bank Africa Trade Barometer (SB ATB) index rankings, seven broad thematic categories of data are collected from both primary and secondary sources. These thematic categories are macroeconomic environment, macroeconomic stability, government support, infrastructure constraints and enablers, trade openness, traders' financial behaviour and access to finance, and foreign trade and trading in Africa.

The SB ATB consists of the following two trade rankings:

- **The Stanbic Bank 3-Year Quantitative Trade Barometer (SB QTB)** is constructed from a secondary research perspective. The SB QTB scores and country rankings are averages of all selected indicators derived from existing secondary data sources and reports.
- **The Stanbic Bank Firm Survey Trade Barometer (SB STB)** is constructed from a primary data perspective. The SB STB scores and rankings by country are the averages of all the survey data collected from 2 218 businesses.

The SB ATB is an aggregate of the SB QTB and the SB STB. Changes in a country's ranking on the three indices (SB ATB, SB QTB and SB STB) are driven by changes in both the aggregate score for that country, as well as its relative ranking against the other countries included. Changes in the SB ATB rankings over the past year are driven mostly by the changes in the SB STB scores.

The SB ATB ranking of countries is relative as countries are ranked against each other, i.e., relative scores to each other. This is pegged on a scale of 0 - 100. When indexed within this range, Mozambique has the highest Tradability Index while Angola has the lowest. This does not imply that one cannot trade in Angola or that Mozambique is perfect; it only shows how the two markets fared on a common scale from 0 (the starting point) to 100 (maximum).

Kenya's SB ATB ranking dropped to position 7 in October 2025 from position 6 in August 2024 (see **Figure 2**). Kenya's drop is driven by a decline in its SB QTB ranking position from 5 in August 2024 to 6 in October 2025. However, Kenya saw its SB STB rank increase to position 5 in October 2025.

In terms of the SB STB, Kenya significantly improved in several key areas, including business confidence, government support, and the terms of credit advanced by clients. Notably, a higher proportion of surveyed businesses are optimistic about their business performance in relation to the economy. Similarly, the country's government support for trade index increased significantly, indicating businesses are recognising the Government's efforts to support cross-border trade. However, while Kenya's SB STB performance improved, its SB QTB performance declined. This was largely driven by improvements in macroeconomic conditions in other countries participating in the SB ATB.

Figure 2: ATB, QTB and STB ranking, by country

1 = High tradability score — 10 = Low tradability score

ATB										
Oct '25	1	2	3	4	5	6	7	8	9	10
Aug '24	3	1	2	4	5	7	6	10	9	8
May '23	3	1	2	7	4	5	6	10	8	9

QTB										
Oct '25	1	2	3	4	5	6	7	8	9	10
Aug '24	3	1	2	4	8	5	5	6	9	10
May '23	3	1	2	4	5	6	8	7	9	10

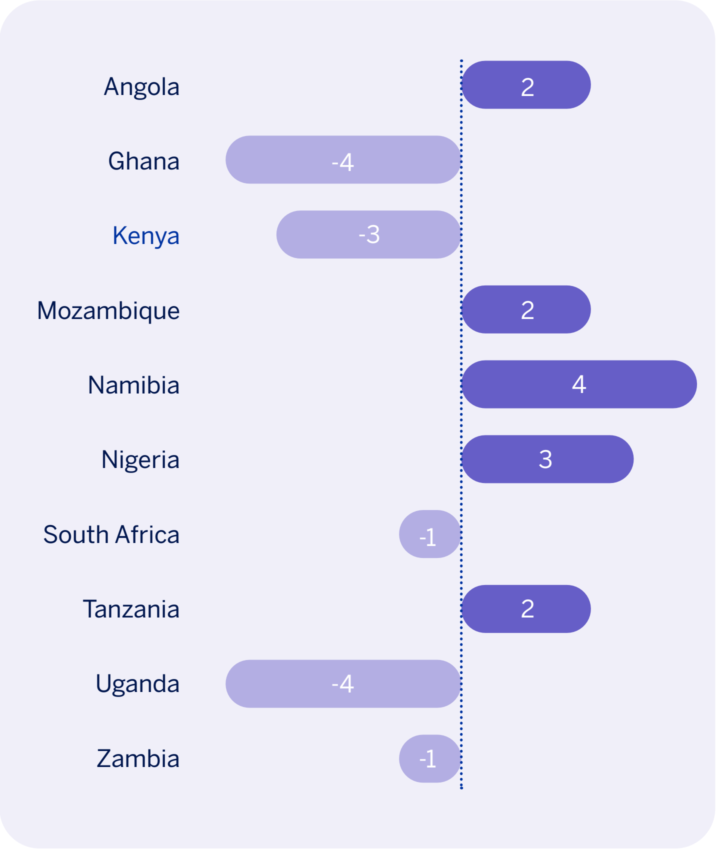
STB										
Oct '25	1	2	3	4	5	6	7	8	9	10
Aug '24	1	3	2	4	7	5	8	6	9	10
May '23	2	1	4	3	8	7	5	9	6	10

Improved in ranking — Remained in the same ranking — Declined in ranking

Source: Stanbic Bank Africa Trade Barometer Issue 5

Notes: All values are shown so that a higher value is 'better' for trade, with the best to least ranking economies being ranked 1, 2, 3, etc., and how this has changed over time. A Red border indicates that the country has declined in the relevant ranking from August 2024; a Green border indicates that the country has improved in the ranking from August 2024; and a Grey border indicates that the country has remained in the same position as in August 2024.

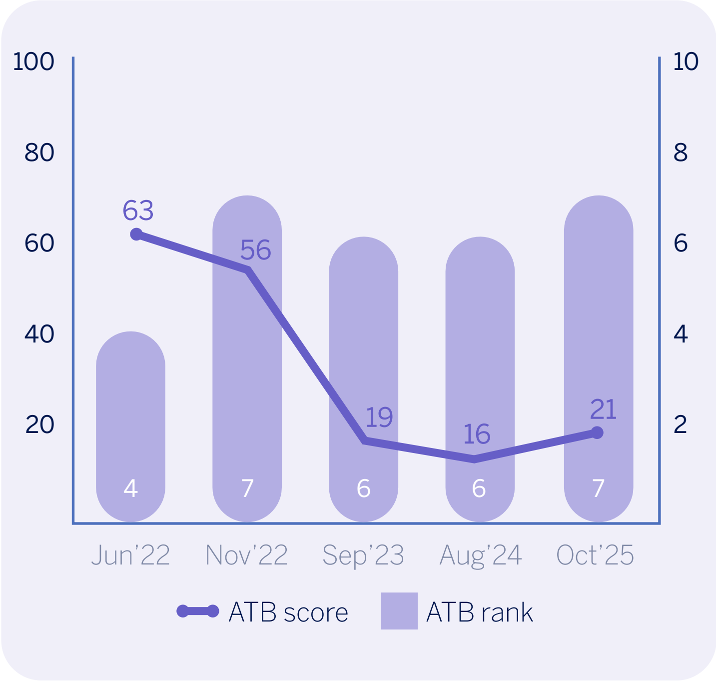
Figure 3: Big movers across all five iterations of the SB ATB



Kenya has the third-largest negative movement across all five waves of the SB ATB. Since attaining its highest position in June 2022, Kenya's SB ATB rank has declined from 4th position to 7th in October 2025. This resulted in Kenya registering the 3rd largest negative movement in its tradeability score across all five iterations of the survey, behind Ghana and Uganda (see **Figure 3**). This is in contrast to Namibia, which registered the highest positive movement across all five waves.

Despite an overall increase in Kenya's tradeability score, it fell one position in the latest iteration of the SB ATB. Kenya's tradeability score increased by 5 points between August 2024 and October 2025 (see **Figure 4**). Despite this increase, Kenya still fell one position. The relationship between the increased tradeability score and declining SB ATB rank is largely explained by the performance of other participating countries within the SB ATB, especially Ghana, which registered a larger increase in its tradeability score.

Figure 4: Kenya's ATB score and ranking



Source: Stanbic Bank Africa Trade Barometer Issue 5

Upon a more granular analysis, Kenya's decline is largely driven by its declining SB QTB performance over the past five iterations of the survey (see **Figure 5**). Kenya's SB QTB score remained between positions 5 and 6, dictating the overall trend of its SB ATB score. Kenya's position over the past four iterations of the survey reflects the contradictory performance across key trade dimensions. While Kenya ranks highly in terms of physical and digital infrastructure, ranking 2nd for both mobile cellular subscriptions and air transport, Kenya ranks last in border and customs efficiency. This suggests that while Kenya has achieved significant progress with regard to infrastructure, it suffers from procedural and regulatory barriers that limit its regional trade integration and trade potential.

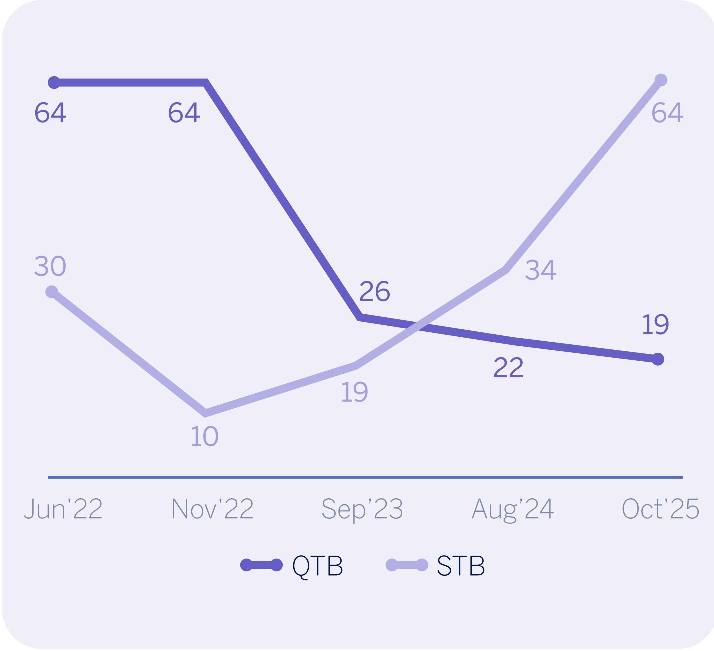
While border and customs efficiency remains a challenge, surveyed businesses reported a decline in the severity of border and customs obstacles compared to previous years. In August 2024, insights from the Office of the President highlighted that Kenya's customs infrastructure was hampered by technical failures within the Cargo Management Systems as well as its reliance on manual processes - such as weighbridges - which resulted in lorries queuing for days and incurring substantial costs. By October 2025, although efficiency issues were not entirely resolved, their perceived severity on surveyed business operations had begun to soften. This shift suggests that ongoing reforms and system modernisation efforts, such as the introduction of centralised clearance processes and eCustoms digital solutions, are beginning to yield improvements for cross-border traders.[1,2]

Kenya has shown notable improvements in the SB STB, rising from position 8 in September 2023 to position 5 in October 2025. Kenya's SB STB score has consistently increased from 10 in November 2022 to 64 in October 2025 (see **Figure 5**). This improvement reflects a growing positive perception among surveyed businesses, especially small surveyed businesses, regarding Kenya's trade landscape. Specifically, Kenyan surveyed businesses perceive their export growth potential, ease of access to credit from suppliers, and low degree of infrastructure obstacles as supportive to their trading activities - ranking 3rd and 2nd across these dimensions over the last three iterations of the SB ATB.

Historically, surveyed businesses perceived power supply as a major infrastructural constraint to their business operations. In the September 2023 iteration of the survey, power supply was identified as the largest obstacle constraining business operations, following two nationwide outages that occurred in November 2022 and March 2023. However, the Government provided some relief through a KES 10 billion transmission network upgrade in July 2023, which partially contributed to power supply being ranked as the third-highest quality infrastructure aspect by surveyed businesses in this iteration of the survey. Surveyed businesses' perceptions on the quality of power supply also align with the increased efficiency and stability observed across the power network. According to Kenya Power's FY2024/25 mid-year financial results, system losses declined from 23.2% to 21.2%, while transmission reliability remained at 99.9%.[3]

1 KRA, 2025. Available here.
2 UK Government, 2025. Available here.
3 The Kenya Power and Lighting Company PLC, 2025. Available here.

Figure 5: Kenya's SB QTB and SB STB scores



Source: Stanbic Bank Africa Trade Barometer Issue 5

The rest of this report unpacks Kenya's performance in the Stanbic Bank Africa Trade Barometer Issue 5 from both a primary and secondary research perspective, in line with the seven broad thematic areas referenced earlier.

3 MACROECONOMIC ENVIRONMENT

Despite structural headwinds, Kenya's macroeconomic conditions are strengthening, enhancing its tradability attractiveness.

The macroeconomic environment of a country plays a central role in shaping its overall appeal for trade, investment, and business activity. Factors that typically enhance a nation's attractiveness to investors include a high Gross Domestic Product (GDP), which signals strong economic output; a rising GDP per capita, reflecting robust consumer purchasing power; low inflation, and a stable currency. Additionally, high levels of foreign direct investment (FDI) point to a supportive business climate, while a substantial share of merchandise trade relative to GDP underscores vibrant cross-border trade and integration into global markets.

Kenya's macroeconomic conditions are strengthening, enhancing its trade attractiveness. The economy is estimated to maintain a steady growth trajectory, with real Gross Domestic Product (GDP) growth projected to rise to 5.1% in 2025, and projected to reach 5.3% in 2026. This positive trajectory is underpinned by improving macroeconomic stability, a recovery in private sector credit, and a renewed pipeline of public and private investment. The services sector remained a primary contributor to this growth, supported by resilient performance in financial services and tourism.

High-frequency indicators reinforced this positive trend, with the Stanbic Bank Kenya Purchasing Managers' Index (PMI) readings pointing to a sustained expansion.[4] Output, new orders, and employment improved at their fastest pace since 2022, implying that growth momentum is becoming entrenched across services, manufacturing, and construction. This broad-based recovery is further evidenced by the construction sector, which was stabilised by the fuel levy securitisation that enabled the government to clear arrears owed to road contractors in 2025. Additionally, growth is expected to be supported by infrastructure investments related to the 2027 Africa Cup of Nations (AFCON) and the extension of the Standard Gauge Railway (SGR).

Output in the agriculture sector faced volatility in 2025 due to mixed weather conditions. While the country benefited from strong rainfall earlier, tea exports declined by 8% between January and September 2025, though horticultural exports rose by 3.4%.[5] Momentum is expected to shift, however, as inflation eased to an annual average of 4.1% in 2025 (see Table 1). This trend allowed the Central Bank of Kenya (CBK) to adopt a more accommodative monetary stance by lowering the Central Bank Rate (CBR) by a cumulative 225 basis points in 2025 to 9.0%.[6]

Foreign Direct Investment (FDI) remained modest in 2025, estimated at USD 0.6 billion (see **Table 1**). A challenging global business climate constrained investment, but investor sentiment is expected to improve gradually. Increasing GDP growth and easing lending interest rates support this outlook. The government also intends to leverage privatisation proceeds, including the divestment of shares in Safaricom and the Kenya Pipeline Company, to capitalise the proposed National Infrastructure Fund.

Foreign exchange (FX) dynamics have played a stabilising role in Kenya's macroeconomic environment. The Kenyan Shilling (KES) stabilised within a narrow band of 129-130 against the US Dollar (USD) in 2025. This stability is underpinned by strong growth in gross FX reserves, which reached USD 12.4 billion (5.4 months of import cover) by January 2026, up from USD 9.2 billion in 2024 (see **Table 5**). Kenya's FX stability is largely driven by a favourable current account position, expectations of portfolio inflows and a pipeline of external funding which will lead to a balance of payments surplus.[7]

Kenya is actively trying to smooth its external debt. 2025 was primarily characterised by proactive sovereign debt management. Successful Eurobond issuances in both March and October 2025 were designed to manage and partially buy back older debt maturities. This follows the successful repayment of the 2024 Eurobond. The strategy aligns with the Government's plan to smooth the maturity profile of Kenya's external debt and proactively manage public debt liabilities.[8]

On the fiscal front, the Government is pursuing consolidation. The fiscal deficit is estimated at 3.3% of GDP for the 2025/26 fiscal year.[9] This is largely driven by spending pressures from social sectors such as education and healthcare. However, the Government is working on reforms to reduce public expenditure.

These reforms, such as the unified payroll system and e-procurement for the public sector, aim to unlock USD 750 billion in World Bank Development Policy Operations (DPO) funding.[10]

Additionally, the fuel levy securitisation played a pivotal role in improving cash flows across the economy by settling debts with contractors. While fiscal deficit targets remain a focus, the Government's ability to clear pending bills has reduced non-performing loans in the construction sector, further supporting the recovery in private sector credit.[11]

Table 1: Select macroeconomic factors impacting tradability attractiveness for Kenya

Indicator	Unit	2021	2022	2023	2024	2025**	2026**
Nominal GDP	USD, billions	109.1	114.1	104.2	125.0	137.4	152.0
GDP per capita	USD	2 195	2 254	2 024	2 386	2 578	2 804
Real GDP growth rate	%	7.6	4.9	5.7	4.7	5.1	5.3
Inflation rate pa	%	6.2	7.9	7.6	4.2	4.1	5.0
Lending interest rate	%	12.1	12.3	13.6	N/A	N/A	N/A
Merchandise of Trade (% of GDP)	%	24.0	25.0	24.0	23.5	N/A	N/A
Exchange rate stability pa (USD/KES)	USD per KES	110.2	118.3	144.2	129.8	129.2	129
FDI	USD, billions	0.4	0.4	0.2	0.4	0.6	1.0
Trade (exports and imports as % of GDP)	%	35.0	40.3	41.1	40.2	N/A	N/A

Source: Kenya National Bureau of Statistics (KNBS); African Markets Report, January 2026, World Bank Development Indicators.

Note: Some percentages and figures are rounded to the nearest whole number and first decimal place

4 African Markets Revealed, January 2025 Report.

5 Ibid

6 Ibid

7 Standard Bank, 2025. African Markets Revealed June 2025.

8 National Treasury and Economic Planning, 2025. Available here.

9 Ibid

10 Ibid

11 Ibid

4 MACROECONOMIC STABILITY

Confidence in the economy has significantly improved, driven by renewed macroeconomic stability over the past year.

KENYA'S BUSINESS CONFIDENCE INDEX SCORE

Source: Stanbic Bank Africa Trade Barometer Issue 5

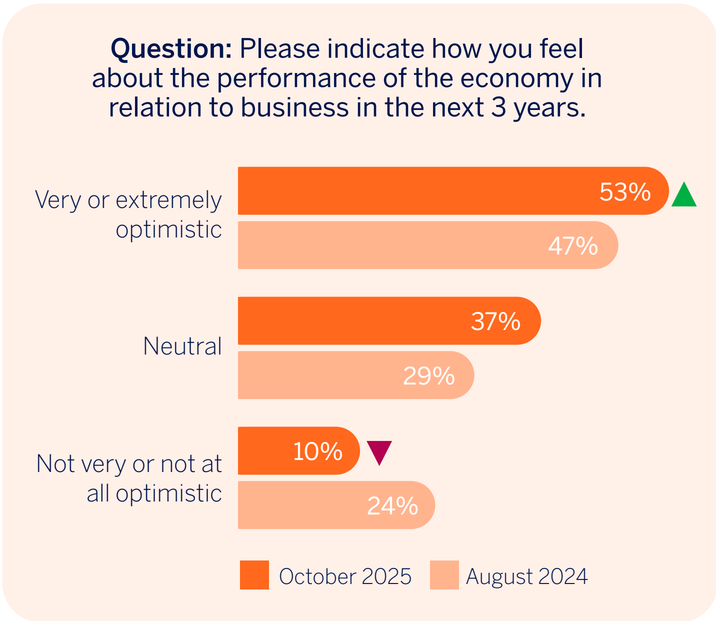
Business confidence can vary between 0 and 100, where 0 indicates an extreme lack of confidence, 50 neutrality and 100 extreme confidence. In the October 2025 SB ATB survey results, Kenya's business confidence index score significantly increased to 63 from 55 in August 2024.

Notes: Green arrows represent positive shifts, whether an increase in positive sentiments or a decrease in negative sentiments.

Kenya's overall business confidence index score significantly increased in this iteration of the SB ATB. The index score rose to 63, up from 55 in August 2024, a significant improvement. The share of surveyed businesses that were very or extremely optimistic about the performance of the economy in relation to business significantly increased to 53% in October 2025 from 47% in August 2024 (see **Figure 6**). This reflects growing optimism among surveyed Kenyan businesses.

53% of surveyed businesses were very or extremely optimistic about the performance of the economy in relation to their business in October 2025, a significant increase from 47% in August 2024.

Figure 6: Surveyed Kenyan businesses' outlook on the performance of the economy



Source: Stanbic Bank Africa Trade Barometer Issue 5

Note: "Refused" not shown on slide. Bars may not add exactly to 100%.

Note: Green arrows represent positive shifts, whether an increase in positive sentiments or a decrease in negative sentiments.

A perceived strengthening of the economic outlook largely drove the improved perceptions. 47% of optimistic surveyed businesses in this iteration of the survey cited economic stability as a reason for their positive outlook. A further 37% cited increased economic growth. This reasoning mirrors the projected increase in real GDP growth, at the aggregate level, over the same period (see Table 1). Kenya's business environment is also showing signs of improvement. Access to finance remained steady in 2025, with banking sector liquidity at 58.6% in June, well above the statutory minimum of 20%, ensuring continued stability in credit conditions.[12] The government's Credit Guarantee Scheme for small and medium-sized enterprises (SMEs), alongside the higher lending capacity as highlighted by the Kenya Bankers Association, is expanding access to affordable credit and supporting private sector investment.[13] Together, these developments are reinforcing business confidence and positioning Kenya's economy for more stable and inclusive growth in 2026.

Improved perceptions at the macroeconomic level mirror the positive revenue expectations of surveyed businesses. In this iteration of the survey, 81% of surveyed businesses expected their turnover to increase in the next three years, a significant 20 percentage-point increase from August 2024. This is consistent with the fact that the majority of optimistic surveyed businesses (50%) cited the existence of business growth opportunities as a reason for their positive economic outlook.

12 Central Bank of Kenya, 2025. Available here.
13 Kenya Bankers Association, 2025. Available here.

81% of surveyed businesses in October 2025, expect their turnover to increase in the next three years, a significant 20 percentage-point increase from August 2024.

Surveyed businesses expect that increased sales, orders, and demand will be the primary drivers of revenue growth in the next 3 years. These factors were cited by 81% of surveyed businesses in this iteration of the survey, up sharply from 72% in August 2024, the largest rise among all positive indicators. Indeed, data from the end of 2025 reinforces this optimistic trend, as the December 2025 issue of Stanbic Bank's Purchasing Managers' Index (PMI) showed the private sector concluding the year with robust expansion. The headline PMI reached 53.7 in December, following a five-year high of 55.0 in November, marking the strongest consecutive growth in four years and moving well beyond the soft declines observed earlier in the year.[14] This growth was fueled by a surge in demand and improved customer purchasing power, which led to an increase in staffing levels at the fastest pace since late 2019. While input costs reaccelerated toward the end of the year due to higher tax burdens and fuel prices, the overall business sentiment for 2026 remains highly positive, supported by broad-based growth across the agriculture, construction, and manufacturing sectors.

Other key factors driving the positive expectations on revenue growth in the next 3 years by surveyed businesses include increased marketing, higher production, and improved capital availability. 79% of surveyed businesses expect increased marketing activity to positively impact their business revenue in this iteration of the survey, up from 74% in August 2024. 79% of surveyed businesses expect that they will increase production, which will in turn improve their revenue, compared to 73% in August 2024. Furthermore, 55% of surveyed businesses in this iteration of the survey expect better access to capital to drive revenue growth, up from 49% in August 2024, as credit conditions become more predictable and banks maintain steady lending to the private sector. These shifts show that surveyed businesses are actively scaling operations and investments to capture growing market opportunities in 2026 and beyond.

Surveyed Kenyan businesses identified several factors that could negatively impact their revenue growth in the next 3 years (see **Figure 7**). However, most of these risks have eased compared to August 2024. Decreased sales and orders remain the top concern for 80% of surveyed businesses. Political instability is identified by 79% of surveyed businesses, down from 84% in August 2024, reflecting calmer domestic conditions and reduced uncertainty around political activity. High taxation remains a concern for 77% of surveyed businesses, slightly lower than 78% in August 2024, reflecting ongoing tax pressure. Overall, while these challenges continue to weigh on surveyed businesses' outlook, the declines across most indicators point to gradual stabilisation and growing resilience.

This resilience is partly due to the transition from the volatile 2024 tax cycle, which was defined by the withdrawal of the Finance Bill 2024 after widespread protests, to a more administratively focused Finance Act 2025. Unlike the 2024 proposals that triggered unrest through aggressive hikes on basic goods like bread and mobile money, the 2025 fiscal strategy is partly centred on broadening the tax base via digital enforcement and closing administrative loopholes rather than just increasing rates on essentials.[15] The perceived stability of the 2025 budget is partly supported by the Kenya Revenue Authority's (KRA) record customs performance of KES 85.1 billion in September 2025, driven by digitised reforms like eTIMS that seek to close revenue loopholes without the mass-protest triggers seen in the previous year.[16]

Figure 7: Reasons for pessimistic business confidence outlook

Source: Stanbic Bank Africa Trade Barometer Issue 5

Results from this iteration of the survey suggest that climate change is increasingly shaping business performance in Kenya. Among surveyed businesses, 44% report shifts in customer behaviour due to climate change, 34% noted reduced productivity, and 33% experience disruptions across their supply chain. These effects are filtering through the wider economy by reducing output efficiency and raising costs. For surveyed small businesses, the most pronounced effects are shifts in customer demand at 49% and lower productivity at 35%, as erratic weather and reduced consumer spending directly impact sales and daily operations. Their limited capacity to absorb shocks makes them more vulnerable to climate-related disruptions in supply and demand. For large surveyed businesses, the largest concerns are increased operational costs (49%), supply chain disruptions (34%), and productivity losses (31%). While large businesses tend to have stronger buffers, sustained increases in operating costs are constraining investment and eroding profitability. Together, these trends show that climate variability is now a key driver of Kenya's economic stability, influencing prices, output, and overall fiscal balance.

> With tax duties that have been increased, businesses are paying more… production cost is high, taxes are high, so we find that profits are going down.
>
> Representative from the Kenya Immigration Office

14 Stanbic Bank Kenya, 2025. Available here.

15 Oraro & Company Advocates, 2025. Available here.

16 The Star, 2025. Available here.

5 GOVERNMENT SUPPORT

Perceptions of Government support on trade have improved.

KENYA'S GOVERNMENT SUPPORT ON TRADE

Source: Stanbic Bank Africa Trade Barometer Issue 5

Government support index can vary between 0 and 100, where 0 indicates an extreme lack of government support, 50 neutrality and 100 extreme government support. In the October 2025 SB ATB survey results, Kenya's government support index score significantly increased from 45 to 56. This means that surveyed businesses in Kenya feel the Government has been more supportive of cross-border trade activities in this iteration of the survey compared to the August 2024 survey.

Notes: Green arrows represent positive shifts, whether an increase in positive sentiments or a decrease in negative sentiments.

The perception of government support for cross-border trade increased among surveyed businesses. The percentage of businesses that felt that the government was either somewhat or extremely supportive of trade increased to 44% in this iteration of the survey compared to 27% in August 2024 (see **Figure 8**). Similarly, surveyed businesses that said that the government was not supportive declined to 18% in October 2025 compared to 33% in August 2024.

All surveyed business segments reported an improved perception of the government's positive role in supporting cross-border trade in this iteration of the survey, compared to August 2024.

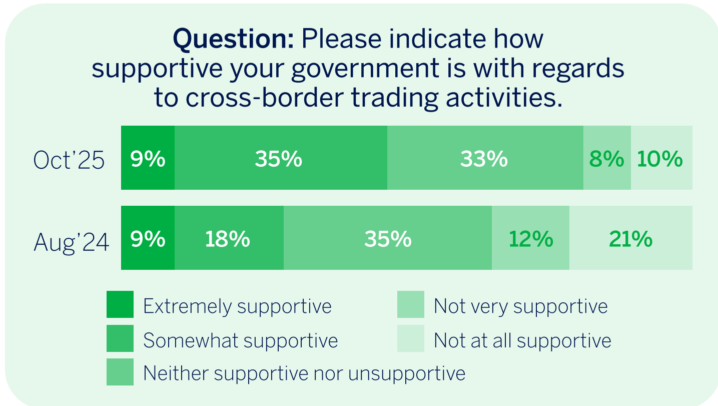
This trend was largely driven by surveyed big businesses, with 60% perceiving the Government as supportive in October 2025 compared to 33% in August 2024. This change followed a renewed focus on global market integration. Kenya launched a Comprehensive Economic Partnership Agreement with the United Arab Emirates (UAE) and renewed a Strategic Partnership with the United Kingdom (UK) in July 2025.[17] These bilateral agreements open new markets and streamline trade processes for Kenyan exporters. Larger enterprises were better positioned to capitalise on these new frameworks due to their established global supply chains and operational capacity.

In addition, improved external financial stability has provided a stronger foundation for increased cross-border trade. Kenya's successful repayment and refinancing of its USD 2 billion Eurobond in June 2025 immediately eased external market anxieties. This debt management success contributed to Fitch Ratings affirming the country's Long-Term Foreign-Currency rating at 'B-' with a Stable Outlook in July 2025. Fitch based its rating on Kenya's strong medium-term growth prospects and diversified economy. While acknowledging risks like high debt servicing costs and weak governance, the stable rating signalled an improved external liquidity position, which supported the flow of finance needed for international trade activity.[18]

17 Ministry of Foreign Affairs. Available here.
18 Fitch Ratings, 2025. Available here.

Furthermore, the Kenyan shilling stabilised, reversing previous volatility. It gained 10% against the US dollar between January 2023 and December 2024. This contrasted with a 22% depreciation during the same period from 2022 to 2023 (see **Figure 9**). The successful Eurobond repayment and improved external liquidity conditions supported this resilience. Stronger foreign-exchange inflows, sustained diaspora remittances, and improved investor sentiment also contributed to the gain.[19] This stability reduces foreign exchange risk, directly aiding trade and supporting business planning.

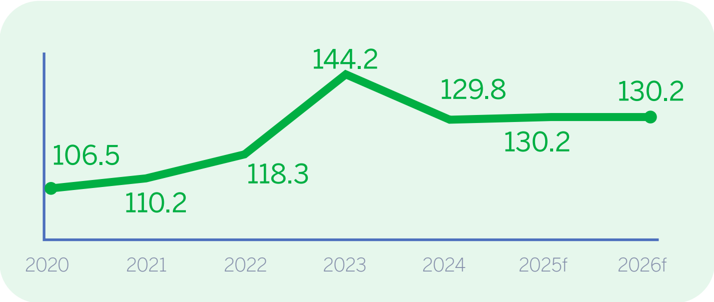
Figure 8: Perceptions of government support for cross-border trade



19 XTransfer, 2025. Available here.

> The Government is fundamentally committed to enhancing the trade ecosystem, evidenced by targeted improvements in key policies, such as the strategic decision to reduce certain taxes and forge strong partnerships with foreign nations. These Government initiatives streamline cumbersome regulatory and border procedures across Africa to create a larger, smoother market for Kenyan exports.
>
> Representative from the Ministry of Trade

Figure 9: KES:USD Exchange Rate



Source: CBK; Stanbic Bank Analysis;
African Markets Revealed report June 2025

Note: Values rounded to the nearest shilling.
Note: 'f' represents forecasted data point.

Many surveyed businesses felt that the provision of some form of tax relief would ease some of the frictions that inhibit their ability to engage in cross-border trade. 83% of surveyed businesses identified the reduction of business taxes as a key area where the Government could support cross-border trade. Businesses also identified simplified business policies (79%), enhanced regional trade relationships (78%) and establishment of appropriate non-tariff barriers to protect local businesses (78%) as the other important interventions they required from the Government.

The survey results suggest that surveyed businesses believe lowering the costs and administrative hurdles of trading could significantly expand cross-border activity. Kenya Revenue Authority (KRA) and its partners decentralised trade facilitation services like cargo clearance, customs licensing, and compliance support by setting up hubs and streamlining operations along key logistics routes. This move reduced travel for inspections, paperwork and physical presence. In early 2025, KRA launched three dedicated Trade Facilitation Hubs in Kainuk, Lodwar and Kakuma - locations chosen for their strategic proximity to the Northern Corridor and linkages to South Sudan. These hubs allowed traders to access customs, enforcement and verification services locally, rather than travelling to central offices or waiting long at congested ports and border posts.[20]

In 2025, the Government pursued a three-pronged strategy to reduce trade friction and boost export opportunities. Key initiatives included expanding Special Economic Zones and Export Processing Zones to improve production efficiency. The Kenya Trade Network Agency (KenTrade) also rolled out the National Electronic Single Window System, simplifying cross-border logistics through digitisation.[21] The Single Window System reduced the time and cost associated with clearing cargo by integrating multiple regulatory agencies. Furthermore, enhanced collaboration within the African Continental Free Trade Area (AfCFTA) framework provided businesses with access to new continental markets. These deliberate reforms were, in part, the basis for the improved confidence in the Government's support for trading activities, even though the East African Court of Justice (EACJ) suspended implementation of the Kenya-EU Economic Partnership Agreement (EPA) on November 24, 2025. This ruling created temporary uncertainty for Kenyan exports following a legal challenge regarding procedural breaches. Despite this hurdle, the Government moved to appeal the decision and reassured exporters that market access to the EU remained uninterrupted under existing commercial arrangements.[22]

The Kenyan Government has intensified its pursuit of global export opportunities through high-level strategic partnerships. In April 2025, President Ruto's state visit to China resulted in the signing of more than 20 bilateral agreements and MoUs covering infrastructure, trade, and the digital economy. These agreements included a Framework Agreement on Economic Partnership for Shared Development, which significantly expanded market access for Kenyan tea, coffee, avocados, and macadamia nuts. Furthermore, China committed to financing major infrastructure projects, such as the extension of the Standard Gauge Railway (SGR) from Naivasha to Malaba, to strengthen Kenya's role as a regional logistics hub.[23] The Government also seeks to secure a landmark reciprocal investment-led partnership that reflects the realities of a digital global economy with the United States, following the expiry of the African Growth and Opportunity Act (AGOA). This pursuit aimed at building more resilient frameworks to attract investments into high-growth sectors like electric vehicles and pharmaceuticals to support a more inclusive and sustainable model for the future.[24]

KRA's digital reforms in 2025 included the rollout of the Integrated Customs Management System and the implementation of a comprehensive Single Window concept.[25] These reforms have enabled pre-arrival processing of declarations, risk-profiling of cargo and greater coordination among partner agencies. Through these systems, many documents and approvals are submitted electronically and inspections can be triggered based on real-time data rather than random checks. Clearance decisions are now made through a unified digital system, where customs officers follow standardised procedures and rules, ensuring consistent outcomes regardless of location.[26] These developments have lowered mobility costs for firms by minimising travel to ports or border posts. They have also reduced delays through fewer or shorter inspections, and improved transparency via electronic workflows, minimising corruption incidents.

FAST FACT:
Digitisation of customs and logistics hubs like Tatu City SEZ is enhancing trade efficiency.

Finally, improved perceptions of Government support on trade were also partly driven by the fact that the Kenyan Government stepped up efforts to dismantle trade barriers with key regional partners such as Tanzania and Uganda in 2025. This signalled a stronger push to reduce costs and friction in cross-border trade. In August 2025, Kenya and Tanzania signed an agreement to eliminate a large number of non-tariff trade barriers, including the removal of excise levies on certain exports and harmonisation of trade charges, to conclude the resolution of all outstanding barriers by March 2026.[27] The transit arrangement, which allowed Uganda to import refined petroleum commodities directly from producer countries through Kenya, is also actively being utilised. There were increased trade relations noting that in early 2025, the Uganda National Oil Company issued a statement that more than 90 million litres of petroleum products were already staged within the Kenyan pipeline system for Uganda's market.[28]

"AfCFTA's role is to streamline policies and regulations, which helps resolve the "huge headache" caused by different borders across Africa constantly changing their requirements. Kenya has been one of the early adopters of AfCFTA policies and regulations, which makes it easier to trade with Kenya because regulations are not constantly changing."

Representative from the Ministry of Trade

20 KRA Launches Trade Facilitation Hubs, 2025. Available here.
21 Kentrade, 2025 Available here.
22 State Department for Trade, 2025. Available here.
23 Office of the President, 2025. Available here.
24 Government Advertising Agency, 2025. Available here.
25 Africa Trade Development Forum. Available here.
26 Ibid
27 The Citizen, 2025. Available here.
28 Uganda National Oil Company, 2025. Available here.

6 INFRASTRUCTURE CONSTRAINTS AND ENABLERS

Surveyed Kenyan businesses perceived an improvement in the quality of trade-related infrastructure, driven by renewed Government investment and reforms easing transport and trade obstacles.

KENYA'S TRANSPORT-RELATED INFRASTRUCTURE INDEX SCORE

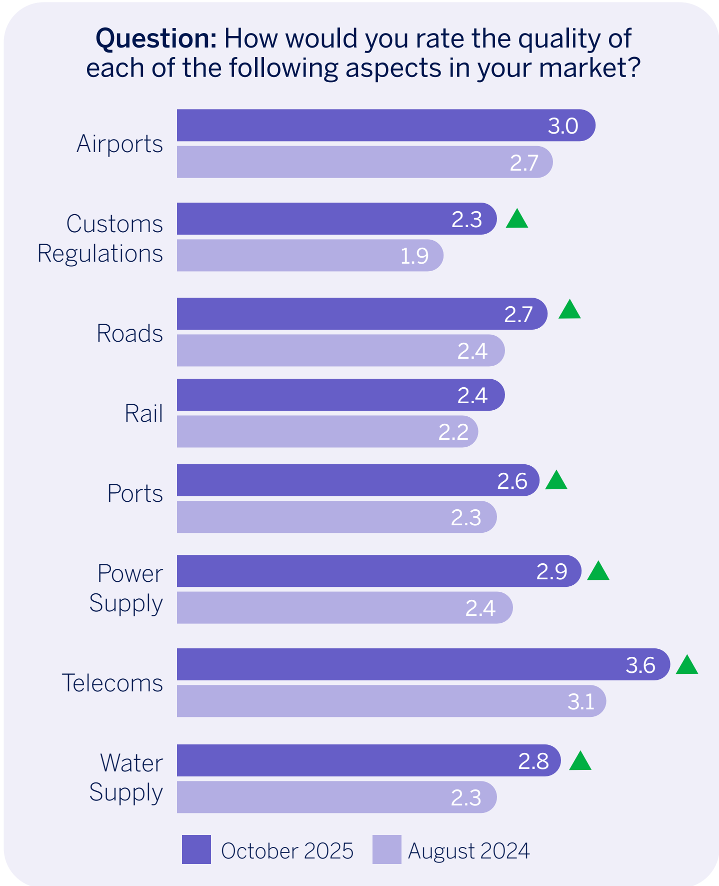
Source: Stanbic Bank Africa Trade Barometer Issue 5

The quality of the trade-related infrastructure index can vary between 0 and 100, where 0 indicates poor quality, 50 indicates fair quality, and 100 indicates excellent quality. In the October 2025 SB ATB survey results, Kenya's quality of trade-related infrastructure index score rose from 48 in August 2024 to 55 in this iteration of the survey.

Kenya's quality of transport-related infrastructure index score increased to 55 in this iteration of the survey, up from 48 in August 2024. This rise reflects a growing perception among surveyed businesses that Kenya's transport infrastructure is becoming more efficient and dependable for trade and logistics.

Surveyed Kenyan businesses perceived the quality of infrastructure to be better in nearly all aspects in this iteration of the survey relative to August 2024 (see **Figure 10**). This suggests that ongoing public and private investments, coupled with a gradual recovery from the 2024 flood disruptions, are effectively leading to tangible improvements in the nation's infrastructure quality.

Figure 10: The perceived quality of various infrastructural aspects by businesses (score out of 5)



Source: Stanbic Bank Africa Trade Barometer Issue 5

Notes: Rating is on a 5-point scale, where 5 = excellent quality and 1 = poor quality. Arrows denote whether the value of the variable is significantly higher / lower than in the previous survey.

Enhanced connectivity underscores a significant increase in optimism among surveyed businesses about the reliability of digital infrastructure. On average, surveyed businesses rated telecommunications infrastructure quality at 3.6 out of a 5-point scale in October 2025, a significant 0.5 point increase from August 2024. This could be, in part, due to the effects of the Kenya Digital Economy Acceleration Project (2024-2029), co-financed by the World Bank with USD 390 million, aimed at expanding broadband and fibre-optic reach nationwide.[29] In addition, in March 2025, the Government launched the Kenya Artificial Intelligence Strategy 2025-2030, a national framework to drive innovation through stronger digital infrastructure, data systems, and research capacity. The strategy seeks to build clear governance standards, attract investment, and establish Kenya as a regional centre for responsible and inclusive artificial intelligence development.[30],[31] Together, these initiatives are accelerating Kenya's digital transformation, driving e-commerce, fintech expansion, and small and medium enterprises (SME) digitalisation. With mobile broadband penetration now exceeding 78% of the population, the telecoms sector continues to underpin Kenya's integration into regional and global value chains.[32]

The perceived improvement in the quality of air transport infrastructure among surveyed businesses in this iteration of the survey reflects the visible transformation it is undergoing. On average, surveyed businesses rated air transport infrastructure quality at 3.0 out of a 5-point scale in October 2025, a 0.3 point increase from August 2024. This could be, in part, due to the Government prioritising aviation as a strategic industry, contributing USD 1.5 billion to GDP and generating over 130,000 jobs across the country. At the centre of this growth is the Jomo Kenyatta International Airport (JKIA), which currently handles 8.7 million passengers annually and is projected to serve 31 million passengers by 2035. In foreseeing the need for its modernisation, the Government, through the Kenya Airports Authority, has secured cabinet approval to seek bilateral Development Finance Institution (DFI) funding for JKIA's USD 2 billion modernisation program, including new terminals, expanded cargo facilities, and a second runway by 2035.[33,34] Beyond the capital, significant progress has been made in regional hubs with the Eldoret International Airport runway extension to 3.5 km currently underway to accommodate wide-body cargo aircraft, enabling payload increases from 40 to 100 tonnes and facilitating direct agri-exports to global market.[35] Concurrent upgrades at Kisumu International Airport, including runway widening and the completion of a new KES 314 million state-of-the-art Air Traffic Control

29 The World Bank, 2023. Available here.
30 Ministry of ICT, 2025. Available here.
31 EY, 2025. Available here.
32 Communications Authority of Kenya, 2025. Available here.

33 The Ministry of Roads and Transport, 2025. Available here.
34 The Government invited the the Japan International Cooperation Agency, China Exim, KFW, the European Investment Bank and the African Development Bank, offering them the opportunity to finance JKIA.
35 Logistics Update Africa, 2025. Available here.

tower in late 2025, are designed to enhance 360-degree airspace management and support direct international arrivals.[36] Similarly, the Malindi International Airport runway expansion to 2.5 km was revived through renewed national-county cooperation to support direct international charter flights for coastal tourism and perishable goods exports.[37] This infrastructural momentum was mirrored by increased connectivity, with major new international services launched, including flydubai's direct flights to Nairobi and daily service to Mombasa in October, alongside Kenya Airways' new Nairobi–Gatwick route in July and SalamAir's Muscat–Nairobi service in February 2025.[38] These upgrades will reinforce Kenya's role as the region's leading aviation hub by enhancing air freight efficiency, reducing logistics costs, and transforming air transport infrastructure into a clear competitive advantage.

31 million passengers projected annual handling at JKIA by 2035.

Strengthening perceptions among surveyed businesses of energy reliability signals mounting confidence in the power infrastructure. On average, surveyed businesses rated power-supply infrastructure at 2.9 out of a 5-point scale in October 2025, a significant 0.5 point increase from August 2024. Kenya's energy mix remains over 80% renewable, anchored by geothermal, hydro, and wind resources that have shielded the economy from volatile global fuel prices. Businesses have benefited from improved grid performance and lower power disruptions, reinforcing a sense of operational reliability. According to Kenya Power's FY2024/25 mid-year financial results, system losses declined from 23.2% to 21.2%, while transmission reliability remained at 99.9%, a sign of growing efficiency and stability across the network.[39] These gains are strengthening business confidence in Kenya's energy infrastructure, positioning it as one of the country's most dependable enablers of growth in 2026 and beyond.

On average, surveyed businesses rated rail infrastructure at 2.4 on a 5-point scale in October 2025, an increase from 2.2 in August 2024.

This growth is partly due to the government's aggressive move to finalise the "missing link" of the Standard Gauge Railway (SGR) to the Ugandan border. In January 2025, the government implemented a hike in the Railway Development Levy (RDL) from 1.5% to 2% to create a sustainable domestic funding pool for future rail extensions.[40] This fiscal shift, combined with the securing of cabinet approval for the KES 648 billion SGR Phase 2B and 2C projects, has signalled to businesses a renewed commitment to regional trade corridors.[41] By September 2025, the rail sector saw tangible local improvements with the commissioning of the Mombasa Commuter Rail Service, which integrated a new 2.3-kilometre bridge across the Makupa causeway to link the SGR Miritini Terminus directly to the Mombasa CBD. Furthermore, the perceived reliability of the network was bolstered partly by the near-completion of the Riruta–Ngong commuter line and the restoration of flood-damaged sections of the Metre Gauge Railway (MGR) between Longonot and Malaba, which is critical for regional cargo transit.[42] These efforts culminate in the planned January 2026 launch of the Naivasha–Kisumu–Malaba SGR extension, a move expected to halve freight transit times and further cement Kenya's standing as a logistics hub.[43]

Despite the overall improvement in perceived quality across Kenya's trade-related infrastructure, surveyed businesses still report that several aspects continue to constrain day-to-day operations (see **Figure 11**). With an average rating of 2.5 out of a 5-point scale in October 2025, customs and trade regulations remain the most persistent constraint among surveyed businesses, though this level has improved compared to 2.2 in August 2024. This aligns with a report of the World Trade Organisation showing Kenya's trade-facilitation implementation at only 43.7%, indicating that slow adoption of streamlined clearance, documentation, and single-window systems continues to limit the operational impact of ongoing reforms.[44] Power supply was rated 2.7 by surveyed businesses, a significant increase compared to 2.3 in August 2024. Nonetheless, there is a marked improvement across all infrastructural sectors relative to August 2024, suggesting that ongoing investments and maintenance efforts are translating into reduced severity of infrastructure-related constraints.[45]

36 The Star, 2025. Available here.
37 Ministry of Tourism and Wildlife, 2025. Available here.
38 Africa Travel & Tourism Association, 2025. Available here.
39 The Kenya Power and Lighting Company PLC, 2025. Available here.

40 The Star, 2025. Available here.
41 Capital News, 2025. Available here.
42 The Star, 2025. Available here.
43 Peoples Daily, 2025. Available here.
44 The World Trade Organisation, p.15, 2025. Available here.
45 Reuters, 2025. Available here.

STANBIC BANK'S SOLUTIONS

Partnerships for Market Access

Stanbic Bank partners with Chambers of Commerce, Trade Promotion Agencies and Industry Bodies to collaborate on enabling Market Access across African and international markets.

We leverage our Market Access solutions and vast networks, to deliver valuable and impactful collaboration with our partners to enable growth opportunities for African businesses.

Exporter Readiness Programme

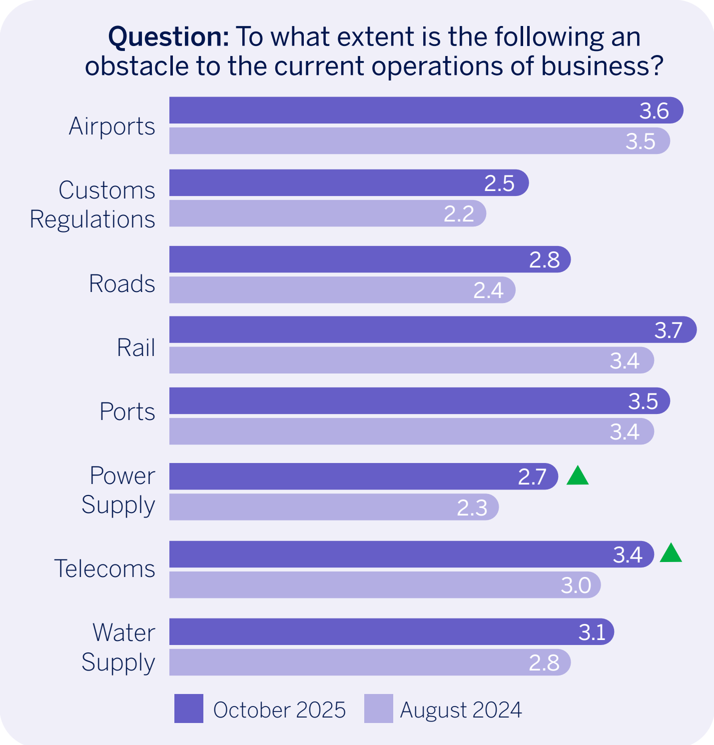
Stanbic Bank's Exporter Readiness Programme equips SMEs with the information and training required to become successful exporters.

The programme covers regulatory requirements, registration processes, and logistics considerations. It supports SMEs that aspire to grow through exporting, enabling them to develop sustainable market-entry strategies informed by research, market insights, and guidance on product and service positioning

> Expansion of roads has helped ease congestion... SGR transport between Mombasa, Nairobi, and Naivasha has opened up markets.

Representative from the Kenya Immigration Office

Figure 11: Degree of perceived obstacles impacting businesses (score out of 5)



Source: Stanbic Bank Africa Trade Barometer Issue 5.

Notes: Rating is on a 5-point scale, where 5 = no obstacles and 1 = severe obstacles. Arrows denote whether the value of the variable is significantly higher / lower than in the previous survey.

The Government intensified efforts to align infrastructure investment with climate adaptation and disaster risk management in 2025. Through initiatives under the National Framework for Climate Services, authorities are deploying real-time flood and drought early-warning systems that provide advance alerts to businesses.[46] The Adaptation Fund's "AWARE Project", Adaptation for Water Access and Resilience in the Ewaso Nyiro Basin, focuses on strengthening water infrastructure, rehabilitating irrigation channels, and developing climate-resilient roads.[47] These programs reflect a shift toward proactive disaster management, incorporating nature-based infrastructure designs, better drainage planning, and improved information flow to businesses before extreme weather events. Together, these measures highlight Kenya's commitment to building resilient, adaptive infrastructure that supports long-term economic stability.

STANBIC BANK'S OFFERING

Intra-Africa Trade Solutions

Stanbic Bank's Intra-Africa Trade Solutions supports African businesses in unlocking new market access opportunities for exports.

Through our Export Solution, we assisted a Kenyan coffee exporter seeking regional opportunities to benefit from the AfCFTA tariff framework and Ghana's growing coffee consumption market.

By connecting the client with a Ghanaian coffee importer, we enabled them to expand from domestic supply into international trade.

STANBIC BANK'S INITIATIVE

Enabling National Connectivity Through Strategic Infrastructure Financing

Stanbic Bank empowers African countries to achieve large-scale infrastructure upgrades by providing innovative, local-currency project financing solutions tailored to national development priorities.

Through our ability to structure long-term, risk-mitigated funding, Stanbic Bank enables governments and private partners to accelerate road rehabilitation and upgrade programmes that unlock regional trade, improve mobility, and reduce transport inefficiencies.

Our support for Kenya's Road Annuity Programme illustrates this capability — enabling the transformation of more than 80 kilometres of critical rural and urban roads across ten counties. By converting gravel corridors into modern asphalt networks, we help lower logistics costs, enhance safety, and connect farmers and traders to high-value markets.

Beyond financing, Stanbic Bank plays a catalytic role in crowding in private capital and creating local economic opportunity. The projects we support generate employment during construction, build climate-resilient infrastructure, and strengthen the foundation for inclusive economic growth across the continent.

46 Ministry of Environment, Climate Change, and Forestry, 2025. Available here.
47 Adaptation Fund, 2025. Available here.

7 TRADE OPENNESS

Surveyed Kenyan businesses are increasingly shifting focus to regional markets, given the expiration of AGOA.

KENYA'S TRADE OPENNESS INDEX SCORE

Source: Stanbic Bank Africa Trade Barometer Issue 5

The trade openness index score can vary between 0 and 100, where 0 indicates a high burden of obstacles inhibiting trade, 50 indicates a moderate burden of obstacles inhibiting trade and 100 indicates a low burden of obstacles inhibiting trade. In the October 2025 SB ATB survey results, the trader perceptions on the degree of challenges impacting trade score increased from 49 to 52.

Surveyed Kenyan businesses sourced fewer inputs domestically in this iteration of the survey, shifting to international markets (mainly Asia) compared to August 2024. Although a majority (63%) still source domestically, the share of surveyed businesses importing inputs increased to 35% in October 2025 from 28% in August 2024.

Among surveyed businesses, trade participation was highest in the consumer goods sector in this iteration of the survey. 38% of surveyed businesses traded in consumer goods, an increase from 34% in August 2024. Conversely, participation in the services sector among surveyed businesses declined to 28% in October 2025 from a high of 44% in August 2024, after previously rising from 10% in September 2023.

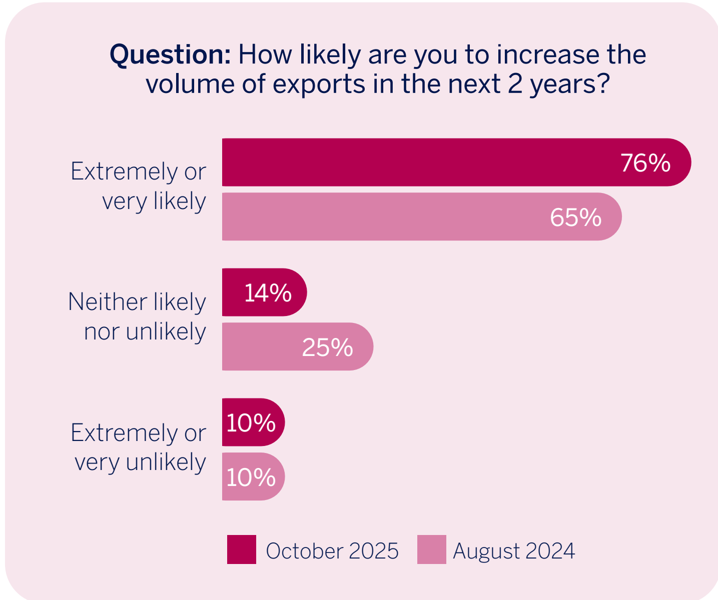
New regulations have made services trade more costly and complex. The shift from services to consumer goods is partially attributed to the Significant Economic Presence (SEP) Tax, effective 27 December 2024, which doubled the digital services tax rate to 3% for non-resident firms.[48] Despite an overall decline in consumer goods trade, trade in goods within the EAC region has become relatively easier and more profitable. This is partially attributed to the KRA's Certificate of Origin (CoO) mandate issued on 1 July 2025 to strengthen customs compliance, combat fraud and protect Government revenue. While the mandate's documentation requirements created extra costs and port delays for imports generally, its impact on the EAC region was less severe compared to other regions, making intra-regional trade in goods comparatively more attractive.[49]

Surveyed Kenyan importers remain optimistic about future import volumes. A high proportion of surveyed importers (73%) expect their volumes to increase over the next two years. This sentiment is unchanged from the August 2024 iteration of the survey. This may stem from the stability of the Kenyan Shilling since 2024, which makes the cost of imports more predictable.

This optimism is also shared by surveyed exporters (see **Figure 12**). 76% of surveyed Kenyan exporters believe their export volumes are extremely likely or very likely to increase over the next two years, a 9 percentage-point increase from the August 2024 iteration of the survey.

48 Kenya ICT Action Network, 2025. Available here.
49 Federation of East African Freight Forwarders Associations, 2025. Available here.

Figure 12: Exporters' perceptions on their likelihood to increase export volumes over the next 2 years



Source: Stanbic Bank Africa Trade Barometer Issue 5

Surveyed businesses reported slightly less negative impact from trade-related taxes and customs regulations compared to August 2024 (see **Figure 13**). This improved perception stems partly from improvements in digital processing by the Kenya Revenue Authority (KRA). Most notably, the KRA's introduction of reverse invoicing made tax compliance easier for both buyers and sellers. Large businesses can now generate the official eTIMS invoices they need to claim expenses, previously unlikely with small suppliers. Small suppliers benefit by avoiding the burden of complex eTIMS software and can comply through simple

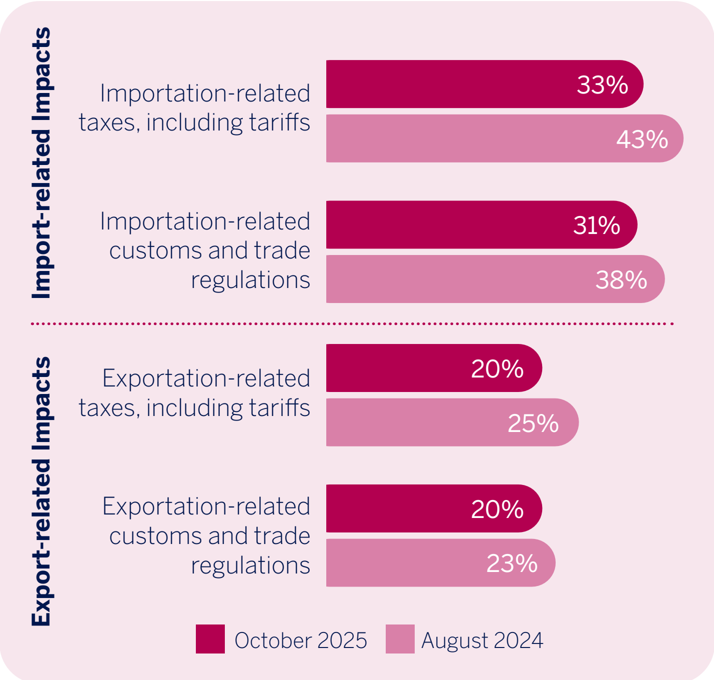
> Regional integration with the East African Community integrates our policies and makes things easier, especially at the borders.
>
> Representative from the Ministry of Investments, Trade and Industry

> We have a very strong relationship with Europe. We do a lot of agricultural trade with them, which is really big and also important for Kenya.
>
> Representative from the Ministry of Investments, Trade and Industry

text-based approval instead.[50] Additionally, friendlier regional trading regulations, such as the trade agreement with Uganda, which eliminated tariff and non-tariff barriers, have partly contributed to this outlook.[51]

The improved perceptions may also be partly influenced by the resolution of challenges from the eTIMS implementation. KRA enforced a 31 March 2024 deadline for all businesses to adopt the system.[52] This transition period was marked by technical glitches, complex user interfaces, and widespread administrative challenges. By 2025, this difficult implementation phase was largely over. The KRA also began publishing new guidelines, such as reverse invoicing, in March 2025, to resolve business complaints.[53]

Figure 13: Impacts of trade-related taxes and customs regulations on import and export operations



Source: Stanbic Bank Africa Trade Barometer Issue 5

Note: The graph above reflects the percentage of surveyed businesses that reported a major or severe impact to the following questions: (1) Importation-related taxes, including tariffs: To what extent do importation-related taxes, including tariffs, impact your business growth? (2) Importation-related customs and trade regulations: To what extent do importation-related customs and trade regulations impact your business growth? (3) Exportation-related taxes, including tariffs: To what extent do exportation-related taxes, including tariffs, impact your business growth? (4) Exportation-related customs and trade regulations: To what extent do exportation-related customs and trade regulations impact your business growth?

Additionally, this optimism about trade taxes and customs regulations likely stems, at least in part, from new international opportunities. For instance, China's new policy, which pledges 100% zero-tariff treatment to Kenyan goods in 2025, opened the Chinese market to agricultural exports like tea, avocados, and coffee.[54]

Whilst Kenya expands to new international markets, efforts to bolster regional trade are also underway. The Kenya-Uganda Free Trade Agreement, signed on 30th August 2025, has eliminated all tariff and non-tariff barriers by reclassifying goods as transfers rather than imports. This eliminates duties and resolves historic trade disputes over products like milk, poultry, and sugar.[55] Thereby creating a more seamless regional market by ending arbitrary bans and border delays.

78% of surveyed businesses export goods and services to the rest of Africa in this iteration of the survey, compared to 48% in August 2024.

Surveyed businesses reported a significant rebound in exports to the rest of Africa. Exports to the rest of Africa increased by 30 percentage-points in this iteration of the survey, rising from 48% in August 2024 to 78% in October 2025. This rebound is largely driven by exports to East African countries, with exports to Uganda and Tanzania increasing by 23 and 11 percentage-points respectively. This shift in the region is not just limited to the survey cohort but is reflected in aggregate macroeconomic data, which shows an economy-wide rebound in regional trade. As of August 2025, Uganda had become Kenya's single largest export destination, with official Kenya National Bureau of Statistics (KNBS) data showing shipments valued at KES 11 billion for that month alone.[56]

This shift was, in part, driven by landmark bilateral agreements that removed long-standing trade barriers. Most notable was the Kenya-Uganda agreement signed in late August 2025, which eliminated all remaining trade barriers and reclassified goods as transfers rather than imports.[57] This diplomatic progress reflects a wider regional trend, with intra-EAC trade surging by 54% in the first quarter of 2025.[58]

China remains the dominant import market for surveyed importers, with surveyed businesses sourcing 44% of their inputs from China. The next closest partners, Japan and Uganda, each account for only 5% of inputs. China's input share is therefore nearly nine times larger than the runner-ups, highlighting its continued importance to surveyed Kenyan importers.

North America remained Kenya's largest export destination outside of Africa, accounting for 24% of surveyed businesses, a slight decrease from 25% in August 2024. Exports to North America are heavily dominated by textiles and apparel, largely through the African Growth and Opportunity Act (AGOA).[59] AAGOA permits eligible Sub-Saharan countries to export certain goods to the US duty-free.[60] Agricultural products are also significant, including coffee, tea, macadamia nuts, and cut flowers.[61,62]

The expiration of AGOA and the imposition of baseline tariffs for all US imports could partially explain the expectation of reduced export volumes to the ROW.[63] Given the reliance of surveyed businesses on North American markets, particularly the United States of America (USA), the expiration of AGOA in September 2025 could partially explain the expectations of surveyed businesses that their export volumes to the ROW will decline over the next two years. For the past 25 years, Kenyan businesses capitalised on duty-free access for thousands of goods, with 56% of Kenyan exports to the USA being exempt from tariffs under AGOA. However, Kenyan businesses that invested in factories and farms to take advantage of AGOA are facing operational and financial difficulties as they already contend with a 10% baseline tariff imposed in August 2025 to all USA trading partners.[64,65]

50 Bowmans Kenya, 2025. Available here.
51 State Department for Trade, 2025. Available here.
52 The Citizen, 2025. Available here.
53 Bowmans Kenya, 2025. Available here.
54 China Daily, 2025. Available here.
55 State Department for Trade - Kenya (2025). Available here.
56 Capital Business, 2025. Available here.
57 State Department for Trade, 2025. Available here.
58 EAC, 2025. Available here.
59 Office of the United States Trade Representative, 2025. Available here.
60 Office of the United States Trade Representative, 2025. Available here.
61 OEC, 2025. Available here.
62 Trading Economics, 2025. Available here.
63 CNBC Africa, 2025. Available here.
64 CNBC Africa, 2025. Available here.
65 Institute of Economic Affairs, 2025. Available here.

8 TRADERS' FINANCIAL BEHAVIOUR AND ACCESS TO FINANCE

Surveyed Kenyan businesses perceive access to credit as significantly easier compared to August 2024, driven in part by the gradual easing of the MPC rate by CBK in 2025.

KENYA'S ACCESS TO CREDIT INDEX SCORE

Source: Stanbic Bank Africa Trade Barometer Issue 5

Access to finance can vary between 0 and 100, where 0 indicates an extreme difficulty in accessing finance, 50 neutrality and 100 indicates no difficulty in accessing finance. In the October 2025 SB ATB survey results, Kenya's access to finance index score significantly improved to 55 from 45 in August 2024. This means that surveyed businesses in Kenya generally perceived it simpler to access credit in this iteration of the survey compared to August 2024.

Notes: Green arrows represent positive shifts, whether an increase in positive sentiments or a decrease in negative sentiments.

Surveyed Kenyan businesses utilise a range of payment methods for cross-border sales, with Electronic Fund Transfers (EFTs) being the most popular payment method. 71% of surveyed businesses use EFTs, followed by mobile money at 67%. Other methods included international transfers (52%), card payments (48%), and cash (43%). While the use of EFTs and mobile money increased slightly from August 2024, other methods declined in October 2025 (see **Figure 14**).

Figure 14: The preferred method of payment for cross-border sales

Source: Stanbic Bank Africa Trade Barometer Issue 5

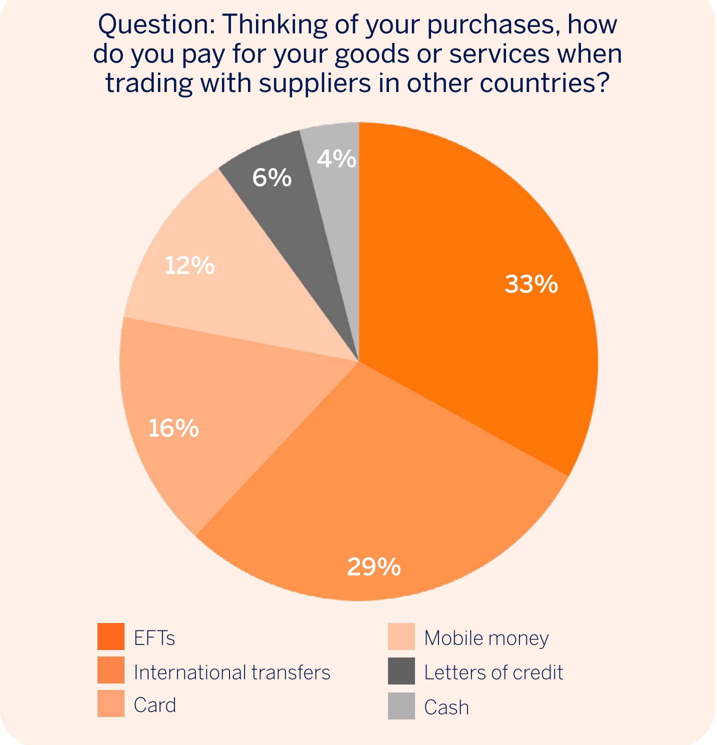
Similarly, surveyed Kenyan businesses receive the largest proportion of payment for their sales via EFTs. In this iteration of the survey, surveyed businesses indicated that 37% of payments for their cross-border sales are made via EFTs, a 13 percentage-point increase from August 2024. This trend was largely driven by surveyed large businesses, with EFTs accounting for 45% of all their cross-border sales in October 2025 compared to 10% in August 2024. While surveyed small businesses reported a 12 percentage-point increase in payments for cross-border sales via EFT, the majority of their sales were received via cash (31%). This divergence is expected, as larger businesses are typically formalised and embedded in digital financial systems, making EFTs their natural mode of cross-border payment. Smaller businesses, by contrast, face higher barriers to using formal financial channels and often operate informally, which makes cash a more convenient option for receiving payments.

EFTs are also the most preferred payment method for cross-border purchases among surveyed businesses in this iteration of the survey (see **Figure 15**). 67% of surveyed businesses use EFTs, followed closely by international transfers (63%). With regard to the proportion of payments for cross-border purchases, these two payment methods combined also account for the largest proportion of cross-border purchases (62%) among surveyed businesses. Mobile money usage declined notably. Only 24% of surveyed businesses reported using this method in October 2025, a 20 percentage-point decline from August 2024.

> The advancements in technology and digital payment methods have reduced the cost per transaction for many businesses.
>
> Representative from the Ministry of Investments, Trade & Industry

24% of surveyed Kenyan businesses use mobile money to facilitate cross-border purchases, a significant decline from 44% in August 2024.

Figure 15: The proportion of cross-border purchases by payment method



Source: Stanbic Bank Africa Trade Barometer Issue 5

The sustained adoption and usage of digital payments among surveyed businesses (e.g., EFTs, international transfers and mobile money) reflects efforts to modernise Kenya's National Payment System (NPS). Underpinned by the National Payment Strategy (2022-2025), the NPS underwent upgrades in FY2024/25. The Central Bank of Kenya migrated the Kenya Electronic Payment and Settlement System (KEPSS) to the ISO20022 standard, which has reduced payment complexity and enhanced efficiency. Additionally, the standardisation of ISO20022 has enhanced interoperability between domestic and international payment systems, facilitating easier cross-border transactions and increasing the ease of doing business globally.[66] Future iterations of the SB ATB will track the effects of the launch of Kenya's Fast-Payment System (FPS), which allows instant payments regardless of institution. This launch will make Kenya one of 57 countries with an operational FPS.[67]

While the use of cash declines, mobile money remains the preferred payment method for domestic transactions among surveyed Kenyan businesses. 94% and 87% of surveyed businesses prefer mobile money as a payment method for domestic sales and purchases, respectively. In this iteration of the survey, the use of cash for domestic sales and purchases significantly declined. Cash accounted for 27% of domestic sales and 22% of purchases in October 2025, down from 35% and 27% in August 2024, respectively. This trend, observed across all business segments, reflects efforts under Kenya's National Payment Strategy to make domestic transactions faster, safer, and more convenient.

FAST FACT:

Kenya attracted USD 2.87 billion in FDI in 2023, with fintech and logistics sectors leading the way.

Surveyed businesses perceived access to credit as significantly easier compared to previous iterations of the survey. 33% of surveyed businesses perceived access to credit as somewhat easy in October 2025, a significant increase from 17% in August 2024. This was largely driven by surveyed small and big businesses who reported a 15 and 29 percentage-point increase in perceptions of access to credit as being somewhat easier. This coincides with a significant decline in surveyed businesses perceiving access to credit as extremely difficult, from 21% in August 2024 to 8% in October 2025.

66 Central Bank of Kenya, 2024. Available here.
67 Central Bank of Kenya, 2024. Available here.

Eased perceptions of access to credit among surveyed businesses are multifaceted, reflecting developments in the cost of credit and the growth of climate finance. In 2025, the CBK continued a measured easing cycle, gradually reducing the Monetary Policy Committee (MPC) rate to 10.75% in February, 10.0% in April, 9.75% in June, 9.5% in August, and 9.25% in October. These successive cuts reflect efforts to support credit expansion and ease financing conditions, which coincides with Kenya's banking sector surpassing its annual commitment to lend KES 150 billion to micro, small and medium enterprises (MSMEs) by September 2025. The Kenya Bankers Association (KBA) reported that the sector is now aligning MSME support with nature financing to build a resilient green economy.[68] Building on private sector support, the Government announced a new policy to establish a sovereign wealth fund and an infrastructure fund to finance green growth in October 2025.[69] This combined support from the public and private sectors indicates a clear focus on helping MSMEs mitigate and adapt to climate change.

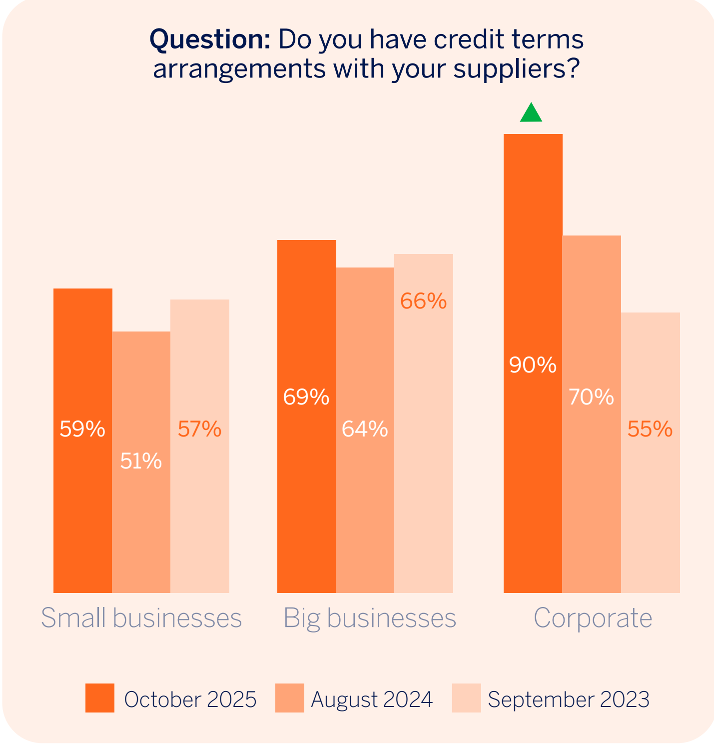
A recent assessment of Nature-Related Financing and Investment Opportunities in Kenya identified between **USD 100-150 billion worth of nature-related investment opportunities** in Kenya over the next decade.

Source: Kenya Bankers Association

More surveyed businesses reported using supplier credit in this iteration of the survey compared to August 2024, despite reporting better access to formal credit. This trend occurred across all business segments (see **Figure 16**). The share of businesses using supplier credit increased from 55% in August 2024 to 65% in October 2025. Surveyed corporates primarily drove this trend, with a 20 percentage-point increase in supplier credit use. This suggests businesses are using multiple channels to access credit. While surveyed businesses perceived access to credit as easier, their use of supplier credit indicates that financial institutions can still better support businesses to access credit.

68 Kenya Bankers Association, 2025. Available here.
69 Africa Sustainability Matters, 2025. Available here.

Figure 16: The proportion of surveyed Kenyan businesses with credit arrangements with their suppliers



Source: Stanbic Bank Africa Trade Barometer Issue 5

Notes: Green arrows represent positive shifts, whether an increase in positive sentiments or a decrease in negative sentiments.

Surveyed businesses believe that financial institutions could support them in several ways, these include insurance of goods (82%), flexible loan terms (81%), quicker access to funding (81%), less restrictive loan clearance requirements (81%), and the wide range of funding products which suit company needs (80%).

9 FOREIGN TRADE AND TRADING IN AFRICA

Surveyed businesses' perceptions of ease of trade improved, partly driven by positive developments in regional trade as well as new opportunities in the international market.

KENYA'S EASE OF TRADE INDEX SCORE

Source: Stanbic Bank Africa Trade Barometer Issue 5

Ease of trade can vary between 0 and 100, where 0 indicates an extreme difficulty in trading with other countries, 50 indicates neutrality, and 100 indicates ease of trade with other countries. In the October 2025 SB ATB survey results, Kenya's ease of trade index score increased to 45 from 41 in August 2024. This means that the perceptions of surveyed businesses in Kenya with regard to difficulty in trading with other countries have improved; surveyed businesses perceive that it is easier to trade with other countries in this iteration of the survey compared to August 2024.

China is the most significant trading partner in Asia for surveyed Kenyan businesses, with the nature of their trading activity ranging from buying final goods and services directly from China (66%), from Chinese traders based domestically (14%), or for importing raw materials (27%). At least 80% of surveyed businesses identified good quality of products (97%), low cost of importing (85%), a wider range of products available (84%), fast response times (84%) and low cost of products and low cost of importing (81%) as the most important elements in doing business with China.

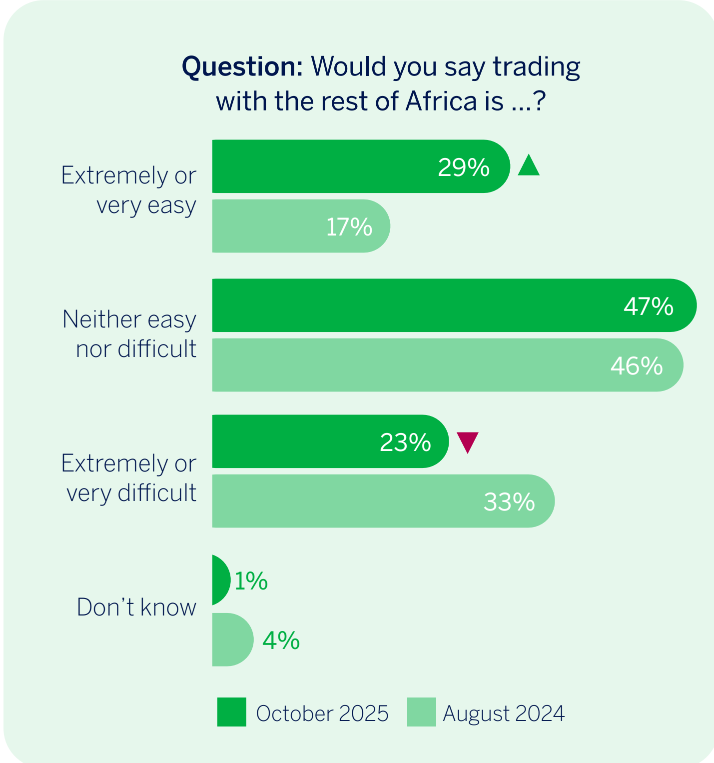
58% of surveyed Kenyan traders, identify good quality products as a reason for preferring to trade with Asia.

28% of surveyed businesses said whether a company is partially or wholly Chinese-owned is an important element in doing business with China, compared to 43% in the August 2024 survey.

Surveyed Kenyan businesses' perceptions of trading with the rest of Africa have significantly improved. A significantly larger proportion of surveyed businesses (29%) perceived the ease of trading in the rest of Africa as easy (either extremely easy or very easy) in this iteration of the survey, compared to 17% in August 2024 (see **Figure 17**). The main difficulties for surveyed traders who found it difficult to trade with the rest of Africa were high transport costs (25%), high importation or exportation tax rates (25%), tough policies, regulations or restrictions (22%) and currency variations (22%).

Perceptions of trading with the rest of Africa improved significantly in 2025, driven, in part, by the removal of trade barriers within the EAC. This shift partially stems from the August 2025 agreement with Uganda to eliminate trade barriers and reclassify goods as transfers.[70] Combined with the resolution of new trade disputes with Tanzania, these developments provided businesses with clear evidence that regional trade barriers were being removed, restoring confidence in the EAC as a stable and accessible market.[71]

Figure 17: Perceptions of the ease of trading with other African countries



Source: Stanbic Bank Africa Trade Barometer Issue 5

Notes: Green arrows represent positive shifts, whether an increase in positive sentiments or a decrease in negative sentiments.

70 State Department for Trade, 2025. Available here.

71 The Citizen, 2025. Available here.

Fast Fact:

Export diversification is underway, with horticulture and manufactured goods gaining ground.

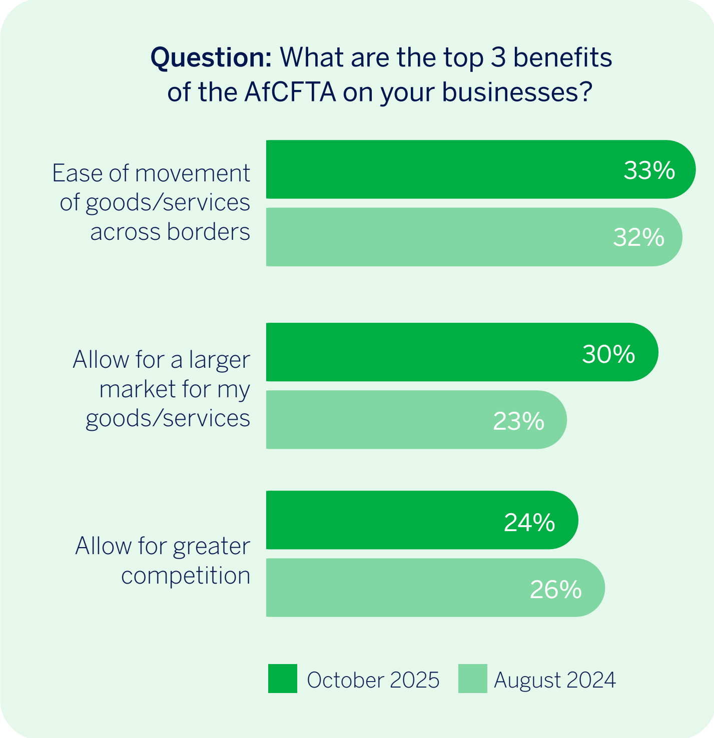
Awareness of the AfCFTA amongst surveyed Kenyan businesses is increasing. The percentage of surveyed businesses that are aware of the AfCFTA increased to 53% compared to 47% in August 2024. The rise in awareness is driven mainly by surveyed big businesses, where awareness rose to 74% in October 2025 from 61% in the August 2024 survey. This increase was partly driven by the AfCFTA becoming a practical business solution rather than just a policy concept. When AGOA expired in September 2025, Kenyan exporters needed new markets urgently.[72] The success of the Kenya-Uganda free trade agreement in August 2025 showed that barrier-free regional trade could work, strengthening interest in the AfCFTA.[73]

53% of surveyed Kenyan businesses are aware of AfCFTA, compared to 47% in August 2024.

Most surveyed Kenyan businesses believe that the implementation of the AfCFTA will reap benefits for their businesses (see **Figure 18**)**.** Only 32% of surveyed businesses do not see the benefits of the AfCFTA in this iteration of the survey, compared to 34% in August 2024.

The most commonly identified benefits are easing the movement of goods and services across borders (33%), providing a larger market for goods and services (30%), and allowing for greater competition (24%).

Figure 18: Expected benefits of the African Continental Free Trade Area (% of surveyed businesses)



Source: Stanbic Bank Africa Trade Barometer Issue 5

Most surveyed Kenyan businesses (42%) found trading with the rest of the world difficult. Another 40% said it was neither easy nor difficult, up from 32% in August 2024, while only 15% found it easy. The increase in the proportion of indifferent businesses is likely a reflection of two opposing trends. On the one hand, the macroeconomic volatility of 2024 has stabilised. On the other hand, new barriers have emerged, such as the expiration of AGOA[74] and the new Certificate of Origin mandate,[75] replacing unpredictable volatility with new, predictable costs. Surveyed businesses identified the main difficulties as high import/export tax rates (42%), higher transport costs (41%), and high foreign exchange rates (41%).

41% of surveyed businesses that found it difficult to trade with the rest of the world identified high foreign exchange rates as a reason, compared to 29% in the August 2024 survey. This likely reflects the strengthening Kenyan Shilling, which hurts exporters by making their products more expensive abroad and reducing their earnings when converting foreign currency back to Shillings, thus making global trade difficult.[76]

North America (1%) is the least preferred trading partner for surveyed Kenyan businesses. Among surveyed businesses, only surveyed corporates (4%) preferred trading with North America, no surveyed small or large businesses selected it. This aligns with the fact that many surveyed businesses cited high tariffs and taxes (66%) as reasons for not trading with US-based companies. The surveyed corporates that do prefer North America (100%) highlighted fast response time as their main reason.

72 Daily Nation, 2025. Available here.
73 State Department for Trade, 2025. Available here.

74 CNBC Africa, 2025. Available here.
75 CDH, 2025. Available here.
76 Institute of Economic Affairs, 2025. Available here.

CONCLUSION

Despite a drop in ranking, Kenya's trade outlook in October 2025 was positive, with strengthening economic stability and government support.

The country's overall ranking in the Stanbic Bank Africa Trade Barometer (SB ATB) dropped one place to 7th in this iteration. However, this decline reflected faster economic improvements in other surveyed countries rather than worsening conditions in Kenya. In fact, Kenya demonstrated progress, particularly in business confidence in relation to the economy and the government's support of trade. The government rolled out a number of initiatives in 2025 to support trade, including the expansion of its digital customs framework and the establishment of new trade hubs. Additionally, surveyed businesses felt optimistic due to the stabilising Kenyan Shilling and lower lending rates.

Business perceptions of infrastructure improved, driven in part by investments in climate-resilient infrastructure, power supply and telecommunications. Climate change remained an operational risk, affecting customer behaviour and productivity. However, Kenya's investment in climate-resilient infrastructure and a green economy demonstrated a commitment to long-term economic stability. Examples of these initiatives included the Adaptation for Water Access and Resilience in the Ewaso Nyiro Basin Project, as well as the government's sovereign wealth fund and infrastructure fund to finance green growth. The quality of trade-related infrastructure index also rose to 55 from 48, driven largely by improvements in the nation's transport and digital networks. The improvement in transport networks was supported by government investments in airport infrastructure, including the modernisation program for Jomo Kenyatta International Airport (JKIA), runway extensions at Eldoret International Airport to 3.5 km, and runway extensions at Malindi International Airport to 2.5 km. Meanwhile, improvements in digital networks were supported by initiatives such as the Kenya Digital Economy Acceleration Project.

In future iterations of the SB ATB, it will be interesting to observe whether the strengthened perceptions among surveyed businesses in this iteration of the survey translate into Kenya's recovery in its SB ATB ranking. As Kenya made notable progress in addressing systemic challenges, strengthening governance, and investing in climate-resilient infrastructure, future iterations could see Kenya rebound in the SB ATB rankings.

APPENDICES

Appendix 1: Stanbic Bank Africa Trade Barometer (SB ATB) Country Ranking for Issue 5, 2025

The Stanbic Bank Africa Trade Barometer (SB ATB) scores are an aggregate of the Stanbic Bank 3-Year Quantitative Trade Barometer (SB QTB) scores and the Stanbic Bank Survey Trade Barometer (SB STB) scores. Countries are ranked against each other, i.e., relative scores to each other. This is pegged on a scale of 0 - 100. When indexed between this range, Mozambique has the highest Tradability Index while Zambia has the lowest. This does not imply that one cannot trade in Zambia or that Mozambique is perfect; it only implies that at a common starting point of 0 and a maximum point of 100, this is how the two markets fared.

SB ATB scores remained the same for Uganda, while over half of the countries saw their scores increase from August 2024 (see **Table 2**).

Countries that have retained their ranking from August 2024:

- Nigeria (5th position)
- Tanzania (4th position)
- Uganda (9th position)

Countries that have improved in their ranking from August 2024:

- Angola (10th to 8th position)
- Ghana (7th to 6th position)
- Mozambique (3rd to 1st position)

Countries that have declined in their ranking from August 2024:

- **Kenya (6th to 7th position)**
- Namibia (2nd to 3rd position)
- South Africa (1st to 2nd position)
- Zambia (8th to 10th position)

Table 2: Stanbic Bank Africa Trade Barometer (SB ATB) scores by country

Africa Trade Barometer (ATB) Score			ATB Ranking		
			Aug '24	Oct '25	
Angola	10	0	10	8	▲
Ghana	24	14	7	6	▲
Kenya	21	16	6	7	▼
Mozambique	100	29	3	1	▲
Namibia	44	43	2	3	▼
Nigeria	30	19	5	5	●
South Africa	90	100	1	2	▼
Tanzania	31	25	4	4	●
Uganda	7	7	9	9	●
Zambia	0	13	8	10	▼

Source: Stanbic Bank Africa Trade Barometer Issue 5

Note: The scores denote the performance of each country relative to the full country list on the specified measures.

Appendix 2: Stanbic Bank 3-Year Quantitative Trade Barometer (SB QTB) Country Ranking for Issue 5, 2025

The Stanbic Bank 3-Year Quantitative Trade Barometer (SB QTB) scores and ranking by country are the averages of all the selected indicators collected from existing secondary data sources and reported facts.

SB QTB scores increased for Ghana, Mozambique, and Nigeria, while Angola's score remained the same. Kenya, Namibia, South Africa, Tanzania, Uganda, and Zambia had their scores decline from August 2024 (see **Table 3**).

Countries that have retained their ranking from August 2024:

- Angola (10th position)
- Nigeria (4th position)
- Tanzania (7th position)
- Uganda (9th position)

Countries that have improved in their ranking from August 2024:

- Ghana (8th to 5th position)
- Mozambique (3rd to 1st position)

Countries that have declined in their ranking from August 2024:

- **Kenya (5th to 6th position)**
- Namibia (2nd to 3rd position)
- South Africa (1st to 2nd position)
- Zambia (6th to 8th position)

Table 3: Stanbic Bank 3-Year Quantitative Trade Barometer (SB QTB) scores by country

Africa Trade Barometer (ATB) Score			ATB Ranking	
			Aug '24	Oct '25
Angola	0	0	10	10
Ghana	23	20	8	5
Kenya	19	22	5	6
Mozambique	100	37	3	1
Namibia	36	45	2	3
Nigeria	30	25	4	4
South Africa	82	100	1	2
Tanzania	16	20	7	7
Uganda	9	11	9	9
Zambia	9	21	6	8

Source: Stanbic Bank Africa Trade Barometer Issue 5

Note: The scores denote the performance of each country relative to the full country list on the specified measures.

Appendix 3: Stanbic Bank Survey Trade Barometer (SB STB) Country Ranking for Issue 5, 2025

The Stanbic Bank Firm Survey Trade Barometer (SB STB) scores and ranking by country are the averages of all the data collected from the primary research surveys conducted with 2 218 businesses.

The SB STB scores have remained unchanged for Namibia, Tanzania and Zambia in this wave for all countries, while all other countries saw their scores rise (see **Table 4**).

Countries that have retained their ranking from August 2024:

- Mozambique (9th position)
- South Africa (4th position)
- Tanzania (1st position)
- Zambia (10th position)

Countries that have improved in their ranking from May 2024:

- Angola (3rd to 2nd position)
- **Kenya (7th to 5th position)**
- Nigeria (8th to 7th position)

Countries that have declined in their ranking from August 2024:

- Ghana (5th to 6th position)
- Namibia (2nd to 3rd position)
- Uganda (6th to 8th position)

Table 4: Stanbic Bank Survey Trade Barometer (SB STB) scores by country

	Africa Trade Barometer (ATB) Score		ATB Ranking		
			Aug '24	Oct '25	
Angola	81	79	3	2	▲
Ghana	57	37	5	6	▼
Kenya	64	34	7	5	▲
Mozambique	33	25	9	9	●
Namibia	79	79	2	3	▼
Nigeria	55	31	8	7	▲
South Africa	78	44	4	4	●
Tanzania	100	100	1	1	●
Uganda	44	34	6	8	▼
Zambia	0	0	10	10	●

Source: Stanbic Bank Africa Trade Barometer Issue 5

Note: The scores denote the performance of each country relative to the full country list on the specified measures.

Appendix 4: Selected Macroeconomic Indicators for Kenya

This appendix is structured around the thematic categories of the Stanbic Bank Africa Trade Barometer: macroeconomic stability, trade openness and foreign trade, access to finance and infrastructure. These are important in evaluating the trade environment and prospects of a country. Within each theme, specific indicators have been selected to quantify elements contributing to the overall trade climate. The data spans from 2020 to estimated values for 2024, and forecasted values for 2025 and 2026, offering a temporal perspective on trends and potential future directions.

Table 5: Kenya macroeconomic overview

Thematic Categories	Indicator	Unit	2021	2022	2023	2024**	2025**	2026**
Macroeconomic Stability	GDP per capita	USD	2 195	2 254	2 024	2 386	2 578	2 804
	Real GDP growth rate	%	7.6	4.9	5.7	4.7	5.1	5.3
	Inflation rate pa	%	6.2	7.9	7.6	4.2	4.1	5.0
	Exchange rate stability pa (USD/KES)	USD per KES	110.2	118.3	144.2	129.8	129.2	129
	Policy interest rate pa	%	7.0	7.9	10.8	12.2	9.8	8.7
	FX reserves pe	USD, billions	8.8	7.4	6.6	9.2	12.4	14.9
	Lending interest rate	%	12.1	12.3	13.6	N/A	N/A	N/A
	Domestic debt (% of GDP)	%	27.6	33.9	33.8	34.5	36.9	36.5
	External debt (% of GDP)	%	35.4	37.5	38.1	33	32	30.4
Trade Openness and Foreign Trade	Trade (exports and imports as % of GDP)	%	35.0	40.3	41.1	40.2	N/A	N/A
	Balance of Trade*	USD, billions	-10.8	-12.5	-12.3	-12.0	-12.9	-15.1
	Merchandise of Trade (% of GDP)	%	24.0	25.0	24.0	23.5	N/A	N/A
	Current account (% of GDP)	%	-5.1	-5.2	-3.5	-1.9	-2.5	-3.7
	Exports of goods and services	USD, billions	9	11.5	14.1	15.4	16.2	16.8
	Imports of goods and services	USD, billions	19.9	24	26.4	27.4	29.1	31.9
Access to Finance	Domestic credit to private sector (% of GDP)	%	31	31.3	31.8	N/A	N/A	N/A
	Gross capital formation (% of GDP)	%	20.4	19.1	16.6	16.8	N/A	N/A
	Net official development assistance and official aid received	USD, billions	3.2	2.7	2.6	N/A	N/A	N/A
	Personal remittances received (% of GDP)	%	3.4	3.5	3.9	4.2	N/A	N/A
	FDI	USD, billions	0.4	0.4	0.2	0.4	0.6	1.0
Infrastructure	Individuals using the internet (% of population)	%	N/A	N/A	35.0	35.0	N/A	N/A
	Access to electricity (% of population)	%	68.2	65	67.9	N/A	N/A	N/A
	Mobile cellular subscription (per 100 people)	Ratio	122.30	121.17	120.6	N/A	N/A	N/A
	Air freight tonnage	million ton-km	299.59	505.86	288.6	N/A	N/A	N/A
	Container traffic at ports	TEUs***, thousands	1,435,565	1,450,000	N/A	N/A	N/A	N/A

Source: African Market Report, January 2026. | World Bank. Available here.

Note: *Negative values indicate that a country is a net importer, while positive values indicate it is a net exporter. **The 2024 data point is an estimate, while 2025 and 2026 data points are forecasts. ***Provided as 'provisional' on the Kenya National Bureau of Statistic report so may be subject to alterations. ****TEU: Twenty-foot equivalent unit.

N/A denotes that the relevant data was unavailable from the specified source.

Appendix 5: Key Results of the Stanbic Bank Africa Trade Barometer Issue 5 Survey in Kenya

This appendix presents the key results of the main questions asked to businesses in Kenya as part of the fifth edition of the Stanbic Bank Africa Trade Barometer. The results are structured according to the SB ATB thematic categories: macroeconomic stability, trade openness and foreign trade, infrastructure, government support, as well as traders' financial behaviours and their access to finance. **Not all questions in the SB ATB survey are presented here.** The questions selected for inclusion have been chosen for their closed-ended nature and being succinct enough for a concise presentation. Questions pertaining to the general profile of businesses and individual respondents, or those requiring open-ended responses, have been omitted. This approach ensures that the findings detailed in the following table are directly relevant and valuable for interpreting the trade dynamics within the Kenyan context.

Table 6: Key findings of the survey

Thematic Categories	Question	Responses								
Macroeconomic Stability	Thinking of your business turnover over [from 2024 to 2025], please indicate if turnover increased, decreased or remained the same.	Increased	Decreased	Remained the same		Don't know	Refused			
		81%	6%	13%		N/A	N/A			
	Thinking ahead [from 2025 to 2026] do you expect business turnover to increase, decrease or remain the same?	Increased	Decreased	Remained the same		Don't know	Refused			
		75%	12%	13%		N/A	N/A			
	Thinking ahead [from 2026 to 2027] do you expect business turnover to increase, decrease or remain the same?	Increased	Decreased	Remained the same		Don't know	Refused			
		80%	7%	12%		1%	N/A			
	Please indicate how you feel about the performance of the economy in relation to business in the next 3 years.	Extremely optimistic	Very optimistic	Neutral	Not very optimistic	Not at all Optimistic	Refused	Don't know		
		13%	40%	37%	6%	4%	N/A	N/A		
Infrastructure	[Road infrastructure] How would you rate the quality of the following aspects in your market?	Excellent	Very good	Good	Fair	Poor	Do not depend on/ use this	Don't know		
		11%	27%	34%	22%	7%	N/A	N/A		
	[Water supply] How would you rate the quality of the following aspects in your market?	Excellent	Very good	Good	Fair	Poor	Do not depend on/ use this	Don't know		
		15%	22%	37%	20%	7%	N/A	N/A		
	[Telecommunications] How would you rate the quality of the following aspects in your market?	Excellent	Very good	Good	Fair	Poor	Do not depend on/ use this	Don't know		
		24%	44%	25%	6%	1%	N/A	N/A		
	[Ports] How would you rate the quality of the following aspects in your market?	Excellent	Very good	Good	Fair	Poor	Do not depend on/ use this	Don't know		
		9%	20%	34%	25%	2%	4%	6%		
	[Airports] How would you rate the quality of the following aspects in your market?	Excellent	Very good	Good	Fair	Poor	Do not depend on/ use this	Don't know		
		12%	30%	34%	10%	5%	5%	5%		
	[Customs and trade regulations] How would you rate the quality of the following aspects in your market?	Excellent	Very good	Good	Fair	Poor	Do not depend on/ use this	Don't know		
		5%	26%	25%	33%	10%	2%	N/A		
	[Power supply] How would you rate the quality of the following aspects in your market?	Excellent	Very good	Good	Fair	Poor	Do not depend on/ use this	Don't know		
		19%	23%	36%	15%	7%	N/A	N/A		

Thematic Categories	Question	Responses								
Infrastructure (cont.)	[Rail infrastructure] How would you rate the quality of the following aspects in your market?	Excellent	Very good	Good	Fair	Poor	Do not depend on/ use this	Don't know		
		9%	17%	32%	28%	9%	4%	1%		
Trade Openness and Foreign Trade	How likely are you to increase the volume of imports in the next 2 years?	Extremely likely	Very likely	Neither likely nor unlikely		Very unlikely	Extremely unlikely			
		19%	55%	17%		9%	N/A			
	How likely are you to decrease the volume of imports in the next 2 years?	Extremely unlikely	Very unlikely	Neither likely nor unlikely		Very likely	Extremely likely			
		11%	46%	20%		17%	7%			
	To what extent do importation-related taxes, including tariffs, impact your business growth?	Severe impact	Major impact	Moderate impact		Minimal impact	No impact			
		6%	27%	31%		17%	19%			
	To what extent do importation-related customs and trade regulations impact your business growth?	Severe impact	Major impact	Moderate impact		Minimal impact	No impact			
		4%	27%	32%		17%	20%			
	How likely are you to increase the volume of exports in the next 2 years?	Extremely likely	Very likely	Neither likely nor unlikely		Very unlikely	Extremely unlikely			
		10%	67%	14%		10%	N/A			
	How likely are you to decrease the volume of export in the next 2 years?	Extremely unlikely	Very unlikely	Neither likely nor unlikely		Very likely	Extremely likely			
		13%	50%	31%		N/A	6%			
	To what extent do exportation-related taxes, including tariffs, impact your business growth?	Severe impact	Major impact	Moderate impact		Minimal impact	No impact			
		4%	16%	30%		16%	33%			
	To what extent do exportation-related customs and trade regulations impact your business growth?	Severe impact	Major impact	Moderate impact		Minimal impact	No impact			
		3%	18%	21%		25%	33%			
	In your view would you say trading with the rest of Africa is extremely easy, very easy, neither easy nor difficult, very difficult or extremely difficult?	Extremely easy	Very easy	Neither easy nor difficult	Very difficult	Extremely difficult	Don't know	Refused		
		N/A	28%	47%	19%	4%	1%	N/A		
	In your view would you say trading with the rest of the world (OUTSIDE OF AFRICA) is extremely easy, very easy, neither easy nor difficult, very difficult or extremely difficult?	Extremely easy	Very easy	Neither easy nor difficult	Very difficult	Extremely difficult	Don't know	Refused		
		N/A	15%	40%	29%	13%	3%	N/A		
	Are you aware of the African Continental Free Trade Area Agreement?	Yes			No					
		53%			47%					
	What are the top 3 benefits of the AfCFTA on your business?	No benefits (Exclusive)	Ease the movement of goods/ services across borders	Allow for a larger market for my goods/ services	Allow for greater competition	Promote the availability of more products and services to choose from	Contribute to the movement of capital and people across borders	Facilitate greater investment across countries	Promote industrial development across the countries	Enhanced regional payment systems
		32%	33%	30%	24%	22%	15%	23%	18%	16%
Government Support	Please indicate how supportive your government is with regards to cross-border trading activities.	5 - Extremely supportive	4	3	2	1 - Not at all supportive	Refused	Don't know		
		9%	35%	33%	8%	10%	N/A	5%		

Thematic Categories	Question	Responses								
Traders' Financial Behaviour and Access to Finance	Please indicate how difficult or easy it is to get credit from financial institutions	Extremely easy	4	3	2	1 - Extremely difficult	Refused	Don't know		
		10%	33%	37%	11%	8%	N/A	0.47%		
	Why do you prefer using cash to pay for your goods or services when trading with suppliers in other countries?	Minimal cost/ fees	Allows for negotiations		Limited knowledge in other payment methods		Convenient - easy to deal with		Privacy	Other
		70%	20%		20%		70%		20%	N/A
	What challenges, if any, do you encounter when using cash when trading with suppliers in other countries?	Fraud	Loss of money/ security risks		Fluctuating exchange rates		Customs declarations	Inconvenience - of carrying large amounts of money		Other
		40%	60%		40%		40%	20%		N/A
	What benefits or incentives would encourage you to entirely switch to formal channels (such as cards, electronic payments, international transfers) when trading with suppliers in other countries?	Faster transaction processing times	Minimal document requirements	Competitive exchange rates	Guaranteed security	Recorded transactions	Other			
		50%	30%	30%	70%	30%	N/A			
	Do you offer credit terms to your clients?	Yes			No					
		49%			51%					
	Do you have credit terms arrangements with your suppliers?	Yes			No					
		65%			35%					

ABOUT THE RESEARCH

The Stanbic Bank Africa Trade Barometer is based on both primary and secondary research sources. This is Issue 5 of the SB ATB. Issues 1, 2, 3 and 4 were released in June 2022, November 2022, September 2023 and August 2024, respectively. Data collection (both primary and secondary research) for Issue 5 was carried out between September and October 2025 in all 10 countries of interest.

The primary research component involves the administration and analysis of a firm survey (i.e., a survey of sample businesses in the countries of interest) and in-depth interviews (IDIs) with key stakeholders. The sample is stratified by size (small, big and corporate), region and industry. A total of 2 218 businesses were surveyed and 30 IDIs were conducted across the 10 countries in Issue 5.

In Kenya, 215 businesses were surveyed. 57% of these businesses were in Nairobi, 10% in Mombasa, 13% in Nakuru, 13% in Kisumu and 7% in Eldoret. The breakdown of surveyed businesses in Kenya by business segment was as follows:

- 70% were small businesses
- 16% were big businesses
- 14% were corporates

In the context of the SB ATB, small businesses are defined as those with a turnover of less than KES 200 million, large businesses as those with a turnover of between KES 200 million and KES 4 billion and corporates as those with a turnover of more than KES 4 billion.

The breakdown of surveyed businesses in Kenya by industry was as in Table 7:

Table 7: Breakdown of surveyed businesses in Kenya by industry

Industry	%	Industry	%
Wholesale and retail trade; repair of motor vehicles and motorcycles	30%	Real estate activities	3%
Construction	9%	Public administration and defence; compulsory social security	3%
Accommodation and food service activities	9%	Administrative and support service activities	2%
Manufacturing	7%	Electricity, gas, steam and air conditioning supply	2%
Other service activities	6%	Water supply; sewerage, waste management and remediation activities	2%
Transportation and storage	5%	Arts, entertainment and recreation	1%
Education	4%	Mining and quarrying (includes oil & gas)	1%
Agriculture, forestry and fishing	4%	Professional, scientific and technical activities	0%
Financial and insurance activities	4%	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	0%
Information and communication	3%	Activities of extraterritorial organisations	0%
Human health and social work activities	3%		

The breakdown of surveyed businesses by staff complement was as follows:

- 15% had below 5 employees
- 28% had 5 - 10 employees
- 15% had 11 - 20 employees
- 18% had 21 - 50 employees
- 11% had 51 - 100 employees
- 13% had 101 - 1,000 employees

With regard to individual respondent characteristics within the businesses, 46% were female and 54% were male. The breakdown by their job titles is as follows:

- 34% were owners, partners or co-owners
- 23% were general managers
- 7% were chief executive officers (CEOs)
- 7% were chief accountants
- 7% were financial directors
- 6% were managing directors
- 6% were heads of departments
- 4% were director generals
- 2% were chief financial officers
- 1% were executive directors

Further details by region, business segment, industry, staff complement, age of firm, the firms' corporate and strategic decision-making structures as well as individual respondent characteristics (gender, job title, etc.) are available on request.

There were three IDIs conducted in Kenya as part of Issue 5. The interviews were held with representatives from the Ministry of Trade and Industrialization, Ministry of Investments, Trade and Industry, and the Kenya Immigration Office. These interviews are quoted in this report, as relevant.

The survey and IDIs were conducted on a confidential basis.

The secondary research component involves the gathering and analysis of quantitative data. This data is primarily collected from World Bank sources, although additional data is obtained from the International Monetary Fund (IMF), the International Trade Center and individual country central banks.

In-depth details on how the Stanbic Bank Africa Trade Barometer scores for each country are calculated, and the resultant country rankings, are available on request.

The research was produced by Standard Bank Business and Commercial Banking Research & Insights. For any questions or information requirements on this report please contact **tradebarometer@standardsbg.com**.

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