

Trade and Competitiveness Monitoring Note

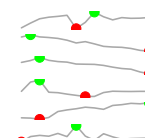


Kenya

GDP (US\$ billions) (2016)	Population (millions) (2016)	Income per capita (current US\$) (2016)	Poverty rate (2005)	Unemployment rate (2014)
69.5	47.3	1,470.8	33.6	9.2

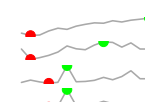
Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
GDP growth (annual %)	4.6	4.6	5.7	5.3	5.4	5.7
Current account balance	-2.9	-8.4	-8.7	-9.5	-11.0	-11.6
Fiscal balance (% of GDP)	-2.2	-5.0	-5.7	-6.1	-7.5	-8.5
Remittances, received (% of GDP) [1]	2.4	2.4	2.4	2.4	—	—
Real Effective Exchange Rate (2010=100)	85.9	106.2	108.2	111.6	110.4	112.8
Consumer Price Index, annual percent change	10.8	9.4	5.7	6.9	7.2	7.5



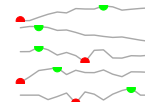
Investment indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
Gross domestic investment (% GDP)	15.38	20.68	19.92	21.02	21.62	22.33
Gross domestic investment, of w: Private investment (% GDP) [1]	19.06	21.51	20.11	21.37	—	—
Inward FDI (% of GDP) [2]	0.53	0.52	0.93	1.65	—	—
Inward FDI, % of private investment [2]	3.32	3.12	NA	—	—	—



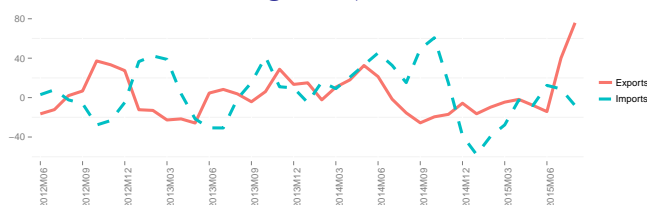
Trade Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
Total Trade in Goods and Services (% of GDP, real terms)	46.31	52.73	49.88	50.67	51.35	51.85
Trade balance (% GDP, real terms)	-5.50	-13.30	-12.78	-14.63	-16.48	-17.88
Exports, Goods and Services, annual percent change (real terms)	5.85	-0.39	-0.55	2.31	2.00	3.00
Imports, Goods and Services, annual percent change (real terms)	9.11	5.07	0.29	9.75	9.50	8.70
Total reserves in months of imports [1]	3.43	3.75	4.18	4.43	—	—



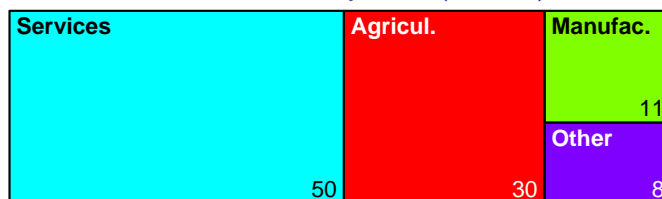
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, 2013

Tea, whether or not flavoured	Cut flowers and foliage	Coffee, not roasted, whether or not	Other fresh or chilled vegetables
23	9	3	2

Imports Categories by % of Total Value, 2013

Consumer goods	Intermediate goods	Capital goods
39	28	26

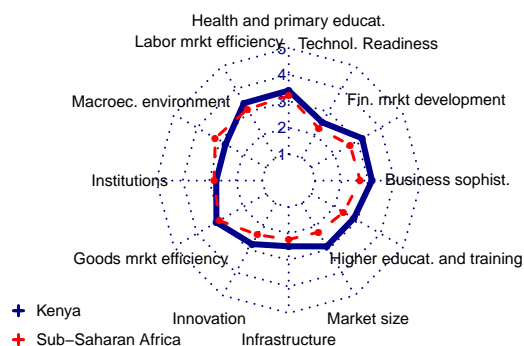
Source: World Integrated Trade Solution (WITS)

Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	152	149	3
Ease of Doing Business Rank	129	108	21
Enforcing Contracts	102	102	0
Getting Credit	118	28	90
Getting Electricity	141	127	14
Paying Taxes	99	101	-2
Protecting Minority Investors	114	115	-1
Registering Property	121	115	6
Resolving Insolvency	145	144	1
Starting a Business	148	151	-3
Trading Across Borders	131	131	0

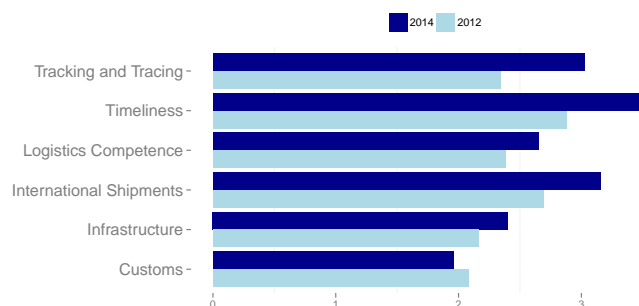
Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)



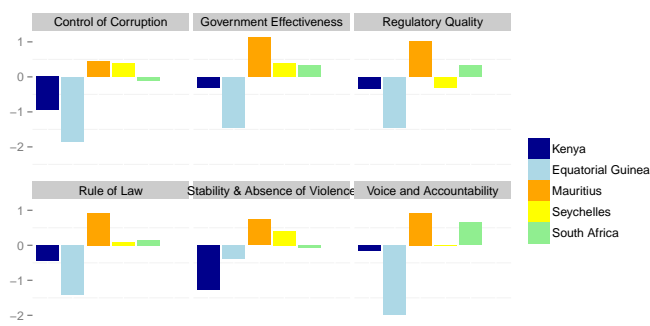
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

	2010	2014
Applied Tariff (Incl. Prefers. and Trade-Weighted)	12.6	11.8
Binding (%)	14.8	13.8
Dispersion (Standard Deviation)	12	11.9
Import duties collected (%; 2011-2013) [1]	—	3.4
MFN Tariff (Agriculture)	19.9	20.0
MFN Tariff (Non-Agriculture)	11.1	11.0
MFN Tariff (Simple Average)	12.6	12.3
Services sectors with GATS commitments [1]	—	40.0

Sources: WITS, [1] WTO Trade Profiles

Private Sector's Views

Enterprise Survey 2013

	Sub-Saharan Africa	Kenya	All Countries
Number of electrical outages in a typical month	8.30	6.30	6.30
Percent of firms with a bank loan/line of credit	23.10	35.60	34.30
Proportion of investment financed by banks (%)	9.90	23.90	14.30
Proportion of investment financed internally (%)	76.70	61.40	71.80
Senior management time spent dealing with the requirements of government regulation (%)	8.20	7.20	9.90

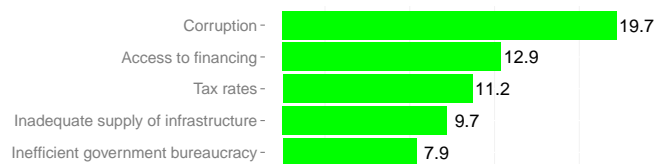
Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015