

# Kenyan Market



## Why Export to Kenya?

### 1. English language

English is the language of business, politics, advertising and media.

Is the 2nd most widely spoken language

Compulsory in all Primary and Secondary Schools

### 2. Hybrid Common Law system

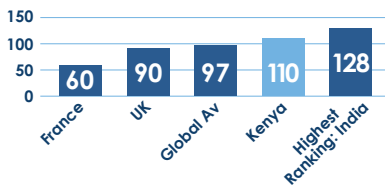


Although a mixed system it shares many similarities. The Kenyan legal system is based on English Common Law.

### 3. Ease of doing business



Nielsen consumer confidence index Q2 2014



#### Import barriers falling

**8**

Documents

**26**

Days to Export in comparison to 30.5 in Sub-Saharan Africa

**£1,415**

Cost to export to Kenya per 20 foot container



3 – 6 hours in customs

### 4. Simpler logistics



#### Time Zone

East Africa Time Zone – Summer +2 GMT Winter +3



#### Phone calls

+254, Average call to Kenya costs  
20p per minute to Call Landlines  
40.8p per minute to call Mobiles  
15.71 call set-up fee



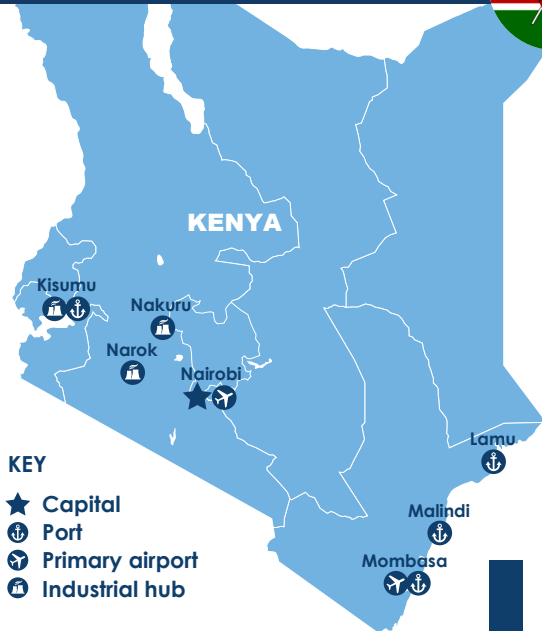
#### Visa fees

£30.00 – for single entry visa (Business or Tourism)  
£60.00 – Multiple entry visa  
£10.00 – Transit visa.



#### UK Air Passenger Duty

Economy Class: £71 / Premium: £170



UK exports to Kenya declined from £272.4m in 2012 to £252.1m in 2013

The UK is Kenya's 5th largest Importer




### 5. New infrastructure for 2015

- ✈ Constructing 3 new Airports and upgrading 2
- ⚓ £11m replacing ferries
- 🚆 £132m on standard gauge railway – Mombasa with Uganda, Tanzania and Rwanda
- 🚆 £23m on Nairobi Commuter train

### 6. Growing internet expansion



Internet Access  
**21.27m**  
People  
(47.3% population)

Internet Speeds 

Broadband (average)	7.88mbps	(Fastest in East Africa 2015)
Mobile (average)	6.73mbps	(3rd fastest in Africa 2015)

### 7. The gateway to East Africa

Now a middle income country with a growing middle class:

 **6.5m**  
 **39m**

Kenyan defined as middle class

East African Middle Classes

#### East African Community Customs Union (2004):

No custom charges between Kenya, Tanzania, Uganda, Rwanda and Burundi.

## Success story from a British business currently operating in Kenya

**4G-Capital has been operational since January 2013, recording a \$4.2M turnover last year and growing.**

Our transition was made easier by having English as the national language whilst the legal and business regulation emulated the English system. IFRS accounting practices are also the norm.

Kenya provides a platform for a smooth transition across the EAC. We plan to expand across the region to deliver e-money business credit solutions to the informal market. 4G is composed almost entirely of Kenyan talent; hard working, enterprising, well educated and flexible.

Moving forward, Kenya's fundamentals are extremely solid and remains the world leader in digital money and disruptive, scalable financial services. Sound risk mitigation and customer-focus strategies offset the known risks in this region. Kenya presents extraordinary opportunities for agile businesses which can adapt to local markets.

It has been a remarkable journey which has demonstrated to me both the enormous opportunities in Kenya. I would recommend any SME to operate in Kenya.

**Wayne Hennessy-Barrett, CEO – 4G Capital**  
[www.4G-Capital.com](http://www.4G-Capital.com)

### In the market

GDP .....	5.7%GDP
Exchange Rate .....	£1 to 137.52 KES (March 2015)
FDI Inflow .....	\$258.6 million
Business Hours.....	Mon–Sat 8:00–5:00 – Sunday: Closed
Sales Tax.....	16%
Population .....	44.35 million
Unemployment.....	40.0%
Inflation (CPI) .....	5.61%

### Next Steps: Organisations to Contact

#### British Chamber of Commerce – UK Contact

Bradley Rowley  
 e: [bradley@suffolkchamber.co.uk](mailto:bradley@suffolkchamber.co.uk)  
 t: 01473 694809

Henry Sugden, CEO, British Chamber of Commerce Kenya  
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#### UK Trade & Investment Kenya

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#### UK Trade & Investment Sector Specific

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 Education and Training: [christine.kimaru@mobile.ukti.gov.uk](mailto:christine.kimaru@mobile.ukti.gov.uk)  
 Defence and Security: [emmanuel.maingi@mobile.ukti.gov.uk](mailto:emmanuel.maingi@mobile.ukti.gov.uk)  
 Energy: [eric.mwema@mobile.ukti.gov.uk](mailto:eric.mwema@mobile.ukti.gov.uk)

#### British High Commission in Nairobi

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 e: [DL-Nairobi-commercialsectionprotect@fco.gov.uk](mailto:DL-Nairobi-commercialsectionprotect@fco.gov.uk)

### 10 tips for entering the Kenyan Market:

1. English usage is very different; there are different sayings so use straightforward language.
2. Greet people with "Jambo?" it will take you a long way. It means "How are you?", and demonstrates you understand the culture a little better.
3. Personal space is not a major issue for Kenyans, expect people to stand very close to you.
4. Allow plenty of time when moving around Nairobi; you never know how long it will take you to get from A – B.
5. Kenya consists of many regional cultures meaning that sales techniques will differ from region to region. Know Kenya's diverse market and adapt to this challenge.
6. Know the difference between agents and distributors in Kenya.
7. A business suit with neck-tie remains important, but this is being relaxed in sectors like media whilst women should wear a suit or knee length skirt.
8. Time keeping is far more relaxed in Kenya; be punctual, but be prepared to wait.
9. A deadline is often viewed as fluid, not set in stone. The overall pace of business is slower than UK – again be patient.
10. It is critical to visit Kenya to see how people buy and sell goods, especially with added importance of M-Pesa.

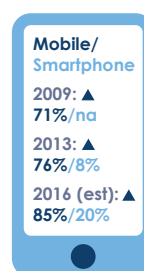
### Kenyan Mobile Use

M-Pesa is the mobile-phone based money transfer service which is used around Kenya and available on all phones. It is the safest and cheapest way for money to be transferred around the country. It is available for everyone and enables long-distance families to stay financially connected despite geographical challenges.

- M-Pesa used by **over ½** adult population.
- **12.5 million** (47% of the adult population) are active on a 30-day basis.
- **73.9 million** mobile transactions in 2013.
- **41% increase** in volumes from previous year.

### Kenya's increase in media use

Devices	2009	2016 Estimates
Radio	87%	90%
TV	41%	65%
Computer	5%	10%
Tablet	n/a	7%



### Initial Documents required for exporting to Kenya by air/sea

1. Bill of Landing
2. Commercial Invoice
3. Confirmation of Insurance
4. Packing List
5. Proforma Invoice
6. Air/Sea Waybill
7. Cargo Manifest
8. Certificate of Clearance

[www.Commonwealth-Exchange.org](http://www.Commonwealth-Exchange.org)

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