

Kenya

Key indicators

Population (millions)	45.5
GDP (\$ billions)	69.2
GDP per capita (\$)	1521.9
Share of world GDP (PPP\$, %)	0.1
Current account surplus/deficit, share of GDP (%)	-6.4
Tariff preference margin (percentage points)	8.3
Imports and exports (goods and services), share of GDP (%)	49.7
Services exports, share of total exports (%)	45.8
Geographic region	Africa
Country group	
Income group	Lower-middle income

SME Competitiveness Grid Summary

Average scores [0-100]	Compete	Connect	Change
Small	40.0	25.4	55.0
Medium	48.0	54.9	67.6
Large	59.6	63.9	77.8
All	45.7	36.7	63.3
BUSINESS ECOSYSTEM	34.7	71.2	42.8
NATIONAL ENVIRONMENT	52.1	41.6	43.0

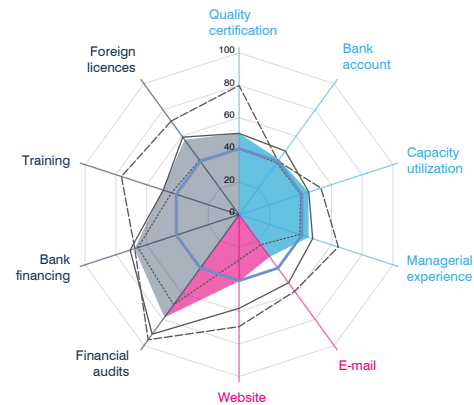
Reference level: 40.9 (a function of GDP per capita)

Weaknesses are scores below: 20.4 | **Strengths are scores above: 61.3**

SME Competitiveness Grid

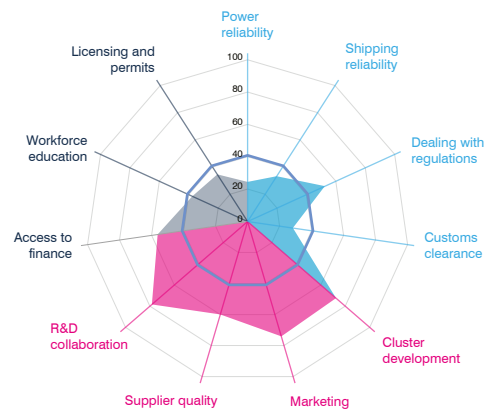
FIRM CAPABILITIES (Normalized scores)

Compete	Small	Medium	Large	All
International quality certificate	40.7	50.3	79.8	50.4
Bank account	39.7	48.6	41.0	42.1
Capacity utilization	40.1	45.3	53.3	45.2
Managerial experience	39.4	47.9	64.5	45.2
Connect				
E-mail	23.0	52.0	58.5	32.2
Firm website	27.9	57.9	69.2	41.2
Change				
Audited financial statement	68.8	91.3	95.6	78.5
Investment financed by banks	65.7	70.7	67.8	67.9
Formal training programme	43.9	49.3	76.4	49.7
Foreign technology licences	41.5	59.2	71.4	57.2



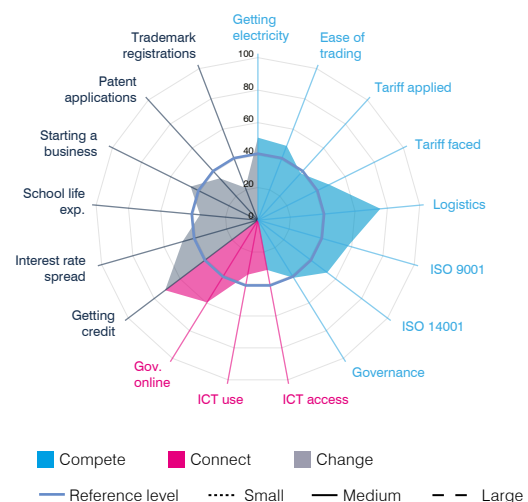
BUSINESS ECOSYSTEM (Normalized scores)

Compete	Small	Medium	Large	All
Power reliability	25.6	24.5	20.4	24.5
Domestic shipping reliability	26.3	47.9	34.2	33.3
Dealing with regulations	54.3	50.3	50.0	52.6
Customs clearance efficiency	-	29.5	31.5	28.3
Connect				
State of cluster development				72.4
Extent of marketing				74.1
Local supplier quality				59.9
University-industry collaboration in R&D				78.3
Change				
Access to finance	59.9	52.3	48.7	56.2
Access to educated workforce	33.6	48.3	34.5	37.6
Business licensing and permits	34.6	36.3	30.5	34.6



NATIONAL ENVIRONMENT (Normalized scores)

Compete	All
Getting electricity	50.8
Ease of trading across borders	49.0
Applied tariff, trade-weighted average	39.0
Prevalence of technical regulations	-
Faced tariff, trade-weighted average	49.1
Logistics performance index	75.7
ISO 9001 quality certificates	57.8
ISO 14001 environmental certificates	53.5
Governance index	41.7
Connect	
ICT access	31.2
ICT use	34.1
Government's online service	59.5
Change	
Ease of getting credit	71.6
Interest rate spread	48.3
School life expectancy	35.8
Ease of starting a business	46.3
Patent applications	34.9
Trademark registrations	21.4



Note: Scores range from 0 to 100, a higher score indicates a better outcome. Series with missing data are indicated as (-) in the tables and omitted from the radar charts.

Source: World Bank Enterprise Survey (2013) for firm level data; for other sources and methodology see Annex.

SME Export Potential

Kenya is a lower-middle income country with a population of 45.5 million and GDP of \$69.2 billion. Goods and services account for 54.2% and 45.8% of exports, respectively.

The country's unrealized potential to increase existing exports lies mainly outside its home region, notably to Europe, Asia and the Americas (see table below). Particularly to these regions, *fresh cut flowers and buds* and *black tea* have increased export potential. Other products with unrealized potential to Europe include *women's or girls' trousers*, and *sacks and bags*.

Regarding new export products, Kenya has diversification opportunities in processed food and textiles with products such as *women's or girls' jackets and blazers of synthetic fibres*, and *uncooked pasta*. The production of the latter good involves a relatively strong representation of SMEs and women and scores relatively well on the price stability indicator. Other products identified for diversification include *prepared or preserved vegetables*, *fruit and nuts by vinegar or acetic acid* as well as *made-up articles of textile materials*.

Small firms in Kenya perform well in having audited financial statements and investments financed by banks. They underperform, however, in using e-mails and having business websites. The largest gap between small and large firms is in having business websites. The country's national environment performs well in logistics and ease of getting credit.

Unrealized potential: Existing export products

Product description	Product code	Exports (\$ million)	Value of unrealized potential exports by destination (\$ million)					Development indicators											
			Africa	Americas	Asia	Europe	Oceania	Price stability	SME presence	Women employed	Technology								
Fresh cut flowers and buds, of a kind suitable for bouquets or for ornamental purposes	0603XX	577	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Black fermented tea and partly fermented tea, whether or not flavoured, in immediate packings...	090240	1245	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Coffee (excluding roasted and decaffeinated)	090111	240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Portland cement (excluding white, whether or not artificially coloured)	252329	89	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Palm oil and its fractions, whether or not refined (excluding chemically modified and crude)	151190	74	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fresh or chilled beans "Vigna spp., Phaseolus spp.", shelled or unshelled	070820	125	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pineapples, prepared or preserved, whether or not containing added sugar or other sweetening...	200820	69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fresh or dried avocados	080440	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (excluding knitted...	620462	57	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sacks and bags, incl. cones, of polymers of ethylene	392321	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Notes: Unrealized potential table: Top 10 products in decreasing order of unrealized export potential to the world. **Exports:** Average value over 2011-2015. **Price stability, SME presence, and Women employed:** Green - performance above a country's trade-weighted mean. Red - the opposite. **Technology:** Green - transformed products exported by countries at least matching the country's per capita GDP. Red - the opposite. Blank spaces - data not available.

Source: ITC Export Potential Map, <http://exportpotential.intracen.org>