

# The State of Trade Facilitation in Kenya

Trade facilitation is a vital aspect of any country's economy. In Kenya, it involves transforming the Trade Custom (imports and exports clearance at the international ports and border posts) from the old, manual, tedious and largely opaque processes to a robust, digital, transparent and efficient process.

Kenya has made noteworthy progress in improving trade facilitation environment in the recent years, which has contributed to growth of the country's economy. One of the initiatives is the Trade Facilitation Platform (TFP) that has significantly reduced the time and cost of clearing goods at the ports.

The Government's efforts to streamline customs procedures, reduce non-tariff barriers, improve transport infrastructure, and sign Free Trade Agreements (FTAs) have all played a crucial role in making Kenya a more attractive destination for trade and investment.

This is evident going by the latest trade statistics generated from the *Business Intelligence Tool* on the Trade Facilitation platform.

This Bulletin covers the state of trade facilitation in Kenya including graphic illustration of the improvement of automated trade processes over the last 9 years.

## HIGHLIGHTS

Message from the CEO	3
Partner Government Agencies performances	4
Revenue collected through TFP	7
Statistics on cargo dwell time at the ports	11
Summary of Quarter 1,2023 import & export	13
Kenya's top 10 export destinations in Quarter 1,2023	16
Top 10 Imports in Quarter 1 ,2023	17

## Be an Expert Trader

Log onto <https://soma.kentrade.go.ke/> to start your TRADER training module course TODAY for just

FEES

Nairobi & Mombasa

Kshs. **17 400**



Other Regions

Kshs. **10 440**



For more info. reach us on:

**+254 709 95 0000**

[contactcentre@kentrade.go.ke](mailto:contactcentre@kentrade.go.ke)



## CEO'S MESSAGE



Welcome to our second edition of the quarterly Trade Bulletin, an industry publication on International trade statistics in Kenya that is published by KenTrade.

As a trade facilitator, we ensure that our stakeholders and the public access factual and up to date information regarding trade statistics in Kenya, by simplifying and making the trade statistics relevant and useful.

The publication relies exclusively on data generated from the Trade Facilitation Platform (TFP) and processed through KenTrade's Business Intelligence Tool.

It is timely to stakeholders keen on understanding how our trade economy is performing not only in terms of volumes and cargo flow in and out of the

country but also the sources and destinations of the cargo.

The Bulletin also focuses on ensuring that relevant import and export trade data in Kenya is available for informed decision making at all levels of the trade logistics value chain, including the Key Performance Indicators (KPIs) of the Partner Government Agencies (PGAs) involved in regulations and permit approvals.

Additionally, we have done and highlighted comparative analysis on performance in cargo clearance time, compliance, revenue and traceability and the scope of digitization of trade processes on the PGAs that have been integrated on the TFP.

Finally, we have also unpacked the numbers for you to reveal the top export markets for Kenya's produce and the countries that dominated international trade in Kenya during 3rd Quarter of Financial Year 2022/2023.

Share your feedback with us via email address: [info@kentrade.go.ke](mailto:info@kentrade.go.ke).

Enjoy the read.

*David Ngarama*

Chief Executive Officer

*The Trade Bulletin* is an authoritative quarterly trade industry publication circulated to our stakeholders and general public. It is available on resources page of the official website; [www.kentrade.go.ke](http://www.kentrade.go.ke)

### EDITORIAL TEAM

*Wendy Julia  
Faith Khatutu  
Samwel Rambaya  
Sylvia Njeri  
Ann Odero  
Evelyn Wamae  
Wangu Njogu*

### CONTRIBUTORS

*Camilla Mumo  
Moses Lesamana  
Robert Namale  
Antony Muchene  
Kennedy Muthama*

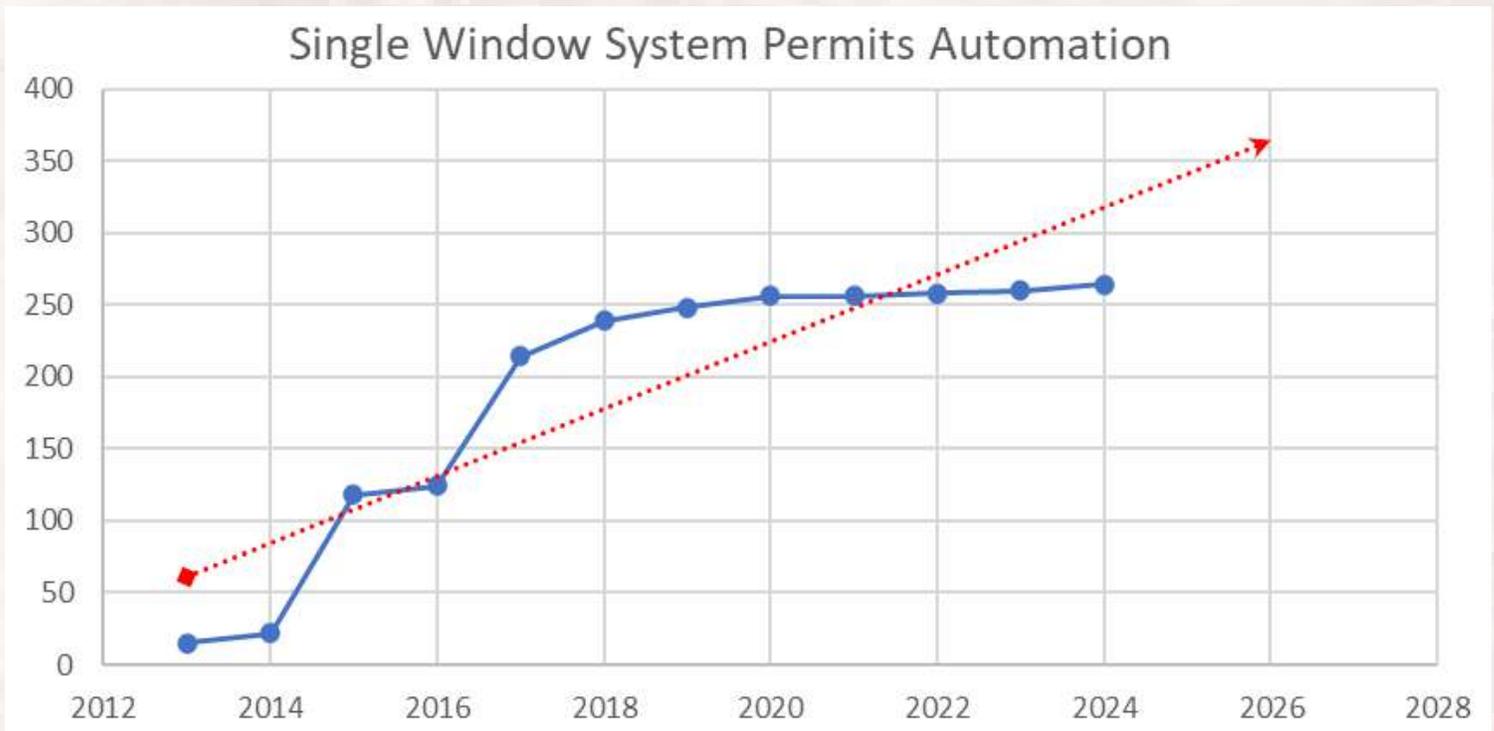
**Design & Layout:** *Samwel Rambaya*

**Executive Editor:** *David Ngarama*

*Automation Process*

The Trade Facilitation Platform (Single Window System) journey began with the automation of 15 trade processes in October 2013. These were the customs and Kenya Ports Authority (KPA) processes that were already automated on the KRA’s Simba system and KPA KWATOS system.

Since the Go-Live of the Trade Facilitation Platform (TFP), there has been a significant improvement with the cumulative number of automated trade processes reaching 260 as of March 2023.



SOURCE: KenTrade Trade Facilitation Platform



The *Trade Bulletin* is where we crunch for you the numbers on flows, volumes and value of imports & exports trade in Kenya.

Current PGAs onboarded onto the Trade Facilitation Platform as at March 2023

## PGAs on Trade Facilitation Platform

State Agencies in Kenya involved in trade facilitation have the responsibility of ensuring compliance with not only the trade regulations but also the standards and procedures. This compliance is crucial in facilitating the smooth flow of goods and services across borders.

KenTrade makes this possible by digitizing under one platform the trade facilitation operations of the Partner Government Agencies (PGAs).

There are currently 32 Partner Government Agencies (PGAs) onboarded on the Trade Facilitation Platform (TFP) compared to 13 PGAs in 2015. This increase has contributed positively to the simplification and streamlining of trade processes in the country.

These Agencies have enhanced Kenya's competitiveness in the global arena and has improved its overall economic growth and development.

The adoption of the TFP and the signing of Service Level Agreement (SLAs) under the auspices of Mombasa Ports and Northern Corridor Charter has facilitated this increase, leading to greater efficiency and transparency in the trade process.

KenTrade is targeting to onboard other Partner Government Agencies such as Kenya Railways Corporation, Kenya Civil Aviation Authority, Central Bank of Kenya, Kenya National Library Services among others.

## State Agencies that are using the Trade Facilitation Platform

1. Kenya Revenue Authority	18. Energy Regulatory
2. Tea Directorate	18. Port Health Services
3. National Environmental Management Authority	20. Kenya Police
4. Firearms Licensing Board	20. Department of Veterinary Service
5. National Biosafety	21. Pharmacy and Poison Board
6. Miraa, Pyrethrum & Industrial Crops	22. AFFA Food Crops Directorate
7. Veterinary Medicines Directorate	23. Kenya Plants Health Inspectorate Service
8. Pest and Control Board	24. Kenya Nuclear Regulatory Authority
9. Nuts and Oil Crops Directorate	25. National Treasury
10. Agricultural Authority Directorate	26. Horticultural Crops Development Authority
11. Agricultural Authority Sugar Directorate	27. Kenya Bureau of Standards
12. Ministry Of Agriculture Livestock And Fisheries Kenya Fisheries Service	28. Kenya Medical Laboratory Technicians & Technologies
13. Kenya Dairy Board	29. Nursing Council
14. Communications Authority of Kenya	30. Kenya Ports Authority
15. The Anti-Counterfeit Authority (ACA)	31. Kenya Maritime Authority
16. Mining Geological Department	32. Insurance Regulatory Authority

SOURCE: KenTrade's Trade Facilitation Platform(TFP)

## TRADE FACILITATION PERFORMANCE INDICATORS

*State of compliance, revenue collections & tracking*

### Improved Compliance, Revenue Collection and Traceability of Fees

KenTrade's compliance to its statutory functions and objectives involves the coordination of all trade-related processes and procedures in Kenya through the Electronic Single Window System.

By working closely with Partner Government Agencies (PGAs) and providing training and capacity building, KenTrade ensures that all traders can comply with the standardized procedures and regulations set out in the system.

Regular monitoring and evaluation helps to identify and address any compliance issues, ensuring that the system operates efficiently and effectively, ultimately facilitating international

trade in Kenya.

There has been a steady increase in revenue collected.

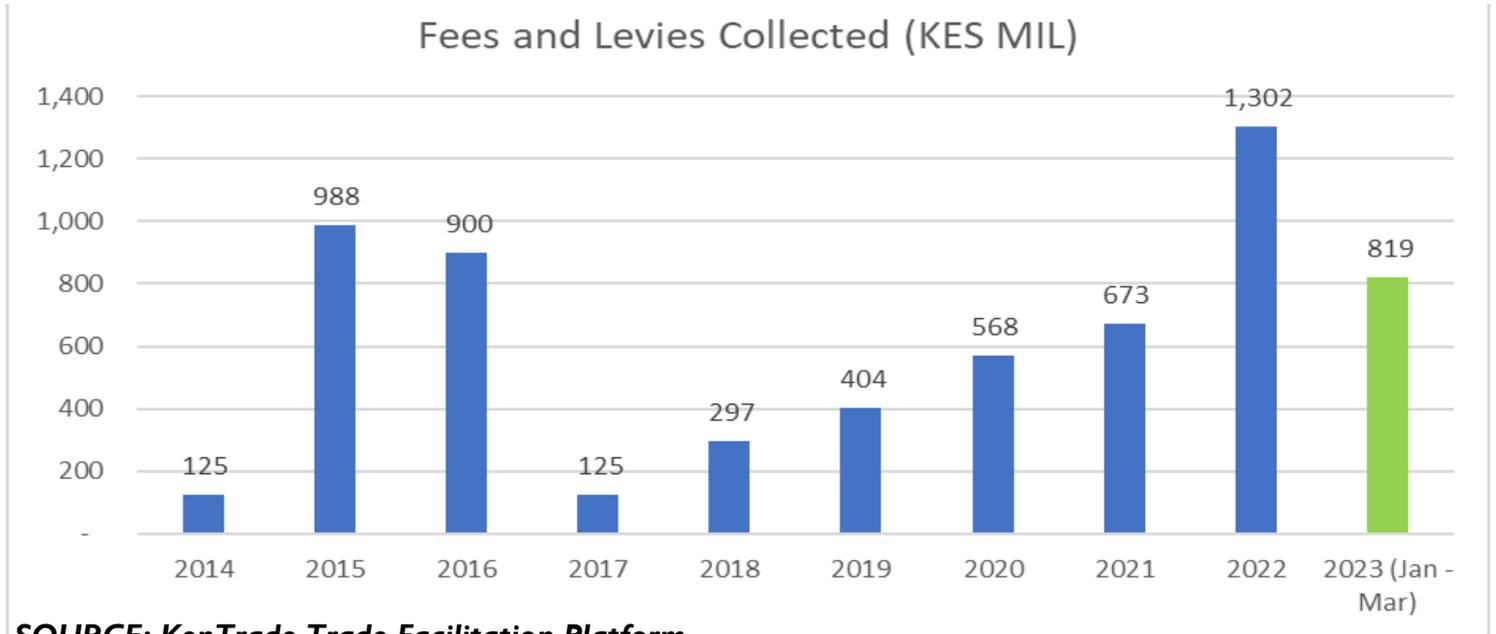
The first quarter of 2023 has broken the record of revenue collected on the Trade Facilitation Platform, this was caused by automation of payment processes and addition of government agencies onto the platform.

Over the last 7 years, KenTrade, as the agency mandated to facilitate trade, has assisted the government to collect over Kenya Shillings 6 Billion paid as permit fees and levies.

YEAR	FEES & LEVIES COLLECTED (KES MIL)
2014	125
2015	998
2016	900
2017	125
2018	297
2019	404
2020	568
2021	673
2022	1,302
2023-(JAN-MARCH)	819
<b>TOTAL</b>	<b>6201</b>

SOURCE: KenTrade's Trade Facilitation Platform (TFP)

### REVENUE COLLECTED THROUGH THE NATIONAL



SOURCE: KenTrade Trade Facilitation Platform

### TIME TAKEN TO CLEAR CARGO AT THE PORTS

Over the past few years, there has been a significant improvement in the time taken to clear goods in Kenyan Ports of entry.

The improvement in the clearance time for goods in Kenya can be attributed to various initiatives aimed at streamlining trade processes, improving port operations, and investing in infrastructure development.

These efforts have contributed to the reduction of trade barriers and improved Kenya's competitiveness in the global market.

One of the initiatives, that has contributed to the improvement in clearance time is the implementation of the Trade Facilitation Platform.

This platform has enabled the integration of all trade-related procedures into a single platform, allowing traders to submit all their trade documents and receive approvals from various government agencies involved in trade facilitation through a single-entry point.

As a result, the time taken to clear cargo has drastically reduced as shown in the table on page 8.

# TRADE FACILITATION PERFORMANCE INDICATORS

## Cargo Dwell Time Indicators

Year	Time in Hours	Days
2014	97	4
2015	100	4
2016	101	4
2017	120	5
2018	105	4
2019	58	2
2020	60	3
2021	64	3
2022	73	3
2023	48	2



SOURCE: KenTrade

## TIME TAKEN TO CLEAR EXPORT CARGO(DAYS)

Clearing cargo for exports involves a series of processes and procedures that must be followed to ensure that the goods are compliant with export regulations and can be shipped to their intended destination. Lengthy export clearance processes create bottle-neck in the supply chain, causing delays and disruptions that can impact the overall efficiency of the trade ecosystem. In 2020, it took an average of 5.6 days to clear cargo for export. This reduced to 4.6 days in 2021 and further reduced in 2022 to an average of 4.1 days. This reduction in clearance time means that the export clearance process has become more efficient and effective.

## TIME TAKEN TO CLEAR CARGO FOR IMPORTS(DAYS)

The average time taken to clear cargo for imports has been fluctuating over the years. It took an average of 8.3 days in 2015 to clear cargo for imports, which gradually increased up to 10 days in 2017. The number of days reduced significantly up to 4.8 days in 2019 before it increased gradually over the years up to 6.1 days in 2022. Greater efforts to reduce the time taken to clear cargo for imports can have significant benefits for trade facilitation.

## TRADE FACILITATION PERFORMANCE INDICATORS

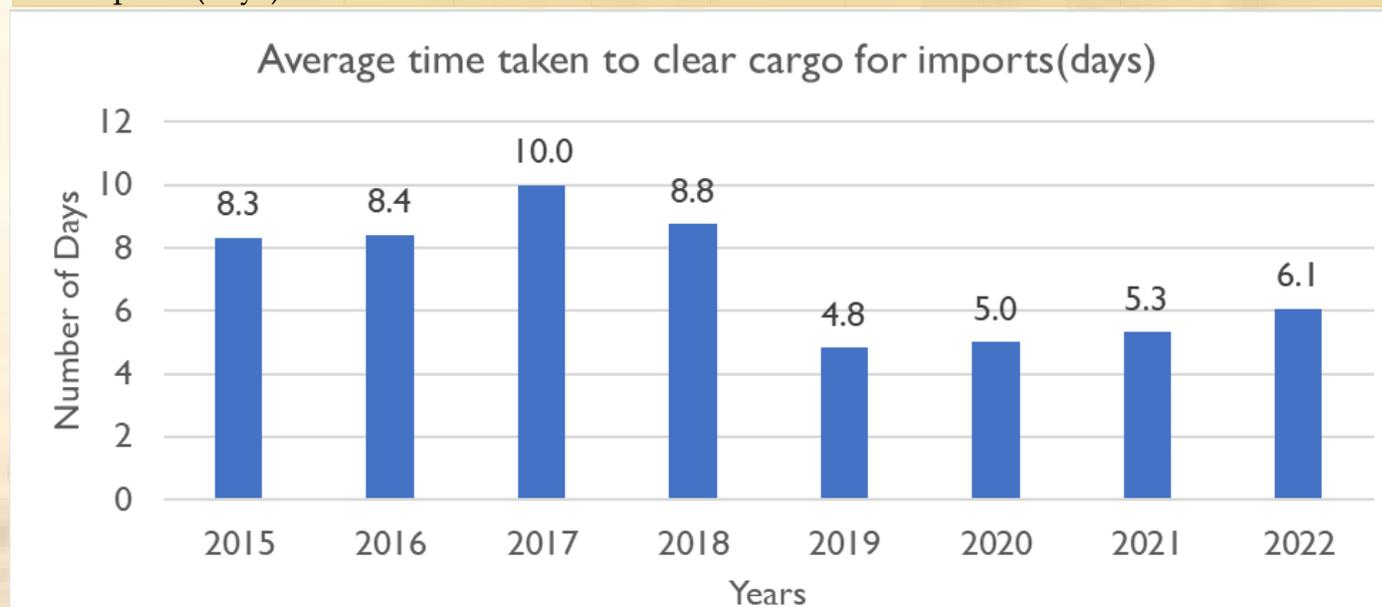
### Statistics on cargo dwell time at Kenyan Ports

SOURCE: KenTrade

Parameter	2020	2021	2022
Average time taken to clear cargo for exports (days)	5.65	4.64	4.19



Parameter	2015	2016	2017	2018	2019	2020	2021	2022
Average time taken to clear cargo for imports (days)	8.3	8.4	10.0	8.8	4.8	5.0	5.3	6.1



SOURCE: KenTrade's TFP

## TRADE FACILITATION PERFORMANCE INDICATORS

*Statistics on cargo dwell time at Kenyan Ports*

### **AVERAGE TIME TAKEN TO APPROVE EXPORT PERMITS**

Parameter	2015	2016	2017	2018	2019	2020	2021	2022
Average time taken to approve export permits (days)	61	8	28	9	5	5	4	3



*In the last 6 years KenTrade has assisted the Government to collect over Ksh. 6 billion paid as permit fees and levies.*

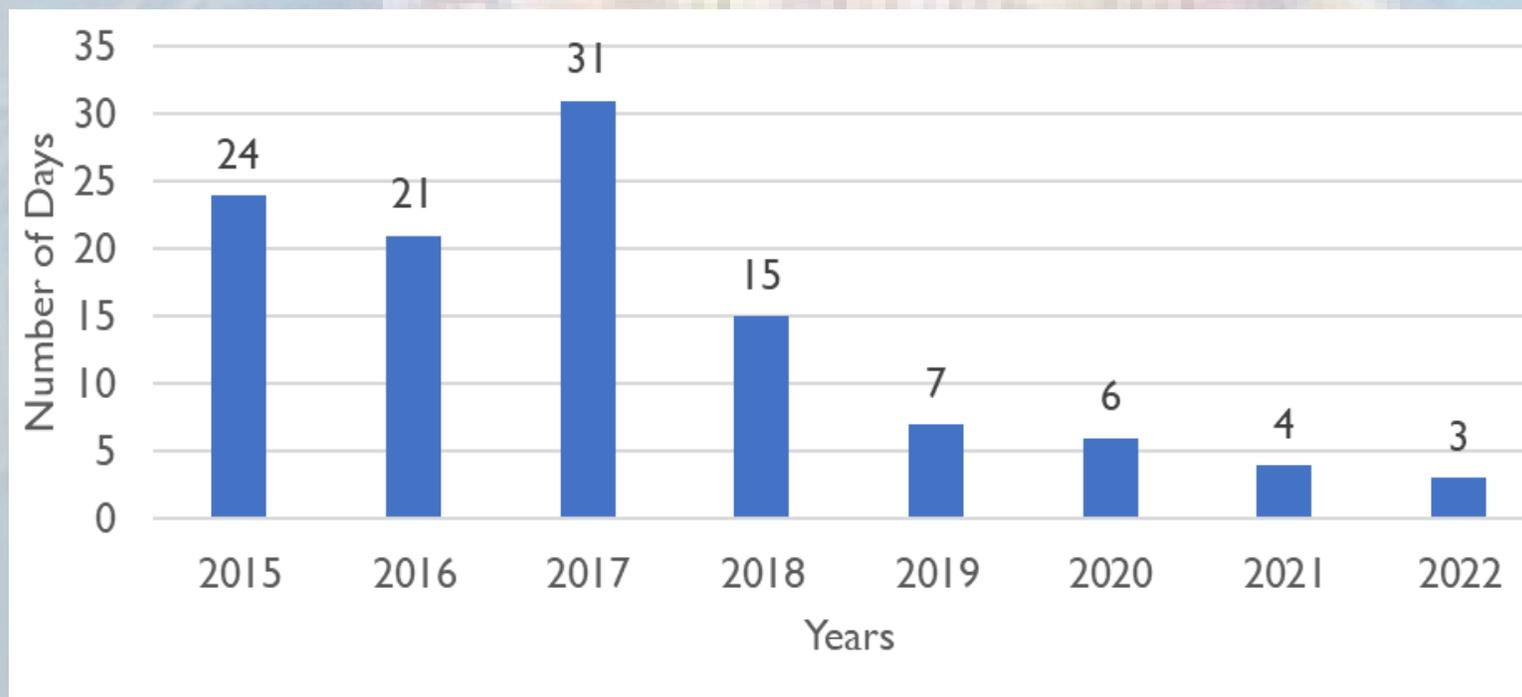
## TRADE FACILITATION PERFORMANCE INDICATORS

### *Statistics on cargo dwell time at Kenyan Ports*

There is a significant relationship between the number of automated processes via the Trade Facilitation Platform (TFP) and time it takes to approve permits. From data on automated permits, there were 118 automated processes in the year 2015 and 258 in 2022. From data below, it is evident that the time taken to approve import permits was highest in 2015. The time taken gradually reduced over the years since 2017. As the number of automated processes increased through the years, the time taken to approve import permits gradually decreased. This shows that the more automated processes the TFP has in place, the faster the processing time.

Parameter	2015	2016	2017	2018	2019	2020	2021	2022
Average time taken to approve import permits (days)	24	21	31	15	7	6	4	3

**AVERAGE TIME TAKEN TO APPROVE IMPORT PERMITS(DAYS)**



SOURCE: KenTrade

## TRADE FACILITATION PERFORMANCE INDICATORS

### Statistics on cargo dwell time at Kenyan Ports

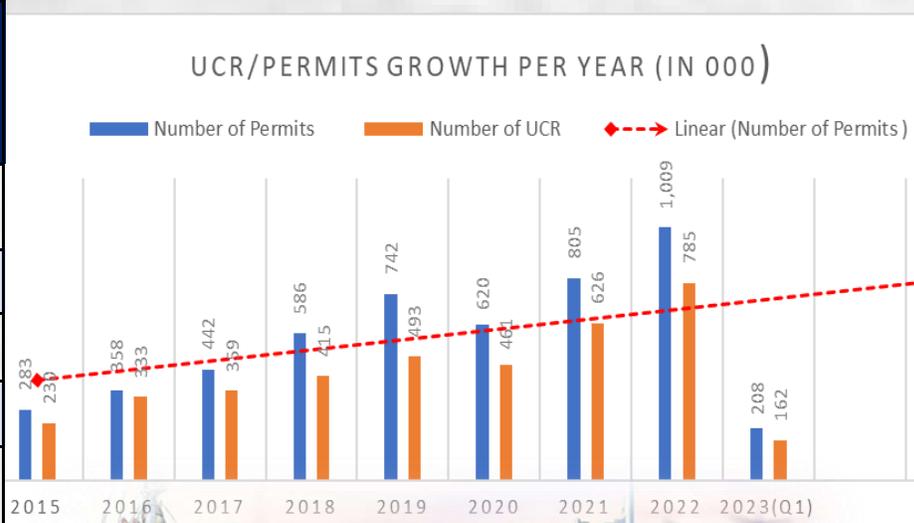
#### NUMBER OF PERMITS AND LICENSES

There has been a steady upward growth of the number of permits applied on the Trade Facilitation Platform as a result of continuous efforts in automaton.

As at March 2023, the TFP has processed over 5 million licenses and permits related to cross border trade, a study by IFC world bank in 2018 indicated that in the period 2015-2018, the TFP saved the Kenyan economy over 2.5 billion in cost related to trade procedures. It is projected that with increased automation in Quarter 3 (January-March) of the FY 2022/2023.

SOURCE: KenTrade

Year	Number of Permits (000)	UCR Count (000)
2015	283	230
2016	358	333
2017	442	359
2018	586	415
2019	742	493
2020	620	461
2021	805	626
2022	1,009	785
2023 (Q1)	208	162



*Our Vision*

**A Global Leader**  
*In Trade Facilitation*

# Kenya's global trade outlook in 2023

We crunch the numbers on flows, volumes & value of imports & exports in quarter 3 of 2021/2022



By Antony Muchene

In the first quarter of 2023, Kenya exported commodities worth KES 212 billion, representing 26% of total trade during the quarter.

Black Tea was the top exported product, accounting for approximately 20% of the total value, at KES 42.06 billion. Fresh Roses followed closely with a value of KES 17.72 billion, accounting for 8% of the total value. Titanium ores ranked third with a value of KES 8.58 billion, making up approximately 4% of the total value.

Coffee was the fourth highest exported product, with a value of KES 7.62 billion, representing around 3.6% of the total value. Other top exported products include cut flowers, cement clinkers, unrooted cuttings and slips, antimalarial medicaments, disodium carbonate, and avocados.

Horticultural products dominated the list, with six out of the top ten exported products falling into this category. Together, these horticultural products accounted for 80.8% of the top 10 exported products.



## TOP TRADED PRODUCTS

### Top Exports Quarter 1, 2023

HS CODE	PRODUCT	VALUE IN KSH (M)
TOTAL EXPORTS FOR THE QUARTER		212,502.3
0902400	<i>Black Tea (Fermented) &amp; Partly Fermented Tea</i>	42,065.5
06031100	<i>Fresh Roses</i>	17,728.5
26140000	<i>Titanium Ores &amp; Concentrates</i>	8,582.5
09011100	<i>Coffee; Not Roasted, Not Decaffeinated</i>	7,629.7
06031900	<i>Fresh Cut flowers &amp; Flower Buds of a kind suitable for bouquets or for ornamental purposes-fresh, dried, dyed, bleached, Impregnated or otherwise prepared.</i>	6,328.2
25231000	<i>Cement Clinker</i>	4,199.7
06021000	<i>Unrooted cuttings and slips</i>	3,845.0
30049000	<i>Other medicaments containing anti-malarial active principles</i>	3,393.6
28362000	<i>Disodium Carbonate</i>	2,909.7
08044000	<i>Avocados Fresh or dried</i>	2,850.8
<b>TOTAL FOR TOP 10 EXPORTS</b>		<b>99,533.2</b>

## TOP TRADED PRODUCTS

### Top Imports Quarter 1, 2023

In Q1 of 2023, Kenya's imports totalled over KES 595 billion, making up 76% of the country's total trade.

The top 10 imports were primarily industrial and food products, including gas oil, motor spirit, wheat, palm oil, kerosene type jet fuel, diammonium phosphate, rice, medicaments and semi-iron products.

Petroleum products were the largest import category, with gas oil and motor spirit (gasoline) premium being the top two products imported, valued at KES 57.7 billion and KES 40.37 billion, respectively.

These two products accounted for 43% of the top 10 imports in Q1 2023. Wheat and meslin were the third-highest imported product, valued at KES 26.08 billion, followed by palm oil at KES 25.42 billion.

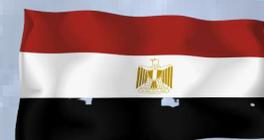
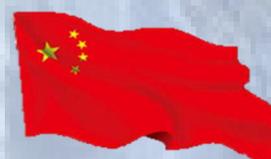
HS CODE	PRODUCTS	VALUE IN KES (MILLION)
27101931	Gas oil (automotive, light, amber for high speed engine)	57,706.1
27101220	Motor Spirit (gasoline) premium	40,377.3
10019990	Wheat and meslin	26,085.7
15111000	Palm oil and its fractions, whether or not refined, but not chemically modified crude oil.	25,429.2
27101921	Kerosene type Jet Fuel	25,170.9
31053000	Diammonium hydrogen orthophosphate (diammonium phosphate)	11,679.9
10063000	Semi milled or wholly milled rice, whether polished or glazed	11,488.7
30049000	Medicaments containing antimalarial active principles	11,191.6
72071100	Semi finished products of iron or non alloy steel, containing by weight less than 0.25% of carbon: Of rectangular (including square) cross section, the width measuring less than twice the thickness	8,979.9
72083900	Other flat rolled products of iron or non alloy steel, of a width of 600 mm or more, hot rolled, not clad, plated or coated, in coils, not further worked than hot rolled: Of a thickness of less than 3 mm	8,962.1
<b>TOTAL</b>		<b>227,071.3</b>

## GEOGRAPHICAL DISTRIBUTION

### Top Export Destinations

Kenya has been making efforts to improve its exports, and in Q1 of the year, Uganda was the top destination for Kenyan products, receiving goods worth KES 28 billion. This accounted for approximately 21% of the top 10 export destinations for Kenya and 13% of Kenya's total exports for the quarter.

The Netherlands was the second-largest export destination for Kenya, with goods valued at KES 16.30 billion, followed by the United States of America, which imported Kenyan products worth KES 15.06 billion. In terms of regions, the East African Community was the top export region for Kenya, compared to other regions. With the signing of the African Continental Free Trade Area (AFCFTA), Kenya aims to improve its trade among African countries, as compared to other regions.



### TOP 10 EXPORT DESTINATION Q1(JAN-MARCH 2023)

COUNTRY	VALUE IN KSH (MILLION)
<b>GRAND TOTAL</b>	<b>212,502.4</b>
<b>UGANDA</b>	<b>28,028.2</b>
<b>NETHERLANDS</b>	<b>16,308.8</b>
<b>UNITED STATES OF AMERICA</b>	<b>15,062.9</b>
<b>PAKISTAN</b>	<b>13,960.6</b>
<b>UNITED KINGDOM</b>	<b>13,435.0</b>
<b>TANZANIA</b>	<b>12,256.7</b>
<b>UNITED ARABS EMIRATES</b>	<b>10,234.8</b>
<b>RWANDA</b>	<b>8,436.9</b>
<b>CHINA</b>	<b>7,759.2</b>
<b>EGYPT</b>	<b>7,143.3</b>
<b>TOTAL</b>	<b>132,626.5</b>

## GEOGRAPHICAL DISTRIBUTION

### Top Imports Quarter 1, 2023

#### Top Import Sources

In Q1 of 2023, China was the largest source of imports for Kenya, accounting for 15.27% of the total imports for the quarter, with a value of KES 90.86 billion.

The United Arab Emirates was the second-largest source of imports, accounting for 14.05% of the total, with a value of KES 83.68 billion.

India was the third largest source, accounting for 11.00% of the total, with a value of KES 65.52 billion.

The data from Q1 suggests that Kenya is a net importer, with China, the United Arab Emirates, and India accounting for almost 40% of the total imports.

This highlights not only Kenya's dependence on these countries for imports but also underscores the importance of maintaining good trade relationships with them.

It is also important to note that Kenya's imports from China, the United Arab Emirates and India may be influenced by factors such as trade policies, geopolitical relationships, and market conditions.

Therefore, it is crucial for Kenya as a competitive trade economy, to continue to monitor and adapt to emerging changes in global trade environment. This adaptability will ensure a stable and sustainable import market.

COUNTRY	VALUE IN KSH (MIL)
Grand Total (Imports for Q1)	595,558.4
CHINA	90,861.6
UNITED ARAB EMIRATES	83,685.2
INDIA	65,522.3
SAUDI ARABIA	44,718.5
RUSSIAN FEDERATION	28,596.1
JAPAN	20,554.8
MALAYSIA	19,662.5
UNITED STATES OF AMERICA	19,303.2
SOUTH AFRICA	16,518.4
OMAN	14,634.6
<b>TOTAL</b>	<b>404,057.0</b>

*China, the United Arab Emirates, and India accounts for 40% of Kenya's total imports*

# KenTrade Business Intelligence (BI) Tool

Informed Trade Data drives a better business economy



For more Info. reach us on:

+254 709 95 0000

contactcentre@kentrade.go.ke



Trade Made Simple



Marketing\_communications@kentrade.go.ke



@KenTrade\_G2B



254 709 950 000.



@KenTradeG2B

www.kentrade.go.ke