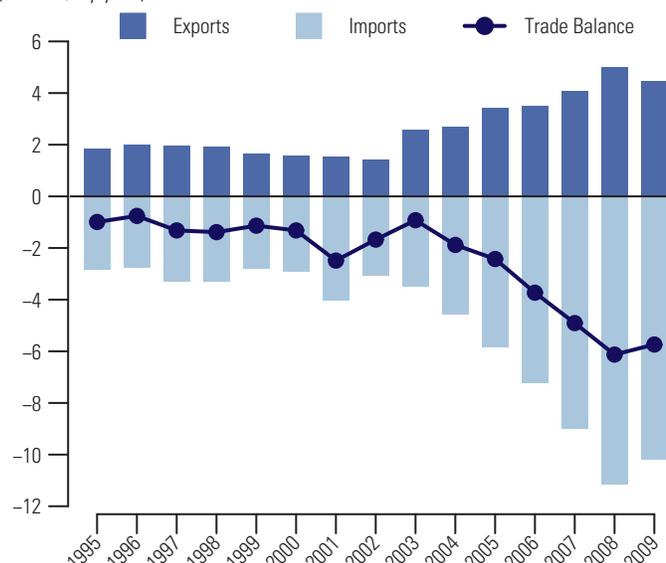


Overview:

After several years of continuous growth, the value of Kenya's exports dropped by 10.7 percent in 2009 to 4.5 bln US\$ (see table 1). Imports showed a similar development with a peak of 11.1 bln US\$ in 2008 and a drop of 8.3 percent in 2009 to amount to 10.2 bln US\$ (see table 2 and graph 1). This resulted in a trade deficit of 5.7 bln US\$ for 2009, compared to 6.1 bln US\$ for the previous year (see graph 1). Trade with Western Asia accounted for a large part of the 2009 deficit (-1.6 bln US\$) (see graph 2). The trade balance also recorded significant deficits with Eastern Asia (-1.1 bln US\$), Southern Asia (-0.9 bln US\$) and Developed Europe (-0.7 bln US\$). Trade was diversified across partners: in 2009, 19 (respectively 18) major partners accounted for 80 percent of exports (respectively imports) (see graph 3).

Graph 1: Total imports, exports and trade balance

(Bln US\$ by year)

**Exports Profile:**

In 2009, Kenya's exports were composed of 41.9 percent of food, live animals, beverages and tobacco (SITC sections 0+1), 16.0 percent of inedible crude materials (except fuels), animal and vegetable oils, fats and waxes (SITC sections 2+4) and 12.3 percent of manufactured goods classified chiefly by material (SITC section 6) (see table 1). Major destinations for exports were Uganda, the United Kingdom and the United Republic of Tanzania (see table 4). The majority (64.7 percent) of exports to the United Kingdom were food, live animals, beverages and tobacco (SITC sections 0+1). From 2007 to 2009, top exported products were tea, whether or not flavoured (HS code 0902), cut flowers and flower buds of a kind suitable for bouquets (HS code 0603) and other vegetables, fresh or chilled (HS code 0709) (see table 3). They accounted respectively for 20.0, 9.4 and 3.9 percent of exported goods in 2009.

Table 1: Exports by SITC sections

(Value in million US\$, growth and shares in percentage)

SITC	2009	Avg. Growth rates (%)		2009 share
		2005-2009	2008-2009	
Total	4463.4	6.9	-10.7	100.0
0+1	1868.1	10.6	-7.0	41.9
2+4	715.7	13.8	-14.2	16.0
3	187.5	-26.0	-5.2	4.2
5	457.2	12.3	-20.4	10.2
6	547.8	9.6	-16.2	12.3
7	230.3	24.0	8.1	5.2
8	429.5	5.5	-15.9	9.6
9	27.3	37.9	221.6	0.6

Table 2: Imports by SITC sections

(Value in million US\$, growth and shares in percentage)

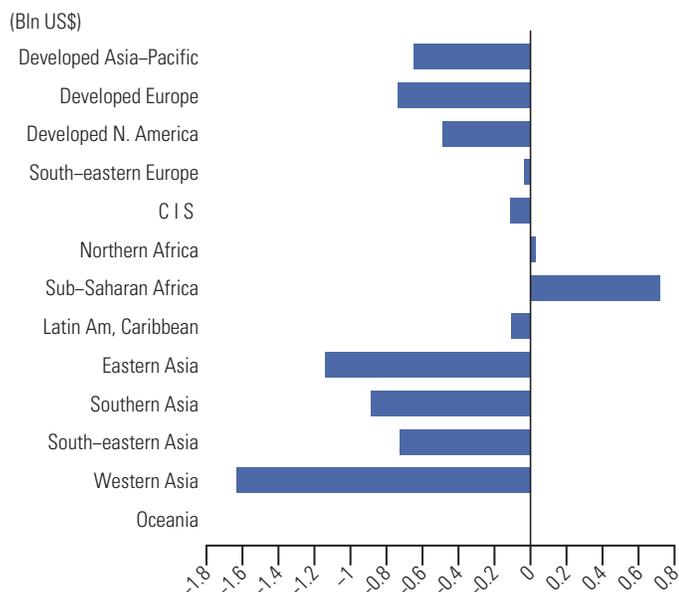
SITC	2009	Avg. Growth rates (%)		2009 share
		2005-2009	2008-2009	
Total	10202.0	14.9	-8.3	100.0
0+1	1183.9	34.3	52.4	11.6
2+4	581.2	17.3	-19.5	5.7
3	2187.1	13.0	-27.8	21.4
5	1325.7	12.0	-8.8	13.0
6	1408.8	11.1	-12.1	13.8
7	3097.3	14.6	-0.4	30.4
8	417.2	11.5	-3.3	4.1
9	0.8	60.9	-45.9	0.0

Table 3: Top 10 export commodities 2007 to 2009

(Value in million US\$)

HS code	4-digit heading of Harmonized System 2002	Value (million US\$)			Unit value			SITC code
		2007	2008	2009	2007	2008	2009	
All Commodities.....		4080.8	5000.9	4463.4				
0902 Tea, whether or not flavoured.....		698.2	931.6	894.0	1.9	2.4	2.7	074
0603 Cut flowers and flower buds of a kind suitable for bouquets.....		313.4	446.0	421.5	3.2	4.1	3.7	292
0709 Other vegetables, fresh or chilled.....		169.0	206.4	175.4	3.3	3.6	3.4	054
0901 Coffee, whether or not roasted or decaffeinated.....		165.5	152.8	201.2	2.8	3.5	3.2	071
2710 Petroleum oils, other than crude.....		164.6	173.3	177.9	0.8	0.8		334
2836 Carbonates; peroxocarbonates (percarbonates).....		82.0	193.9	109.5	0.2	0.3	0.2	523
2523 Portland cement, aluminous cement, slag cement.....		74.4	117.2	104.5	0.1	0.1	0.1	661
2402 Cigars, cheroots, cigarillos and cigarettes.....		94.3	91.4	85.8	10.3	6.1		122
7210 Flat-rolled products of iron or non-alloy steel.....		78.2	99.2	69.7	1.3	1.5	1.1	674
6204 Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts.....		82.6	89.5	47.7	5.0	4.4	3.6	842

Graph 2: Trade Balance by MDG Regions in 2009



Graph 3: Partner concentration of trade in 2009

(Cumulative share by ranked partners)

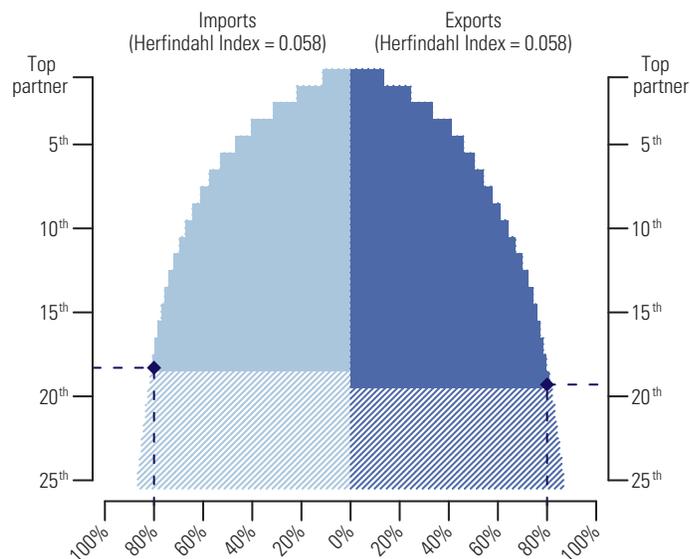


Table 4: Exports by principal countries and SITC sections in 2009

(Value in million US\$, percentages of country total)

Country	Total	Shares by SITC sections (%)									Total
		0+1	2+4	3	5	6	7	8	9		
World.....	4463.4	41.9	16.0	4.2	10.2	12.3	5.2	9.6	0.6	100	
Uganda.....	598.3	15.8	4.6	9.3	21.5	29.6	10.9	8.2	0.0	100	
United Kingdom.....	498.1	64.7	29.6	0.0	0.1	1.8	0.6	3.3	0.0	100	
United Rep. of Tanzania..	389.3	13.1	7.9	5.5	21.3	26.4	13.6	12.2	0.0	100	
Netherlands.....	340.7	21.6	78.1	...	0.0	0.0	0.1	0.1	...	100	
USA.....	226.1	23.5	2.0	...	0.3	0.8	0.3	73.1	0.0	100	
Pakistan.....	196.3	96.2	0.1	...	2.2	1.5	0.0	0.0	...	100	
Sudan.....	165.1	47.0	7.4	1.2	9.7	14.1	13.9	6.7	0.0	100	
Egypt.....	153.8	96.6	0.5	...	0.2	2.1	0.3	0.2	...	100	
Dem.Rep. of the Congo...	146.5	12.7	10.4	3.1	13.1	31.3	2.9	26.6	...	100	
Somalia.....	145.1	23.3	38.4	0.8	5.5	7.7	10.4	13.8	0.0	100	

Imports Profile:

Imports of Kenya in 2009 were composed of 30.4 percent of machinery and transport equipment (SITC section 7), 21.4 percent of mineral fuels, lubricants and related materials (SITC section 3) and 13.8 percent of manufactured goods classified chiefly by material (SITC section 6) (see table 2). From 2007 to 2009, top imported products were petroleum oils, other than crude (HS code 2710), petroleum oils, crude (HS code 2709) and palm oil and its fractions (HS code 1511) (see table 5).

Table 5: Top 10 import commodities 2007 to 2009

(Value in million US\$)

HS code	4-digit heading of Harmonized System 2002	Value (million US\$)			Unit value			SITC code
		2007	2008	2009	2007	2008	2009	
All Commodities.....		8989.3	11 127.8	10 202.0				
2710 Petroleum oils, other than crude.....		1 120.1	1 769.6	1 399.2	7.7	1.0		US\$/kg 334
2709 Petroleum oils, crude.....		731.5	1 176.5	705.8	0.5	0.7	0.4	US\$/kg 333
1511 Palm oil and its fractions.....		313.9	458.8	332.6	0.8	1.1	0.7	US\$/kg 422
8703 Motor cars and other motor vehicles principally designed for the transport.....		297.3	311.9	296.0	6.5	6.7	6.2 thsd	US\$/unit 781
8802 Other aircraft (for example, helicopters, aeroplanes); spacecraft.....		438.9	157.4	305.4	10.7	3.2	3.2 mln	US\$/unit 792
7208 Flat-rolled products of iron or non-alloy steel.....		228.8	315.3	213.9	0.7	1.0	0.6	US\$/kg 673
3004 Medicaments (excluding goods of heading 30.02, 30.05 or 30.06).....		187.4	236.5	233.7	20.7	23.0	26.1	US\$/kg 542
1005 Maize (corn).....		16.3	96.3	439.6	0.2	0.4	0.3	US\$/kg 044
1001 Wheat and meslin.....		144.2	201.3	179.3	0.3	0.4	0.2	US\$/kg 041
8704 Motor vehicles for the transport of goods.....		170.9	163.9	139.1	14.4	14.2	15.8 thsd	US\$/unit 782