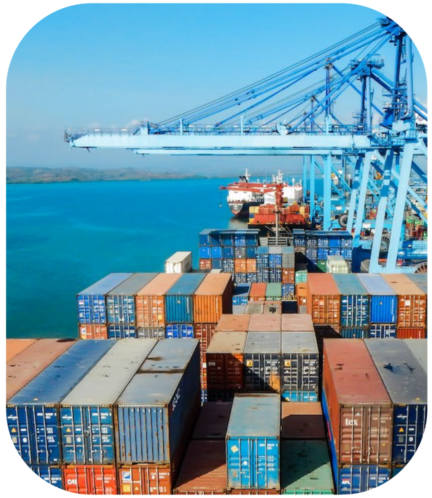
Market Research Report

THE CONSTRUCTION & INFRASTRUCTURE SECTOR IN KENYA 2025



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NOVEMBER 2025

ITALIAN TRADE AGENCY
ICE - Italian Trade Commission
Trade Promotion Office of the Italian Embassy

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LIST OF ABBREVIATIONS

AAK – Architectural Association of Kenya

AHP – Affordable Housing Programme

ARM – Athi River Mining

BIM – Building Information Modeling

BRT – Bus Rapid Transit

CCCC – China Communications Construction Company

CE – Conformité Européenne (European Conformity)

CIF – Cost, Insurance, and Freight

CRBC – China Road and Bridge Corporation

CSR – Corporate Social Responsibility

EAC – East African Community

EPZ – Export Processing Zone

FDI – Foreign Direct Investment

GDP – Gross Domestic Product

HS – Harmonized System (trade classification)

IDF – Import Declaration Form

IEK – Institution of Engineers of Kenya

IoT – Internet of Things

IQSK – Institute of Quantity Surveyors of Kenya

ISO – International Organization for Standardization

JKIA – Jomo Kenyatta International Airport

KABCEC – Kenya Association of Building and Civil Engineering Contractors

KEBS – Kenya Bureau of Standards

KeNHA – Kenya National Highways Authority

KIPPRA – Kenya Institute for Public Policy Research and Analysis

KMRC – Kenya Mortgage Refinance Company

KNBS – Kenya National Bureau of Statistics

KPA – Kenya Ports Authority

KRA – Kenya Revenue Authority

KURA – Kenya Urban Roads Authority

LEED – Leadership in Energy and Environmental Design

MGR – Meter Gauge Railway

NCA – National Construction Authority

ODA – Official Development Assistance

PPP – Public-Private Partnership

PVoC – Pre-Export Verification of Conformity

SEZ – Special Economic Zone

TBD – To Be Determined

UN-Habitat – United Nations Human Settlements Programme

VAT – Value Added Tax

WASH – Water, Sanitation, and Hygiene

1. MACROECONOMIC PROFILE FOR 2024

GDP (Nominal)	$125 BILLION
GDP Growth Rate	4.5%
Inflation Rate	4.1%
Population	55.3 MILLION
FDI Inflows	$1.2 BILLION
Construction/Infrastructure Sector Contribution to GDP	5.4%
Total Exports to World	$8.2 BILLION
Exports to Italy	$75.6 MILLION (RANK 21)
Total Imports from World	$20 BILLION
Imports from Italy	$163.4 MILLION (RANK 24)
Construction Machinery Imports (HS 8474)	€53.96 MILLION (2024)
Pumps/Liquid Equipment Imports (HS 8413)	€54.76 MILLION (2024)

2. SECTORIAL OVERVIEW OF THE CONSTRUCTION INDUSTRY

2.1 Core Sector Performance Metrics (2020-2024)

METRIC	2020	2021	2022	2023	2024
Market Size	KSh 750.2B	KSh 849.4B	KSh 953.8B	KSh 955.0B	KSh 1,003.5B
GDP Contribution	7.0%	7.1%	7.1%	7.2%	7.0%
Annual Growth Rate	10.1%	6.7%	4.1%	4.8%	-2.9%
Total Employment ('000)	221.5	226.5	231.7	235.4	238.5
Cement Consumption (M tonnes)	7.38	9.10	9.46	9.69	9.95
Govt Road Expenditure (KSh B)	190.4	177.1	191.4	196.2	205.0
Housing Budget (KSh B)	27.2	14.1	19.0	22.5*	25.0
Construction Cost Index (base 100)	106.06	106.12	113.65	116.54	118.2

Sources : KNBS Economic Survey 2024, Kenya Quarterly GDP Reports Q1-Q4 2024, Trading Economics Kenya Construction Data, World Bank Kenya Economic Update 2024

Key Outlook:

- High financing costs (16.68% T-Bill yields, 13.42% interbank rates) constraining private investment
- Recovery projected for 2025 (5.0-5.4% GDP growth) driven by affordable housing pipeline and infrastructure completion
- Material costs stabilizing but remain elevated vs 2019 baseline
- Employment growth steady despite sector volatility

2.2 Major Completed & Ongoing Projects 2022-2024

PROJECT	SCALE	COST	STATUS	CONTRACTOR
Nairobi Expressway	27.4 km	KSh 72.8B	Operational (2022)	CRBC (China)
Western Bypass	19.3 km	KSh 17.6B	Completed (2023)	CRBC
Mukuru Affordable Housing	13,248 units	-	Under Construction	Government/Multiple
Eastern Bypass Dualling	26.8 km	KSh 12.5B	30% complete	CCCC (China)
Ngong Road Dualling	11.0 km	KSh 2.4B	91% complete	Quinjian International
MGR Rehabilitation	139.2 km	-	70% complete	Multiple
Nairobi BRT System	Multi - county	-	Planning phase	TBD
Nairobi Railway City	425 acres	-	Master plan stage	TBD
Konza Technopolis (Smart City)	5,000 acres	KSh 90B (USD $696M invested)	Active Development - 75% plots committed	South Korea, China, Italy, Others

Sources: Kenya National Highways Authority (KeNHA), Kenya Urban Roads Authority (KURA), State Department for Housing, HUD International Report Dec 2024, Konza Technopolis Development Authority (KoTDA) 2024.

Konza Technopolis Project Brief

- Kenya's flagship smart city, 64 km south of Nairobi, 5,000 acres, Special Economic Zone, 75% plots committed
- Major projects: USD $284.1M Digital Media City (South Korea, 2024-2027), KAIST Campus (90% complete, May 2025 intake), Tier III National Data Centre
- Anchor tenants: KAIST, Open University of Kenya, Riara University, National Construction Authority

2.3 International Engagement & Import Dependencies

CATEGORY
Major Funders /Contractors

KEY PARTNERS
China, Japan, Italy, UAE, India

2023-2024 DATA
China: 24.5% of East African project funding

CATEGORY
Iron & Steel

KEY PARTNERS
India, China, Germany, Austria

2023-2024 DATA
1.49M tonnes (2023), $127.82M value

CATEGORY
Cement Clinkers

KEY PARTNERS
Egypt (59%), Others

2023-2024 DATA
682,450 tonnes (2023)

CATEGORY
Machinery

KEY PARTNERS
China (dominant), India, UAE

2023-2024 DATA
KSh 45.8B imports (Dec 2023)

CATEGORY
Ceramic Products

KEY PARTNERS
China (29%), India (20%), Spain (5%), Italy (4%)

2023-2024 DATA
111,813 tonnes total (2023)

CATEGORY
Italy's Role

KEY PARTNERS
Italy (Development aid, materials supply)

2023-2024 DATA
EUR 167.3M aid (2015-2023), 4,789 tonnes ceramics, 6th largest ceramic supplier

Sources: World Integrated Trade Solutions (WITS) 2023, KNBS Import Statistics 2024, Kenya Revenue Authority (KRA), KIPPRA Analysis 2023

Key Outlook:
- China dominance continues but diversification emerging with Japan, UAE, and European partners
- Italy positioned for growth in specialized ceramics, machinery, and green building technologies
- Import dependency high (60%+ for machinery, 40% for cement clinkers) creates supply chain vulnerabilities
- NCA regulations require foreign contractors to subcontract 30% to locals, supporting skills transfer
- Registration fee ($20,000 for foreign firms) and >KSh 5B project threshold protect local industry

3. INDUSTRY SEGMENTS & USAGE

3.1 Construction Sub-Sectors & Market Characteristics

SUB -SECTOR	MARKET SHARE/ACTIVITY	KEY SEGMENTS	PRIMARY USERS
Residential Construction	~35 -40% of sector	• Single-family homes • Apartments (multi-family) • Condominiums • Affordable housing units • Prefab/modular homes	Individual homeowners, Real estate developers, Government (affordable housing), Middle-income families
Commercial Buildings	~30 -35% of sector	• Office buildings • Shopping malls • Hotels & hospitality • Schools & universities • Healthcare facilities • Religious buildings	Private businesses, Retail companies, Educational institutions, Healthcare providers, Government ministries
Road Infrastructure	~20 -25% of sector KSh 196.2B budget	• National trunk roads (A, B, C) • Urban roads • Bridges & interchanges • Bypasses & expressways	KeNHA (Kenya National Highways Authority), KURA (Kenya Urban Roads Authority), County governments
Railway	~5% of sector	• MGR rehabilitation • Commuter rail systems • Freight rail	Kenya Railways, National government, Regional transport authorities
Industrial	~5% of sector	• Manufacturing plants • Warehouses • Power stations • Processing facilities	Manufacturing firms, Energy sector, Logistics companies, Industrial developers
Environmental	Growing segment	• Water & sanitation • Sewage systems • Waste management • Green buildings	County governments, WASH programs, Environmental agencies, CSR initiatives

Sources: National Construction Authority (NCA) Registry, KNBS Economic Survey 2024, Kenya Vision 2030 Progress Reports, KeNHA & KURA Project Databases

Key Outlook:

• Residential sector pressured by 2.3% Nairobi building value decline in 2024, signaling market saturation in high-end segment
• Affordable housing pivot critical as 60% of Nairobi's 5M+ residents live in informal settlements
• Road infrastructure remains dominant with consistent government allocation (KSh 196B+ annually)
• Green/environmental construction emerging driven by climate commitments and donor requirements
• Commercial sector cautious amid economic uncertainty, with non-residential completions down 3% in 2024

3.INDUSTRY SEGMENTS & USAGE

3.2 Usage Patterns & Target Markets

SEGMENT	PRIMARY USAGE	PRICING RANGE	FINANCING MODEL	2024 TRENDS
Social Housing	Low-income earners (<KSh 20,000/month)	KSh 1.0-1.5M	Rent-to-own (KSh 3,000-7,000/month, 20-30 years)	Mukuru : 13,248 units under construction
Affordable Housing	Middle-income (KSh 20,000-149,000/month)	KSh 1.5-3.5M	Affordable mortgages, Housing Fund	111,975 units in pipeline
Market-Rate Housing	Upper-income (>KSh 150,000/month)	KSh 4M+	Commercial mortgages, cash buyers	Slower growth in 2024
Commercial Real Estate	Businesses, institutions	Varies widely	Developer financing, PPPs, tenant pre-leasing	2.3% decline in Nairobi (2024)
Public Infrastructure	Transportation, utilities	Government contracts	Government budget, external funding, PPPs	KSh 196.2B roads budget

Sources: Affordable Housing Act 2024, State Department for Housing & Urban Development, Kenya Mortgage Refinancing Company, Boma Yangu Platform Data, Kenya Permanent Mission to UN-Habitat 2024

Key Outlook:

- Affordable Housing Levy (1.5%) implementation challenges: only 32.6% budget absorption in 2024/25 vs 86.8% in 2022/23
- Mortgage market underdeveloped with only 27,786 mortgages nationally (2022); government targets 1M under AHP
- Rent-to-own model gaining traction with payments as low as KSh 3,000/month making homeownership accessible

4. FOREIGN INVOLVEMENT AND ITALY'S ROLE & BILATERAL RELATIONS

Development Aid

Key Metrics

- EUR 167.3M (2015-2023)
- EUR 23.5M (2023)
- 72% growth since 2020

Construction Sector Impact

WASH infrastructure, healthcare facilities, Korogocho slum upgrade

Trade Balance

Key Metrics

- Italy exports: KES 9.4B
- Kenya exports: KES 3.4B
- 2.8:1 imbalance

Construction Sector Impact

Machinery (KES 35M), ceramics (4,789 tonnes), chemicals (KES 12M)

Construction Materials

Key Metrics

- 6th largest ceramic supplier
- 4.3% market share
- Premium positioning

Construction Sector Impact

Target: 7-8% share by 2026
Opportunity: 111,975 housing units p ipeline (EUR 15-25M)

Debt-for-Development

Key Metrics

- EUR 134M debt cancelled (2009)
- Converted to projects

Construction Sector Impact

Established trust model for tied aid effectiveness

Technical Cooperation

Key Metrics

- Konza Technopolis (2021)
- PPP framework support

Construction Sector Impact

Green building tech, architectural services, EU standards transfer

Sources: Italian Ministry of Foreign Affairs, Open Aid Italia 2024, WITS 2023, KNBS

5. IMPORT STATISTICS

5.1 Kenya Imports from World- Product Code 8474

Kenya Imports from _World								
Products: 8474,Machinery for selecting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances, in solid form, including powders and pastes; machines for agglomerating, shaping or modelling								
Calendar Year : 2022 - 2024								
Partner country	January - December (Value : EUR)			Market share (%)			Change 2024/2023	
	2022	2023	2024	2022	2023	2024	Amount	%
_World	88,251,448	50,803,506	53,961,745	100	100	100	3,158,239	6%
China	64,872,782	36,350,219	40,227,831	73.51	71.55	74.55	3,877,612	11%
India	18,111,838	9,271,785	8,361,087	20.52	18.25	15.49	-910,698	-10%
Italy	1,041,218	1,272,387	2,070,697	1.18	2.51	3.84	798,310	63%
Türkiye	983,888	168,677	839,015	1.12	0.33	1.56	670,338	397%
United Kingdom	365,919	328,627	472,742	0.42	0.65	0.88	144,115	44%
Swiss	6,535	0	388,051	0.01	0	0.72	388,051	0%
Germany	107,672	442,486	315,964	0.12	0.87	0.59	-126,522	-29%
Spain	45,916	99,795	286,988	0.05	0.2	0.53	187,193	188%
South Africa	184,671	393,258	260,849	0.21	0.77	0.48	-132,409	-34%
Portugal	227,604	8,567	243,541	0.26	0.02	0.45	234,974	2743%
Finland	0	19,173	111,373	0	0.04	0.21	92,199	481%

Key Data (2022-2024):

- Italy's exports: EUR 1.04M (2022) → EUR 2.07M (2024)
- Market share: 1.18% → 3.84% (more than tripled)
- Growth rate: +63% (2023-2024), fastest among top 10 suppliers.

5.2 Kenya Imports from Italy- Product Code 8474

Kenya Imports from Italy										
Products: 8474,Machinery for selecting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances, in solid form, including powders and pastes; machines for agglomerating, shaping or modelling										
Calendar year : 2022 - 2024										
Subheading SA	Description	Value in Euros			Market share (%)			Change 2024/2023		
		2022	2023	2024	2022	2023	2024	Amount	%	Rank
8474	Machinery for selecting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances, in solid, including powder or paste form; machines for agglomerating, shaping or modelling	1,041,218	1,272,387	2,070,697	100	100	100	798,310	62.74	3rd
847420	Machines and apparatus for crushing, grinding or pulverizing solid mineral materials	411,731	375,766	992,029	39.54	29.53	47.91	616,263	164	3rd
847431	Concrete mixers and other machinery for preparing cement (excl. those mounted on railway wagons or truck chassis)	148,823	101,726	300,332	14.29	8	14.5	198,606	195.24	4th
847410	Machinery and apparatus for selecting, screening, separating or washing solid mineral substances, whether or not in powder or paste form (excl. centrifuges and filter presses)	4,316	112,360	278,586	0.41	8.83	13.45	166,226	147.94	3rd
847480	Machines for agglomerating, shaping or moulding solid mineral fuels, ceramic pastes, cement, plastering materials or other mineral materials in powder or paste form; machines for forming foundry moulds of sand (excl. those for casting or moulding glass)	0	349,121	267,761	0	27.44	12.93	-81,360	-23.3	3rd
847490	Parts of machinery for working mineral materials of heading 8474, nes	476,349	258,772	231,989	45.75	20.34	11.2	-26,783	-10.35	4th
847439	Machinery and apparatus for mixing or kneading solid mineral substances, whether or not in powder or paste form (excl. concrete mixers and machinery for preparing cement, machines for mixing mineral substances with bitumen, calenders)	0	74,642	0	0	5.87	0	-74.642	-100	16th

Key Segment Outlook

- Crushing/grinding (847420): EUR 0.99M, +164%, 47.9% of exports
- Concrete mixers (847431): EUR 0.30M, +195%, 14.5% share
- Screening/washing (847410): EUR 0.28M, +148%, 13.5% share
- Three segments account for 76% of Italian exports

5. IMPORT STATISTICS

5.3 Kenya Imports from World- Product Code 8413

Kenya Imports from _World								
Products: 8413, Pumps for liquids, whether or not fitted with a measuring device (excl. those of ceramic materials, medical pumps for suction of secretions and medical pumps applied or implanted to the body); elevators for liquids (excl. pumps)								
Calendar year 2022 - 2024								
Partner country	January - December (Value : EUR)			Market share (%)			Change 2024/2023	
	2022	2023	2024	2022	2023	2024	Amount	%
_World	61,833,493	49,727,726	54,757,669	100	100	100	5,029,943	10.11
China	17,328,097	14,869,403	16,103,991	28	29.9	29.41	1,234,588	8.3
United States	7,223,652	3,882,826	8,696,307	12	7.81	15.88	4,813,481	124
India	9,530,328	7,851,308	7,388,690	15	15.79	13.49	-462,618	-6
Italy	7,963,667	6,051,990	5,998,478	13	12.17	10.96	53,512	1
Germany	3,006,804	2,072,901	3,376,281	5	4.17	6.17	1,303,380	62.88
Taiwan	1,513,088	1,934,340	1,534,478	2	3.89	2.8	-399,862	-20.67
Netherlands	511,332	133,694	1,306,244	1	0.27	2.39	1,172,550	877
Japan	840,526	700,520	1,223,871	1	1.41	2.24	523,351	75
South Africa	2,639,619	1,541,689	1,029,480	4.27	3.1	1.88	-512,210	-33.22
Brazil	661,050	2,243,137	919,622	1	4.51	1.68	-1,323,515	-59

Key Data (2022-2024):

- **Italy's exports:** EUR 7.96M (2022) → EUR 6.00M (2024)
- **Market share:** 13% → 10.96% (declining)
- **Growth rate:** -1% (2023-2024), slight contraction
- **Rank:** 4th largest supplier behind China (29.4%), USA (15.9%), India (13.5%)

5.4 Kenya Imports from Italy- Product Code 8413

Kenya Imports from Italy

Products : 8413, Pumps for liquids, whether or not fitted with a measuring device (excl. those of ceramic materials, medical pumps for suction of secretions and medical pumps applied or implanted to the body); elevators for liquids (excl. pumps)

Calendar year : 2022 - 2024

Subheading SA	Description	January - December (Value : EUR)			Market share (%)			Change 2024/2023		Rank
		2022	2023	2024	2022	2023	2024	Amount	%	
8413	Pumps for liquids, whether or not fitted with a measuring device (excl. those of ceramic materials, medical pumps for suction of secretions and medical pumps applied or implanted to the body); elevators for liquids (excl. pumps)	7,963,667	6,051,990	5,998,478	100	100	100	-53.512	-0.88	4th
841370	Centrifugal pumps other than those of subheadings 8413 11 and 8413 19 (excl. fuel, oil or coolant pumps for spark -ignition or compression -ignition engines and concrete pumps)	6,386,061	4,792,258	4,708,370	80.19	79.19	78.49	-83.888	-1.75	2nd
841381	Pumps for liquids other than those of subheadings 8413 11 and 8413 19 (excl. fuel, lubricating oil or coolant pumps for spark - ignition or compression - ignition internal combustion engines, concrete pumps, reciprocating or rotary displacement pumps)	573,927	276,204	390,364	7.21	4.56	6.51	114,160	41.33	5th
841319	Pumps having a measuring device or designed to accommodate such a device (excl. pumps for dispensing fuels or lubricants of the kind used in service stations or garages)	97,718	99,884	278,596	1.23	1.65	4.64	178,712	178.92	2nd
841391	Parts of liquid pumps, n.a	309,431	211,069	263,216	3.89	3.49	4.39	52,147	24.71	6th
841350	Reciprocating positive displacement pumps, other than those of subheadings 8413 11 and 8413 19 (excl. fuel, oil or coolant pumps for spark -ignition or compression -ignition engines and concrete pumps)	102,849	130,289	130,815	1.29	2.15	2.18	526	0.4	3rd
841330	Fuel, oil or coolant pumps for spark -ignition or compression - ignition engines	95,657	78,119	76,098	1.2	1.29	1.27	-2.021	-2.59	11th
841311	Pumps for dispensing fuels or lubricants, having a measuring device or designed to accommodate such a device, of the type used in service stations or garages	58,152	50,239	62,779	0.73	0.83	1.05	12,539	24.96	6th
841360	Rotary displacement pumps other than those of subheadings 8413 11 and 8413 19 (excl. fuel, oil or coolant pumps for spark - ignition or compression - ignition engines)	97,131	76,950	41,200	1.22	1.27	0.69	-35,749	-46.46	8th
841382	Liquid elevators (excl. pumps)	569	0	30,303	0.01	0	0.51	30.303	0	2nd
841320	Hand pumps other than those of subheadings 8413 11 and 8413 19	242,051	336,442	16,735	3.04	5.56	0.28	-319,707	-95.03	5th
841392	Parts of liquid elevators, nne	122	535	0	0	0.01	0	-535	-100	7th

Key Segment Outlook:

- Pumps with measuring devices (841319): EUR 0.28M, +179%, 4.64% share
- Other liquid pumps (841381): EUR 0.39M, +41%, 6.51% share
- Pump parts (841391): EUR 0.26M, +25%, 4.39% share

5.5 Kenya Imports from Italy- Product Code 3917, 6907 & 7308

Hs Code	Product Category	Kenya Total Imports (2024)	Italy's Performance (2024)	Top Italian Segments
3917	Plastic Pipes and Tubes	EUR 20.2M, +1.74% growth; Italy ranks 5th with EUR 901,868 (4.47% share)	EUR 901,868, +4.95% growth	PVC pipes (42.17%), reinforced tubes (19.54%), plastic fittings (14.78%)
6907	Ceramic Tiles	EUR 50.5M, +1.27% growth; Italy ranks 8th with EUR 971,972 (1.93% share)	EUR 971,972, - 10.48% decline	Low absorption tiles (81.01%), medium absorption tiles (13.82%), finishing ceramics (4.06%)
7308	Iron/Steel Structures	EUR 45.5M, +42.77% growth; Italy ranks 3rd with EUR 1.22M (2.69% share)	EUR 1.22M, +265.95% growth	General structures (91.11%), doors/windows (4.95%), scaffolding (1.98%)

6. MARKET STRUCTURE & CUSTOMS PROCEDURES

6.1 Market Structure & Key Players

Local Contractors (NCA-8)

PLAYERS

- Cementers Ltd
- H Young & Co
- Associated Construction
- Epco Builders
- SS Mehta & Sons

MARKET CHARACTERISTICS

- Projects <KSh 5B
- Protected by NCA regulations
- 30% mandatory subcontracting from foreign firms

Foreign Contractors

PLAYERS

- CRBC (China) - Expressway, Western Bypass
- CCCC (China) - Eastern Bypass
- China Wuyi - James Gichuru-Rironi
- Quinjian International

MARKET CHARACTERISTICS

- Projects >KSh 5B only
- $20,000 NCA registration
- Must prove expertise abroad
- 70%+ of large public projects

Material Suppliers

PLAYERS

- Local: Bamburi Cement, ARM Cement, Devki Group
- Imports: China (29% ceramics), India (20%), Italy (4.3%)

MARKET CHARACTERISTICS

- Cement: 9.69M tonnes (2023)
- Clinker deficit: 3.3Mta (40%)
- High import dependency

Professional Services

PLAYERS

- AAK (Architects)
- IQSK (Quantity Surveyors)
- IEK (Engineers)

MARKET CHARACTERISTICS

- Mandatory local registration
- Foreign professionals need 1-year local experience

Financing Institutions

PLAYERS

- Commercial banks (KSh 589.3B loans 2023)
- Kenya Mortgage Refinance Co
- Affordable Housing Fund
- Development partners

MARKET CHARACTERISTICS

- High interest rates: 16.68% (T-Bills)
- Only 27,786 mortgages nationally
- 1.5% Housing Levy since March 2024

Sources : National Construction Authority Registry 2024, KNBS Economic Survey 2024, Kenya Mortgage Refinance Company, Industry Associations (KABCEC, AAK, IQSK)

6.2 Import Procedures & Requirements for Construction Materials

STEP	REQUIREMENT	TIMELINE	KEY DETAILS
1. Import Declaration	• Submit IDF (Import Declaration Form) Via KRA iTax/Simba system • HS Code classification	1-2 days	Key HS Codes: • 8474: Machinery for processing minerals • 8413: Pumps & liquid elevators • 8429: Bulldozers, excavators • 8430: Earth-moving machinery • 6907-6908: Ceramic tiles
2. Documentation	• Commercial invoice • Bill of Lading/Airway Bill • Certificate of Origin • KEBS Pre-Export Verification (PVoC) • Import permit (where applicable)	1-2 days	PVoC mandatory for regulated products Failure = port detention + fines
3. Duties & Taxes	• Import duty: 0-25% (varies by HS Code) • VAT: 16% • IDF levy: 3.5% (suspended for some materials) • Railway Development Levy: 2%	1-2 days	Example (Ceramics): • Duty: 25% • VAT: 16% • Total: ~45% of CIF value
4. Customs Clearance	• Physical inspection (random or triggered) • Release order from KRA	1-2 days	Port storage: $10-15/day after 3 free days Mombasa or JKIA entry points
5. NCA Compliance	• Register imported machinery with NCA • Safety certifications (CE, ISO)	1-2 days	Foreign contractors: Must itemize all equipment imports

Total Timeline: 7-15 days (expedited) to 20-30 days (with inspections/delays)

Sources: Kenya Revenue Authority (KRA), Kenya Bureau of Standards (KEBS), National Construction Authority, Kenya Ports Authority

6. MARKET STRUCTURE & CUSTOMS PROCEDURES

6.3 Duty Rates for Key Construction Materials

Cement
HS CODE: 2523
Import Duty : 10%
Total Tax Burden: ~30% (with VAT, levies)
Note : Local production protected

Iron & Steel
HS CODE: 7208-7216
Import Duty :0-10%
Total Tax Burden: ~25-30%
Note : Varies by product form

Cement Clinkers
HS CODE: 252310
Import Duty : 0% (duty-free)
Total Tax Burden: ~20% (VAT + levies)
Note : Egypt supplies 59% duty-free

Construction Machinery
HS CODE: 8429-8430
Import Duty : 10%
Total Tax Burden: ~30%
Note : Depreciation allowed for temporary imports

Ceramic Tiles
HS CODE: 6907-6908
Import Duty : 25%
Total Tax Burden: ~45%
Note : High protection for local industry

Pumps & Equipment
HS CODE: 8413
Import Duty : 10%
Total Tax Burden: ~30%
Note : Industrial equipment category

Hand Tools
HS CODE: 8201-8205
Import Duty : 25%
Total Tax Burden: ~45%
Note : High duty to protect local assembly

Exemptions Available:

- **EPZ/SEZ manufacturers: Duty exemption on inputs**
- **Government projects: Case-by-case exemptions (requires Treasury approval)**
- **Temporary imports: Carnet system for equipment (deposit refunded on re-export)**

Sources:
Kenya Revenue Authority Tariff Book 2024, East African Community Common External Tariff, KEBS Import Regulations

7.EMERGING TRENDS AND OPPORTUNITIES FOR ITALY

SECTOR	MARKET VALUE	ITALY'S EDGE	ENTRY PATHWAY
Premium Ceramics	EUR 20-30M *Mukuru: 13,248 units* *Pipeline: 111,975 units*	*Design excellence* *20+ year lifecycle* *6th supplier (4.3% share)*	*Partner with NCA contractors* *Target Mukuru tenders (Q2 2025)* *Vendor financing advantage*
Green Building	EUR 10-15M *Vision 2030 mandates* *LEED certifications +15%/year*	*EU standards expertise* *Energy -efficient systems* *Carbon -neutral tech*	*Leverage EUR 23.5M ODA for demos* *Konza Technopolis partnership*
Prefab/Modular	EUR 50-80M *250,000 units/year target* *200,000 unit deficit*	*Advanced prefab tech* *Rapid deployment* *Quality control*	*Technology licensing to locals* *Joint Venturefor Affordable Housing Act*
WASH (ODA -tied)	EUR 25 - 30M/year *60% Nairobi lacks sanitation* *Urban growth to 50% by 2050*	*EUR 167.3M delivered (2015 -2023)* *Treatment plant tech* *Trust established*	*Expand existing programs* *Nairobi metro + secondary cities*
Smart Construction	EUR 3 - 5M *BI M mandatory >KSh 1B projects* *Digitalization push*	*BIM software/training* *IoT monitoring* *Project management*	*Training for NCA contractors* *Consultancy to KeNHA/KURA*

8.SOME OF THE ITALIANS BRANDS IN KENYA

01 Engineering & Construction Services

ICM (Impresa Costruzi-oni Giuseppe Maltau-ro), Webuild Group, Cospin & Nurovi, Technital S.p.A.

02 Construction Equipment & Machinery

Polieri Italy, Lino Sella World, Officine Iori, Telwin, CIFA, SIMEM, FIAT (CNH Industrial), SAME Deutz-Fahr

03 Pumps & Water Systems

Pedrollo, DAB Pumps, Lowara (Xylem)

04 Building Materials & Finishes

San Marco, Tegola Canadese, Mapei, Kerakoll, Fila Solutions

05 Ceramic Tiles & Sanitaryware

Milano Italia, Atlas Concorde, Marazzi, Kariba, Ideal Standard, Gessi, Refin Ceramiche

06 Distribution & Import

Italbuild Group

07 Energy & Infrastructure

Eni

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