



Press Release

Nairobi, 24.06.2026

**FOR IMMEDIATE RELEASE**

**GERMAN COMPANIES CONFIRM KENYA'S CONTINUED ROLE AS A REGIONAL HUB FOR EAST AFRICA,  
WORLD BUSINESS OUTLOOK SURVEY REVEALS**

The AHK World Business Outlook for spring of 2026 has been recently released by the Delegation of German Industry and Commerce for Eastern Africa (AHK Eastern Africa). This semi-annual survey among German companies abroad is conducted across all AHK offices globally.

Nairobi, June 2026 – “German Companies in Kenya report solid business performance and above-average optimism compared to global peers, according to the latest AHK World Business Outlook Spring 2026 survey. At the same time, firms remain cautious, with many expecting stable rather than accelerating growth. German companies are looking to solidify their positioning in the Kenyan market.” Ms. Dagmar von Bohnstein – Delegate of German Industry and Commerce

The survey shows that 52.7% of companies assess their current business situation as satisfactory, while 40% report a good situation and only 7% a poor one, reflecting a strong overall position.

Looking ahead, 50.9% of companies expect their business performance to remain unchanged, while 41.8% anticipate improvement. This indicates that companies are cautiously optimistic, with a clear expectation of continued stability in the Kenyan market.

Kenya continues to demonstrate resilience, with firms maintaining confidence in their operations while taking a measured view of future growth.

Despite positive company-level sentiment, businesses take a more cautious view of the broader economy. A majority expect economic conditions to remain unchanged, while 25% foresee deterioration, resulting in a slightly negative overall outlook. This reflects global uncertainties rather than Kenya-specific weakness.

Investment plans remain moderately positive, with around one-third of firms planning to increase spending. Notably, more than a third of companies also plan to increase local investment and inventory, signalling efforts to strengthen market presence and resilience.

Employment expectations, however, remain flat, suggesting that companies are prioritising consolidation and efficiency over expansion in the near term.

The main business risks identified are energy prices and supply chain disruptions.

These factors continue to shape business decisions and reflect global cost pressures affecting operations in Kenya.

On the other hand, skilled labour shortages, legal uncertainty and infrastructure are seen as relatively low risks.

This points to several structural strengths in the Kenyan market:

- Human capital is considered adequate to meet business needs
- Legal certainty reflects confidence in the independence of the judiciary, which is critical for business continuity
- Continued government investment in infrastructure, including new transport corridors, has reduced concerns in this area

The ongoing Middle East conflict is primarily affecting companies through supply chain disruptions and rising input costs. Interestingly, staff movement was not a major issue, pointing to new alternative routes and the stability of expats in Kenya.

These external shocks highlight Kenya's integration into global trade flows and its exposure to international developments.

In response to these challenges, companies are adapting their strategies by expanding supplier networks and increasing inventories

German companies, in particular, continue to play an active role in strengthening local manufacturing capacity, helping to mitigate supply chain risks.

Importantly, around 85% of companies are not planning to relocate operations, underlining Kenya's continued role as a regional hub for East Africa.

Kenya remains a key regional hub with solid fundamentals, where companies are committed to the long term while carefully navigating cost pressures and global risks.

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### **About the Delegation of German Industry and Commerce for Eastern Africa**

The Delegation of German Industry and Commerce for Eastern Africa (AHK) fosters positive bilateral business relations between German and Eastern African companies. As part of the worldwide network of 150 AHK offices in over 90 countries worldwide, coordinated by the German Chamber of Commerce (DIHK), the AHK is the voice of German industry in the region and assists companies and partner organizations in growing bilateral trade and investments with a variety of services. It is also the secretariat of the German Business Association Kenya, with presently 172 members.

For complete Kenya results below:

[German Version](#) | [English Version](#)

### **For clarifications and questions, please reach out to**

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