



SEND MONEY & INVEST IN KENYA

A Practical Guide
to Remittances
and Investments
for the Kenyan
Diaspora

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ACRONYMS

AIR – African Institute for Remittances

CBK – Central Bank of Kenya

CDA – Central Depository Agent

CDSC – Central Depository and Settlements Corporation

CDS – Central Depository System

CSD - Central Securities Depository

CMA – Capital Markets Authority

FCDO – Foreign, Commonwealth and Development Office

IOM – International Organization for Migration

KIA – Kenya Investment Authority

LLP – Limited Liability Partnership

MNO – Mobile Network Operator

MTO – Money Transfer Operator

NSE – Nairobi Securities Exchange

ODA – Official Development Assistance

TCC – Total Cost of Credit

UFAA – Unclaimed Financial Assets Authority

BETA – Bottom-up Economic Transformation Agenda

DIIMS – Diaspora Integrated Information Management System

FDI – Foreign Direct Investment

GoK – Government of Kenya

SDDA – State Department for Diaspora Affairs

SDGs – Sustainable Development Goals

SIR – Savings, Investment and Remittances

REIT – Real Estate Investment Trust

RSP – Remittance Service Provider

DEFINITION OF TERMS

- **Remittances:** Broadly defined as the cross-border person-to-person, recurrent monetary transfers that migrants or members of the diaspora make to their country of origin – typically personal, voluntary cash or in-kind transfers sent to their families to support critical household consumption needs, savings, investment, or donations (IOM), to contribute to socio-economic development and poverty reduction (UN, AIR, ITU) and as a key source of foreign exchange and development finance (GoK)
 - **Diaspora:** Individuals and members or networks, associations and communities, who have left their country of origin, but maintain links with their homelands (IOM), and who are willing to contribute to the development of the continent and the building of the African Union (Africa Union). Kenyan diaspora are foreign citizens of Kenyan origin or descent or Kenyan citizens who hold a Kenyan passport and/or have dual citizenship and reside outside the country whether for employment, business, vocation, education or any other purpose (GoK)
 - **Migrant:** A migrant is any person who moves away from their usual place of residence—whether across international borders or within a country—regardless of the reason for the move or their legal status (IOM); an individual who changes their country of usual residence for a period of at least 12 months for reasons such as work, study, or family (UK Government) or a Kenyan citizen residing abroad (non-resident Kenyans) and a person of Kenyan origin (a foreign citizen of Kenyan descent) who has moved away from Kenya, irrespective of the duration or purpose of their stay (GoK).
 - **Money Transfer Operator (MTO):** These are entities (often non-deposit-taking) that provide remittance services. An official definition would specify their regulatory framework, operational scope, and the difference from formal banking institutions.
 - **Informal Money Transfer Channels:** This term encompasses non-regulated or semi-formal mechanisms (e.g., hawala) for transferring funds, often characterised by lower costs but higher risks, necessitating clear definitions for consumer protection.
- Remittance Service Provider:** RSPs enable remittances through calculating charges, complying with relevant regulatory requirements and connecting markets across borders through relevant messaging.
- Diaspora Investment:** Beyond remittances, this term refers to the financial contributions that migrants make towards the economic growth development of their home country, including direct investments in stocks and securities, business ventures, and philanthropy.
- Exchange Rate Margin:** A technical term describing the difference between the mid-market exchange rate and the rate offered by remittance service providers, which can significantly affect the final amount received.
- KYC (Know Your Customer) / Customer Due Diligence (CDD):** These regulatory processes ensure the identity verification of customers in financial transactions, and their precise definitions are crucial for both compliance and consumer awareness.
- Asset Tracing:** In the context of migration and remittances, this term might refer to the process of identifying and recovering financial assets left behind in the home country, often involving complex legal and financial procedures.
- Investment:** A portion of funds sent by migrants that is allocated toward long-term wealth creation and economic growth, rather than for immediate consumption or basic needs.
- Kenyan Mission Abroad:** The entirety of the Government of Kenya's official representation in a foreign country. A Kenyan Mission Abroad functions under the supervision of an Ambassador/High Commissioner.
- Kenyan High Commission:** Kenyan Mission in a Commonwealth country.
- Kenya Embassy:** This is a Kenyan Mission in a non-Commonwealth country.
- Kenya Consulate:** An office established in an important city in another country for the purpose of supporting and protecting Kenyan citizens traveling, residing and working there. They also perform other important administrative duties like issuing visas to other nationals wishing to travel to Kenya as well as promoting Kenya's exports and other commercial activities.

ACKNOWLEDGEMENTS

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The contents of the booklet were made possible by the commitment and contributions of various individuals and organizations. Special thanks go to:

- The International Organization for Migration (IOM) Kenya, specifically the Head of Country Office, Deputy Chief of Mission, the Senior Project Manager of Labour Mobility, and Protection Unit
- Representatives from the Ministry of Foreign and Diaspora Affairs, State Department of Diaspora Affairs
- Government Agencies, the Central Bank of Kenya, Capital Markets Authority.
- Multilateral international agencies, Kenyan diaspora, as well as individuals from the private sector who provided the information contained in this booklet.
- DTB Bank, GSMA, KCB Bank, KenInvest, Safaricom PLC, The African Institute for Remittances (AIR), WorldRemit for their inputs.

METHODOLOGY

This booklet is an updated version of the previous version, last published in 2017. The contents have been reviewed, revised and updated with new information and data from various sources including desk study from trusted secondary sources, both public and provided and verified by the stakeholders. Primary information and data was collected through surveys and in-depth interviews. Various stakeholders were targeted in the remittance space, including: remittance senders and beneficiaries, financial institutions, remittance service providers, Mobile Money Operators, retail networks, policy and regulatory bodies, and international organizations, diaspora associations, private sector companies and remittance experts.

USING THIS BOOKLET

This booklet is intended for digital use on a computer, tablet or mobile phone. In it are some live links leading to outside websites. Below are some tips that will enhance your experience while using the booklet:



Call to action icons: These icons have been used in various sections of the booklet. When you click on the icon or text it will open an external link to a website, download an app or watch a video. We encourage you to take action and practice some of the tips suggested in this booklet and share the work with your diaspora community



Infographics have been used in some sections to explain steps concisely, make the topics more practical and enhance your reading experience.



Stories shared are fictional and do not represent any persons in real life, but only to give some practical examples of some common experiences of Kenyans abroad and to encourage positive actions.

FOREWORD

The Government of Kenya has long acknowledged the diaspora's vital role in economic growth, as reflected in key national policies, such as the country's development blue print Vision 2030, which recognizes diaspora's crucial role as a major enabler of economic growth. Additionally, the Kenya Diaspora Policy and the Foreign Policy underscore the significance of government's engagement with the Kenyan Diaspora which is aptly described as the 48th County of Kenya.

Initiatives of the State Department for Diaspora Affairs, particularly the mainstreaming of Kenyan diaspora into the national development process, align directly with the Government's Bottom-Up Economic Transformation Agenda (BETA) that aims to transform the country into a middle-income industrial power. These initiatives have contributed to remittances increasing from USD 4.02 billion in 2022, to USD 4.94 billion in 2024. However, the figures may be much higher as many transfers occur through informal channels. Beyond their direct contribution to national development, the unique strength of remittances lies in their ability to bypass bureaucratic barriers and slow disbursement processes, enabling direct support to locally led initiatives. This direct channel of support not only ensures efficient resource delivery, but also enhances resilience in education, health and supports rural economies.

In this regard, the Government of Kenya extends its gratitude to the Kenyan Diaspora for their continued support to the development of the country through remittances. Through the State Department for Diaspora Affairs, Government of Kenya recognizes and values this immense contribution, and remains committed to creating an enabling environment that facilitates seamless remittance flows from our Diaspora. In alignment with this commitment, the State Department welcomes the development of the Digital Remittance Booklet, tailored for the 4 million members of the Kenyan Diaspora.

The State Department for Diaspora Affairs also expresses its gratitude to the International Organization for Migration (IOM) Kenya for its steadfast partnership in advancing diaspora initiatives. We acknowledge the Savings, Investments and Remittances Division within the State Department as well as other stakeholders whose immeasurable contributions have shaped the development of this booklet.

It is our sincere hope that this booklet provides valuable insights into the state of remittances in Kenya, showcasing their transformative impact on economic and social development. The Diaspora remains an integral pillar of our nation's progress and we reaffirm our commitment to strengthening our collaboration for a prosperous and inclusive future.



Roseline Kathure Njogu, CBS
Principal Secretary
State Department of Diaspora Affairs
Ministry of Foreign and Diaspora Affairs



MESSAGE FROM CHIEF OF MISSION, IOM KENYA

The Kenyan diaspora, particularly in the United Kingdom, plays a pivotal role in Kenya's socio-economic development, with remittances serving as a lifeline for families and a driver of national progress. The funds sent home not only support daily living expenses but also contribute to education, healthcare, housing, and investment opportunities, ultimately fostering financial security and economic growth. As remittances continue to rise, they present a unique opportunity to build sustainable wealth, strengthen financial resilience, and shape Kenya's future.

Despite these benefits, many Kenyans abroad face financial management challenges, including high transaction costs, fraud risks, and difficulties in accessing reliable investment opportunities. Traditional remittance methods often come with long delays and unnecessary fees, reducing the full impact of hard-earned money. Meanwhile, a lack of financial literacy and investment knowledge prevents many from fully leveraging their income for long-term prosperity. However, the emergence of digital remittance platforms—including mobile money, fintech solutions, and bank-led digital services—has transformed how money is sent, managed, and invested across borders. These platforms offer faster, safer, and more cost-effective alternatives, empowering the diaspora to support their families while growing their financial portfolios in Kenya.

This digital booklet is designed as a practical guide for the Kenyan diaspora. It provides essential insights into remittance trends, financial management strategies, and smart investment opportunities in Kenya. Structured into four key sections—Kenya in the diaspora, a deep dive into remittances, managing finances from abroad, and investing in Kenya—this resource equips Kenyan migrants with the knowledge and tools needed to make informed financial decisions. Whether the diaspora are sending money home for family support, managing Kenyan assets remotely, or exploring real estate and business investments, this guide will help diaspora navigate their financial journey with confidence.

IOM extends its appreciation to the experts, financial institutions, and community leaders who contributed to this publication. Their insights have shaped a comprehensive and accessible resource that aligns with the evolving needs of the Kenyan diaspora. Most importantly, we the Kenyan migrant worker—for your resilience, commitment, and dedication to uplifting your families and communities back home. By embracing secure remittance solutions and sound financial practices, you are not only ensuring a brighter future for your loved ones but also contributing to Kenya's long-term economic success.

It is my sincere hope that this digital booklet be a guide to smarter remittances, better financial planning, and impactful investments in Kenya.



Dimanche Sharon (Ms.)
Chief of Mission
International Organization for Migration, Kenya



INTRODUCTION

Kenya's remittance landscape has undergone significant transformation since the last edition of this booklet in 2017. Remittances have become a critical lifeline for millions of Kenyan households and businesses, with funds from friends, relatives, and business associates abroad, playing a vital role in supporting daily expenses like household support, education, and healthcare.

The Kenyan diaspora is spread across the globe, with the United States, The United Kingdom, the Middle East, Europe, Asia, and Africa among the leading sources of remittances. The growth of diaspora remittances from these sources has been remarkable, reaching a record \$4.94 billion in 2024, more than double the \$1.94 billion recorded in 2017. This figure now accounts for over 4.5% of Kenya's GDP, surpassing Official Development Assistance (ODA) inflows.

Despite their economic significance, remittance costs in Sub-Saharan Africa remain among the highest in the world, averaging 7.9% per \$200 sent, well above the Sustainable Development Goal (SDG) target of 3%. Kenya's average remittance cost for the same amount is even higher at 8.34%, with banks being the most expensive channels.

Encouragingly, digital remittance solutions are proving to be significantly cheaper, coupled with increased competition. A recent training program aimed at encouraging UK-based Kenyans to adopt digital remittances resulted in a 45% cost saving among the participants, as average transfer fees dropped from 7.12% to 3.89%. Those who switched from cash-based transfers to digital saw their transfer costs plummet from 7.95% to just 1.81%, representing a remarkable 77% cost reduction.

This example highlights the transformative power of creating awareness and driving digital adoption, demonstrating how wider access to financial education can help Kenyans abroad save money and channel more funds into productive economic activities back home.

Globally, remittances have shown strong resilience despite economic uncertainties. Emerging trends such as the rise of digital platforms, the entry of fintech firms disrupting traditional models, and the impact of COVID-19 have reshaped how money is sent and received. In Kenya, mobile money has been a game-changer, allowing recipients—even in remote areas—to receive funds instantly. The evolving remittance market has brought more service providers, innovative financial solutions, and enhanced security, making it cheaper, faster, and more convenient to send money from abroad.

Recognizing the critical role remittances play in Kenya's economy, the government has intensified efforts to support Kenyans abroad by facilitating continuous dialogue, developing incentives for diaspora remittances, and securing employment opportunities overseas. Additionally, policies promoting diaspora investments in Kenya aim to encourage Kenyans abroad to not only send money home but also build financial security for themselves and their families through investment.

This booklet provides you with a practical guide to sending money and investing in Kenya so you can maximize your financial impact—safely, affordably, and confidently!

Click the topics below to jump to the different sections of the booklet:

LEARN ABOUT KENYA'S DIASPORA

[Global Reach](#) | [Contributions to Development](#) | [Government Support](#)

SEND MONEY TO KENYA

[Remittance Trends](#) | [Value Chain](#) | [Cost](#) | [Providers](#)

MANAGE YOUR FINANCES IN KENYA FROM ABROAD

[Opening and Managing Accounts](#) | [Making Payments Remotely](#)

INVEST IN KENYA

[Investment Options](#) | [Service Providers](#) | [Philanthropic Investment](#)

LEARN ABOUT KENYA'S DIASPORA

Global Reach | Contributions to Development | Government Support

The Government of Kenya defines a Kenyan diaspora as persons who become foreign citizens of Kenyan origin or descent, or non-resident Kenyans who hold a Kenyan passport, and/or have dual citizenship and reside outside the country for employment, business, vocation, education or any other purpose.

The Government of Kenya estimated the number of diaspora members at more than 4 million across the world. In contrast the United Nations Department of Economic and Social Affairs (UN DESA) estimates this number at 993,000. Although these figures range widely, attributed to varying definitions and data sources, the overall trajectory shows a steadily growth since pre-independence days, driven by factors such as pursuit for economic opportunities, education, marriage/family etc. In addition to this, the diaspora is now even more diverse and multigenerational, now including second-, third- and even forth-generation Kenyan migrants.

Kenya's diaspora is found in other African countries, the Americas, Asia, Europe, Australia, and the Middle East, as well as less traditional destinations such as the Caribbean and Pacific. The top destination countries for Kenyan emigrants include: the USA, Canada, the UK, Australia, Europe, the Gulf Cooperation Council (GCC) countries, and within Africa: South Africa, Uganda, Tanzania, Rwanda, South Sudan, Somalia and Botswana. In UK alone, there are more than 144,000 Kenyan-born migrants, making up almost 33% of Kenyans abroad (ONS, 2021)

Majority of these migrants offer their skills abroad in various sectors, including machine operation, security, driving, aviation, oil and gas, engineering, animal husbandry, law enforcement, domestic work, nursing, construction, caregiving, healthcare, hospitality, education, finance, and gardening. The ability of migrants to work and earn a wage has profound economic implications, particularly by giving them the ability to make remittances home. This plays a key role not only in Kenya's development, but also in strengthening transnational ties abroad.

Why Kenyans Leave for Abroad

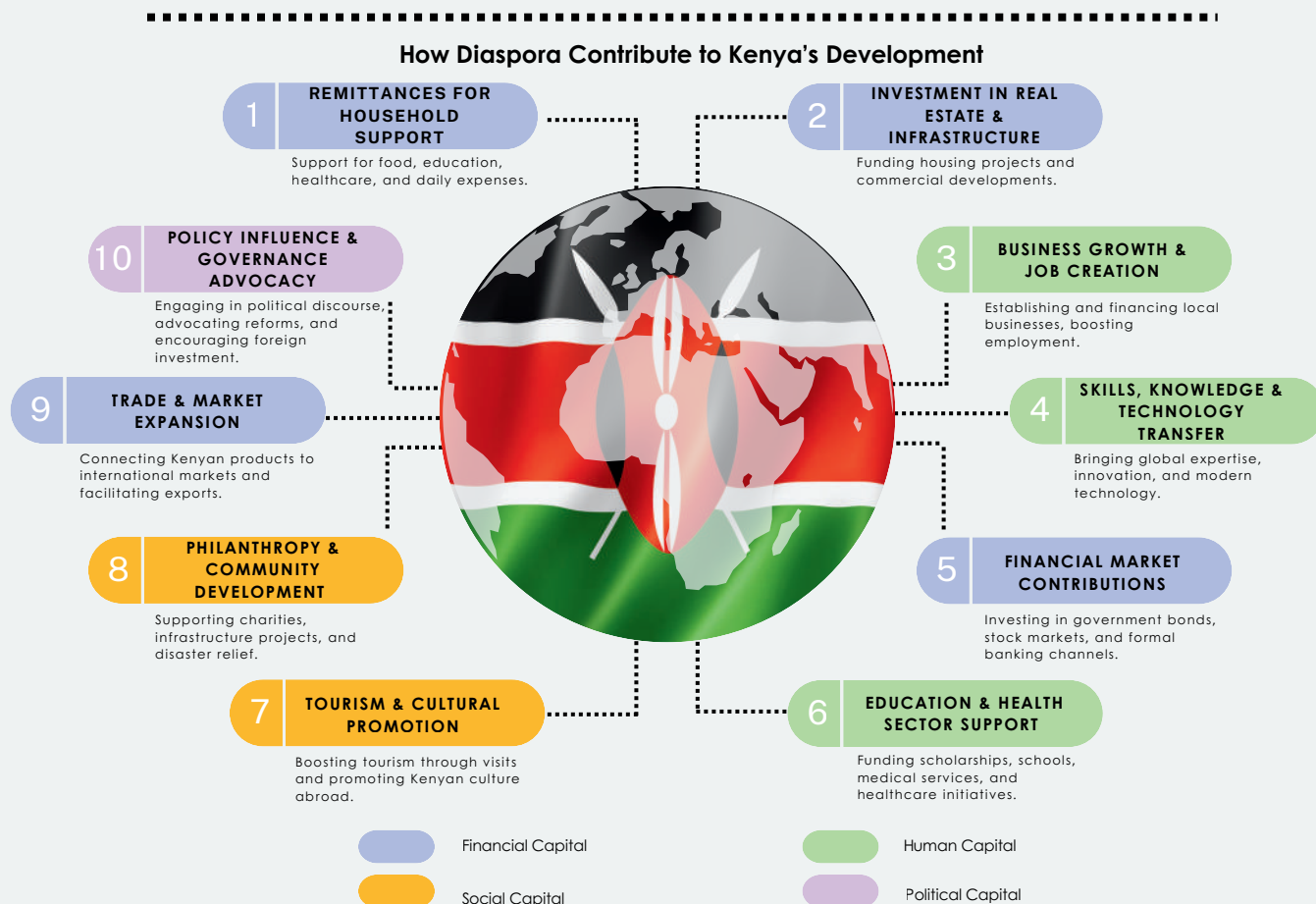
There are a number of reasons why people leave Kenya and become part of the diaspora, both pull (attractive conditions in destination countries) and push (conditions in Kenya that drive people to leave) factors. Leading reasons provided in a recent study by the Central Bank of Kenya are represented below.

Main Reason	Insights	Destination Countries
Employment	Kenyans seeking employment opportunities that require them to live abroad	East Africa and other African countries, Asia and Oceania
Education	Seeking higher education opportunities in universities and colleges outside Kenya	N. America, Oceania and Europe, Latin America & the Caribbean
Family and Social Networks	Kenyans drawn to join established family groups, mostly children joining parents or vice versa	Oceania, Latin America & the Caribbean, North America
Marriage & Personal Relationships	Marriage-related migration, reflecting social integration and relationship factors	Europe, North America, Rest of Africa, East Africa
Diplomatic / Official Assignment	State-mandated transfers, positions in international organizations, official postings	Rest of Africa, East Africa, Asia, Europe
Other Factors	Settlement, sports, religious and peace-keeping missions, seeking specialized healthcare, asylum	Latin America & the Caribbean, N. America, Europe, Oceania, E. Africa, Rest of Africa

Source: Central Bank of Kenya (2021): The Diaspora Remittances Survey December, 2021

CONTRIBUTION TO KENYA'S ECONOMIC DEVELOPMENT

The diaspora make a significant impact on a country's development through remittances, investment, philanthropy and skills' transfer. At a macro level, remittances help to reduce the country's current account deficit by increasing the amount of foreign exchange which further helps in reducing poverty, improving living standards, and driving development. At the micro level (that is, recipient household and family) they boost consumption and investment. Such invests include financial assets (savings, mortgages, pension schemes, life insurance, government securities and shares), farming, entrepreneurship, and real estate.



MEET NALO, A KENYAN MIGRANT WORKER IN DOHA



Nalo migrated to Doha, Qatar in 2015 as a construction worker. When he first moved to Doha, he set clear financial and investment goals: to put up a 3-bedroom family stone house in Machakos, take his 3 children through primary and secondary education and cover his aging parents' household and healthcare. He sends money to his wife's mobile money account monthly, which she receives instantly. They jointly invest in government securities, pension and life insurance. In 2020, Nalo completed his degree remotely, which helped him secure a new job as a retail store manager within a year. With a higher income, he is able to increase his remittances, which has enabled him to put up a residential flat next to his home. He hopes that this will earn him some residual income when he retires and returns home in 2030, and finance his children's university education.

GOVERNMENT POLICY AND SUPPORT FOR THE KENYAN DIASPORA

The Government of Kenya recognises the critical role played by over three million Kenyans in the diaspora in shaping the country's socio-economic development. Beyond being a key source of financial remittances, the diaspora contributes significantly through knowledge transfer, skills development, and foreign direct investments. In recognition of this, the State Department for Diaspora Affairs was established under Executive Order No. 1 of 2022 and 2023 to champion diaspora rights, welfare, and interests while ensuring their meaningful participation in national development.

Kenya Diaspora Policy 2024

The Diaspora Policy 2024 marks a renewed commitment by the Government to protect, engage, empower, and create prosperity for the Kenyan diaspora. The policy outlines a structured approach to addressing challenges faced by Kenyans abroad while maximizing their contribution to the country's development.

Key Objectives of the Policy:

- **Protection:** Safeguarding the rights, welfare, and interests of the Kenyan diaspora.
- **Investment & Technology Transfer:** Facilitating diaspora savings, remittances, investments, and the transfer of technology.
- **Collaboration & Partnerships:** Strengthening engagement between the government and diaspora communities.
- **Employment Opportunities:** Facilitating Kenyan job placements in the international labor market.

Framework for Diaspora Engagement:



Protect

Address labor disputes, mental health concerns, and consular issues; promote secure labor placements; work with the Ministry of Labour & Social Protection to uphold diaspora workforce rights.



Engage

Strengthen cultural and national identity through diaspora forums, investment conferences, webinars, and town hall meetings; facilitate diaspora participation in Kenya's electoral processes.



Empower

Create opportunities for employment and enterprise development; foster the development of an incentive framework to shift remittances from consumption to investment.



Prosper

Align with Vision 2030 to position Kenya as a globally competitive nation; enhance knowledge transfer, technology sharing, and diaspora-driven foreign direct investments.

Diaspora Policy

Kenya's Diaspora Policy integrates diaspora interests by encouraging their involvement in national growth. Under the Diaspora Diplomacy Pillar, the government is working to:

- Promote diaspora participation in national development.
- Facilitate efficient and timely consular services.
- Encourage Kenyans to tap into the global labor market.

Diaspora Investment Strategy (DIS) 2024-2027

The Diaspora Investment Strategy is the first of its kind in Kenya. It is designed to bridge the gap between remittances and investment by addressing the challenges that hinder diaspora contributions to Kenya's economic growth. Its strategic goals are:

- Building trust to encourage and increase diaspora investments.
- Developing investment options tailored for the diaspora.
- Enhancing awareness of investment alternatives in Kenya.
- Improving the business environment to facilitate easier investment.
- Ensuring the protection of diaspora investments.

Notably, diaspora remittances have been Kenya's largest foreign exchange earner since 2015, surpassing revenue from tourism, tea, coffee, and horticultural exports.

Tax and Financial Benefits for the Diaspora

To enhance financial awareness and compliance, the State Department for Diaspora Affairs, in collaboration with the Kenya Revenue Authority (KRA), has been conducting virtual tax webinars covering key areas such as:

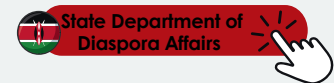
- Tax obligations for Kenyans abroad.
- Understanding double taxation agreements.
- Compliance with Kenyan tax laws and benefits for returning diaspora members.

Additionally, the government has increased the duty-free threshold for incoming passengers from USD 500 to USD 2,000, allowing diaspora members to bring in more goods without incurring additional duties.

The State Department for Diaspora Affairs: Enhancing Remittances and Investments for the Kenyan Diaspora

The SDDA has developed a strategic framework aimed at empowering, integrating, and actively engaging the Kenyan diaspora in national development. The 2023–2027 Strategic Plan outlines key initiatives to enhance diaspora services, strengthen partnerships, and maximise the impact of remittances and investments. Some of the key focus areas include:

- **Strengthening Remittance Channels & Reducing Costs** by advocating for lower transfer fees and better exchange rates. Efforts are also being made to improve financial literacy among diaspora members, ensuring they maximise the benefits of their remittances. To enhance security, transparency, and economic impact, the government encourages the use of formal remittance channels.
- **Promoting Diaspora Investments** through structured investment opportunities for Kenyans abroad, encouraging participation in Foreign Direct Investment (FDI) and diaspora savings programs, while also fostering business partnerships between the diaspora, county governments, and private sector players. To ensure remittances contribute to economic growth, incentives are being developed to shift funds from consumption to investments, particularly in real estate, agriculture, and small and medium enterprises (SMEs).
- **Facilitating Access to Job Markets Abroad** through the *Kazi Majuu* initiative to expand employment opportunities for Kenyans abroad. Additionally, the Diaspora Placement Agency Kenya (DPAK) will be established to connect skilled and unskilled Kenyan workers with international employers. To protect diaspora workers, the government is strengthening international labor agreements to ensure fair wages and safe working conditions.
- **Policy & Regulatory Framework for Diaspora Engagement** to safeguard diaspora interests and enhance their contribution to the national economy. Through strengthened diaspora diplomacy, Kenyan embassies and consulates will offer improved consular services, job placement assistance, and dispute resolution. The Diaspora Integrated Information Management System (DIIMS) is also being developed to centralise diaspora data, streamline service delivery, and enhance communication between the government and Kenyans living abroad.



Actions you can take



Leverage Employment & Business Opportunities

- Utilise *Kazi Majuu* and DPAK to access job markets abroad.
- Network with county governments and private sector entities for business partnerships and entrepreneurship opportunities.



Use Secure & Affordable Remittance Channels

- Compare remittance providers to ensure low-cost, high-security transactions.
- Participate in government sensitization programs on financial literacy and secure remittance channels.



Take Advantage of Tax & Duty-Free Benefits

- Stay updated on tax regulations and agreements that reduce your exposure to double taxation.
- Benefit from duty-free thresholds, now raised from USD 500 to USD 2,000 for returning diaspora members.



Invest in Kenya

- Explore investment opportunities in real estate, agribusiness, government bonds, and infrastructure projects.
- Engage with diaspora-focused financial products offered by banks and SACCOs.
- Participate in Diaspora Investment Conferences and business expos to identify emerging opportunities.



Stay Informed & Participate in Policy Making

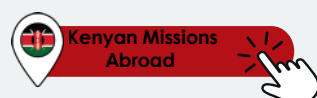
- Engage in government town hall meetings, webinars, and virtual discussions.
- Provide feedback to SDDA on taxation, remittance policies, and investment regulations.
- Utilize DIIMS (once operational) for access to government services, investment updates, and policy discussions.



KENYAN MISSIONS ABROAD

Kenyan Missions Abroad manage the consular affairs of Kenyans living, working, or traveling abroad. This includes the provision of consular services such as the issuance of documents (for example, passports, certificates of identity, emergency travel documents, certificates of no impediment to marriage, certificates of good conduct, legalisation of documents, and registration of Kenyans). Missions also provide advice and practical assistance to Kenyans abroad. Kenyan Missions Abroad report directly to the Ministry of Foreign Affairs. The Ministry manages and supervises the Missions, which are spread across six continents.

Click below to access the addresses of all Kenyan Missions abroad



SEND MONEY TO KENYA

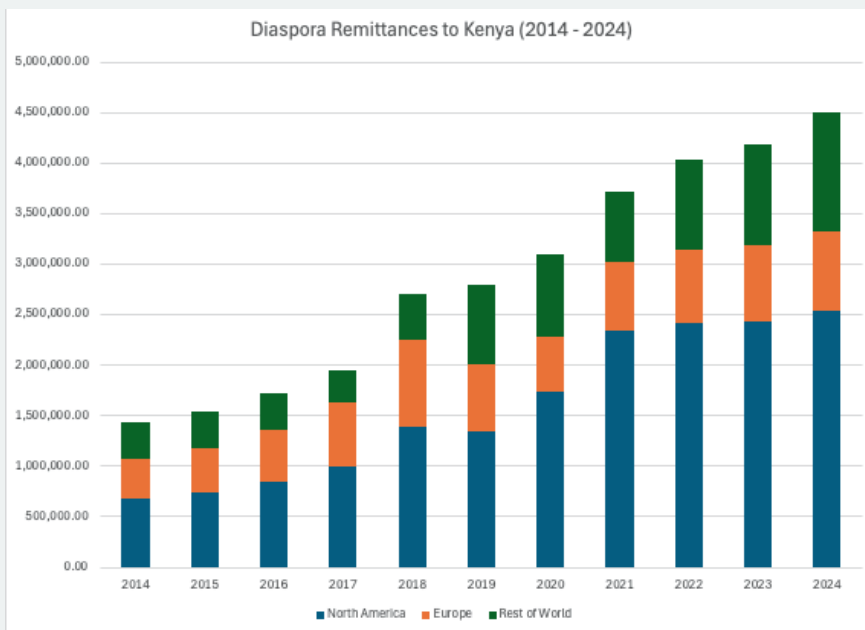
Remittance Trends | Remittance Value Chain | Costs | Providers

INTRODUCTION

Remittances are the funds that members of the diaspora send to support their families and communities back home. These money transfers play a crucial role in sustaining household needs, driving economic development, and even supporting long-term investments. With the remittance market continuously evolving, having a clear understanding of the various channels and service providers can help you save both time and money.

When you decide to send money, you have several options—from traditional money transfer organizations to modern mobile money platforms and online banking services. To make an informed choice, it is important to consider factors like the total cost of the transfer, speed of delivery, security, disbursement options, and the provider's customer support and exchange rate transparency.

In Kenya, remittances have become the largest source of foreign exchange, now surpassing Official Development Assistance (ODA). While official records by the Central Bank of Kenya indicate about US \$4.94 billion in remittances in 2024, actual inflows are likely much higher due to unrecorded transfers through informal channels. Top three remittance sources were USA, Saudi Arabia and United Kingdom, respectively, with the remittances from the UK totalling \$357 million, a 7% increase from 2023.



Source: Central Bank of Kenya Data (2024): [Diaspora Remittance Data](#)

Key Trend Drivers

Recent trends highlight a rapid evolution in the remittance market, driven by:

- Increased adoption of digital technologies, including mobile money and internet-based platforms.
- Strong competition among service providers, resulting in innovative, secure, and more affordable transfer options.
- Supportive laws and regulations, such as the Central Bank of Kenya licensing local money remittance providers.

This dynamic market means that, compared to decades past when sending money required accumulating large sums for infrequent transfers, people now send smaller amounts—sometimes as little as \$15 or \$20—more frequently. While this trend increases overall remittance flows, there is still a need to reduce the total cost of transfers in line with global targets, ensuring faster, more transparent, and diversified remittance channels. In an ideal world, remittance fees should be reduced in line with Sustainable Development Goals (SDG 10c), which calls for the reduction of remittance transaction costs to less than 3% by 2030, making these transfers more affordable for everyone involved.

By understanding these elements, you can make informed decisions when choosing a remittance provider, ensuring that your money reaches home quickly, securely, and at the lowest possible cost.



KENYA DIASPORA REMITTANCE TRENDS

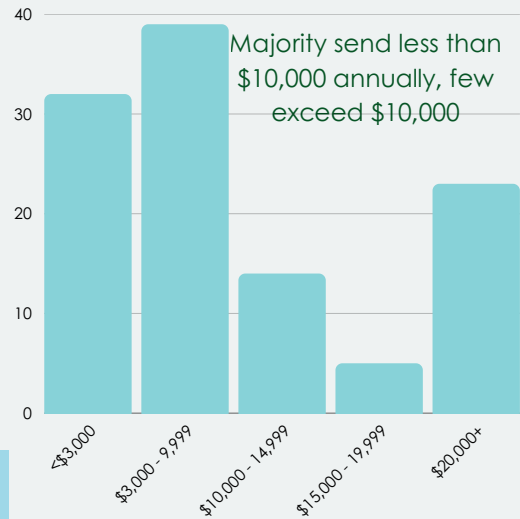
Insights into how Kenyans abroad support their families and contribute to Kenya's development

WHERE DO MOST REMITTANCES COME FROM?



Majority diaspora send the USA and Canada, Europe (UK and Germany) and the rest of Africa, followed by Oceania (Australia and New Zealand), Middle East and Asia

ANNUAL REMITTANCE VOLUMES

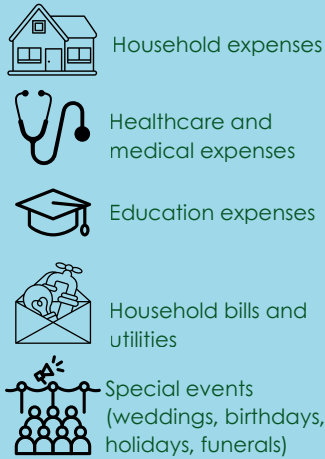


HIGH-VALUE TRANSFERS

High-value remittances often fund real estate, mortgage payments, and family needs



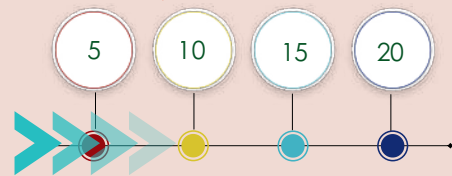
KEY REMITTANCE PURPOSES



FREQUENCY OF REMITTANCES



Those who have been abroad for less than 10 years tend to send money more frequently, maintaining strong family ties back home.



Source: Central Bank of Kenya (2021): Kenya Diaspora Remittances Survey, 2021

The Future of Remittances:

Current and future trends and technologies that will change the the face of remittances



Government Regulations and Policies are becoming more inclusive in supporting financial frameworks by streamlining licensing, encouraging fintech innovation, and ensuring consumer protection in the remittance sector.



Mobile Money Services are increasing financial inclusion, enabling affordable cross-border transactions, and aligning with SDG targets to lower remittance costs.



The shift to digital remittance channels lowers transaction costs, improves security, and expands access, particularly benefiting rural communities reliant on remittances.



Application Programming Interfaces (APIs) and Interoperability enable seamless integration between financial institutions and fintech companies, reducing friction and improving the efficiency of cross-border money transfers.



Open Banking facilitates direct account-to-account transfers, reduces costs, speeds up transactions, and improves compliance automation, enhancing customer convenience.



Artificial Intelligence (AI) streamlines remittance processing, enhances fraud detection, and personalizes user experiences. AI-powered advisory services can help Kenyans make informed decisions about remittances and investments in Kenya. Big Data analytics can be used to optimise pricing and detect market trends.



Blockchain and distributed ledgers can enhance the remittance process by providing transparency, reducing transaction costs, and ensuring secure cross-border payments by enabling digital currency transactions, offering flexible payout options, and eliminating intermediaries.



Cloud-based systems enhance scalability, reduce infrastructure costs, and improve resilience, enabling remittance providers to offer more reliable and competitive services.

The remittance space is a dynamic ecosystem that continues to evolve as new technologies and players reshape the remittance market. These advancements hold the potential to significantly not just enhance transparency, and improve overall convenience for senders and recipients, but also reduce the associated costs.

The remittance journey typically starts with the sender. At this point, you—an individual abroad—make two key decisions: how (involves choosing a funding method, such as cash, a credit or debit card, a bank account transfer, or a mobile wallet) and where (refers to selecting a channel, whether it's walking into a physical branch, using an online platform, or making the transfer via a mobile app) to initiate the transfer.

The next stage is where the actual transfer takes place, involving a combination of financial systems and service providers:

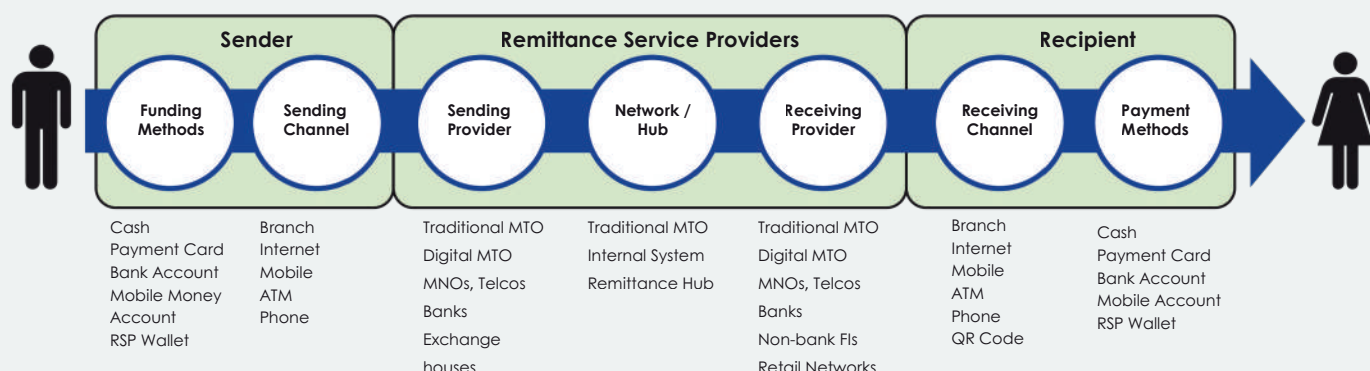
- **Sending Remittance Provider:** The institution or platform you select to initiate the transfer.
- **Networks and Hubs:** These are the systems that handle processing, routing, and currency conversion.
- **Receiving Remittance Provider:** The entity responsible for delivering the funds to the recipient.

Depending on the service, these stages may be handled by the same provider or multiple providers working together. For example, mobile money transfers often employ “straight-through processing,” a seamless, fully digital transaction method that lowers costs and speeds up delivery. Transfers within regional mobile money ecosystems, such as sending funds from Kenya to Uganda and vice versa, illustrate how streamlined technology can simplify this stage, eliminating a number of intermediaries.

The final stage is where the recipient gains access to the funds through receiving channels. These can be physical, like visiting a branch or an agent location, or digital, such as receiving money through a mobile money wallet or directly into a bank account. At this stage recipients may choose to collect cash, have the funds deposited into a bank account, or access them via a mobile wallet. The choice often depends on the recipient's location, level of financial inclusion, and personal preference.

The value chain described here may take different forms: a fully cash transfer (involving physical channels on both the sending and receiving side), a partial digital remittance (involving a physical on one side and digital on the other) and a fully digital platform (where there are no physical channels involved thought the value chain).

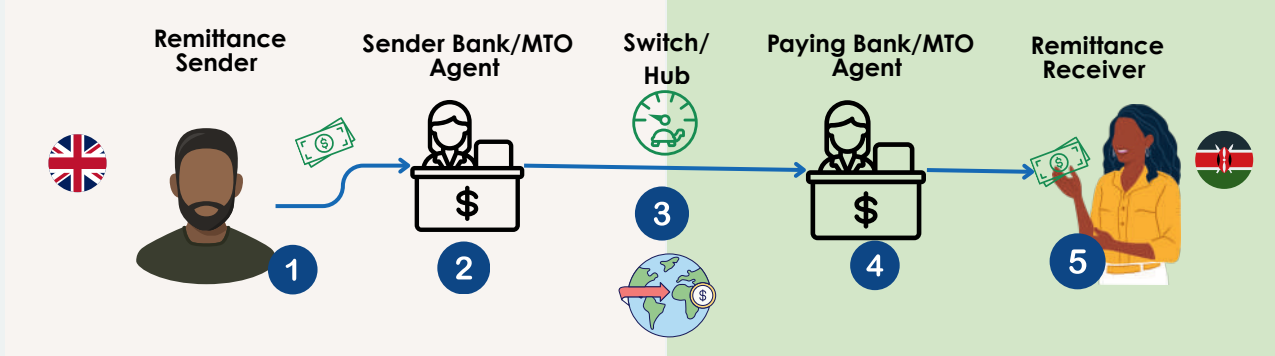
As the remittance value chain continues to evolve, it becomes more efficient and cost-effective. Emerging technologies like blockchain-based remittance platforms, expanded mobile money interoperability, and the rise of fintech-driven cross-border payment solutions are helping to reduce transfer costs and delivery times while also increasing transparency and accessibility. At the same time, new actors entering the market are creating more competitive pricing structures, giving consumers more options and better service. Understanding these developments and how each stage in the value chain works enables senders to make informed decisions, ultimately benefiting both senders and recipients by reducing costs, improving speed, and increasing convenience.



Source: FSD Africa (2017): Reducing Costs and Scaling Up UK to Africa Remittances Through Technology

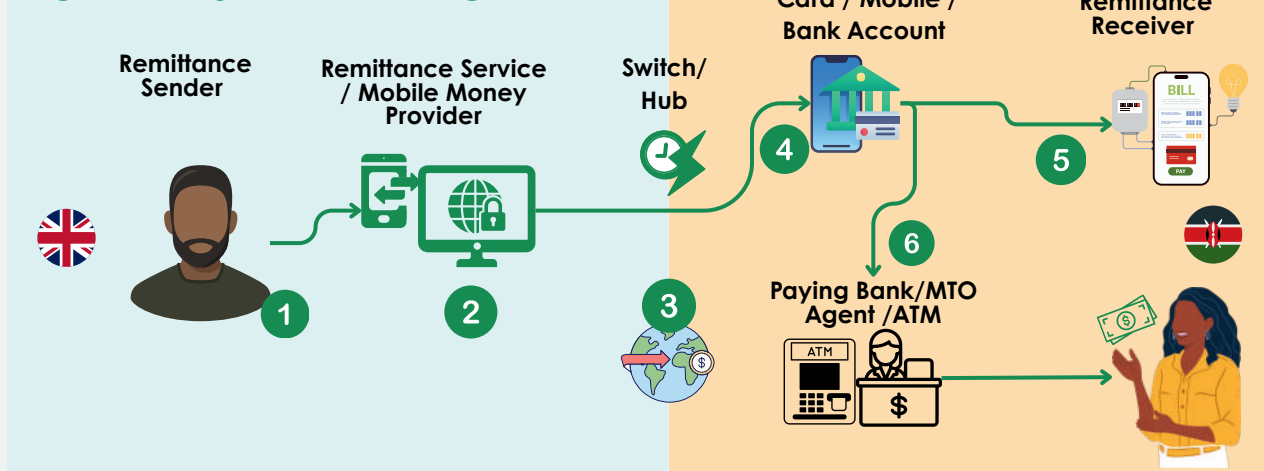
TWO TYPES OF REMITTANCE CHANNELS

CASH-BASED REMITTANCE



- 1 Sender in UK decides to remit via cash, check, money order and visits a bank branch or MTO Agent in the sending country
- 2 Sender fills remittance form at branch/agent. Agent verifies sender KYC, enters remittance info, collects cash, check, MO, or initiates account transfer and gives the Sender the secret code. Sender communicates secret code to the Recipient
- 3 RSP authenticates the sender and recipient, receives remittance in the send market and transfers the money to the receive market, executing the necessary foreign exchange trade. This process typically takes 1 - 5 days
- 4 Recipient may receive money in bank account or get secret code that allows cash out. Visits bank or agent and shows KYC documents and secret code
- 5 Cash paid in local currency after passing verification

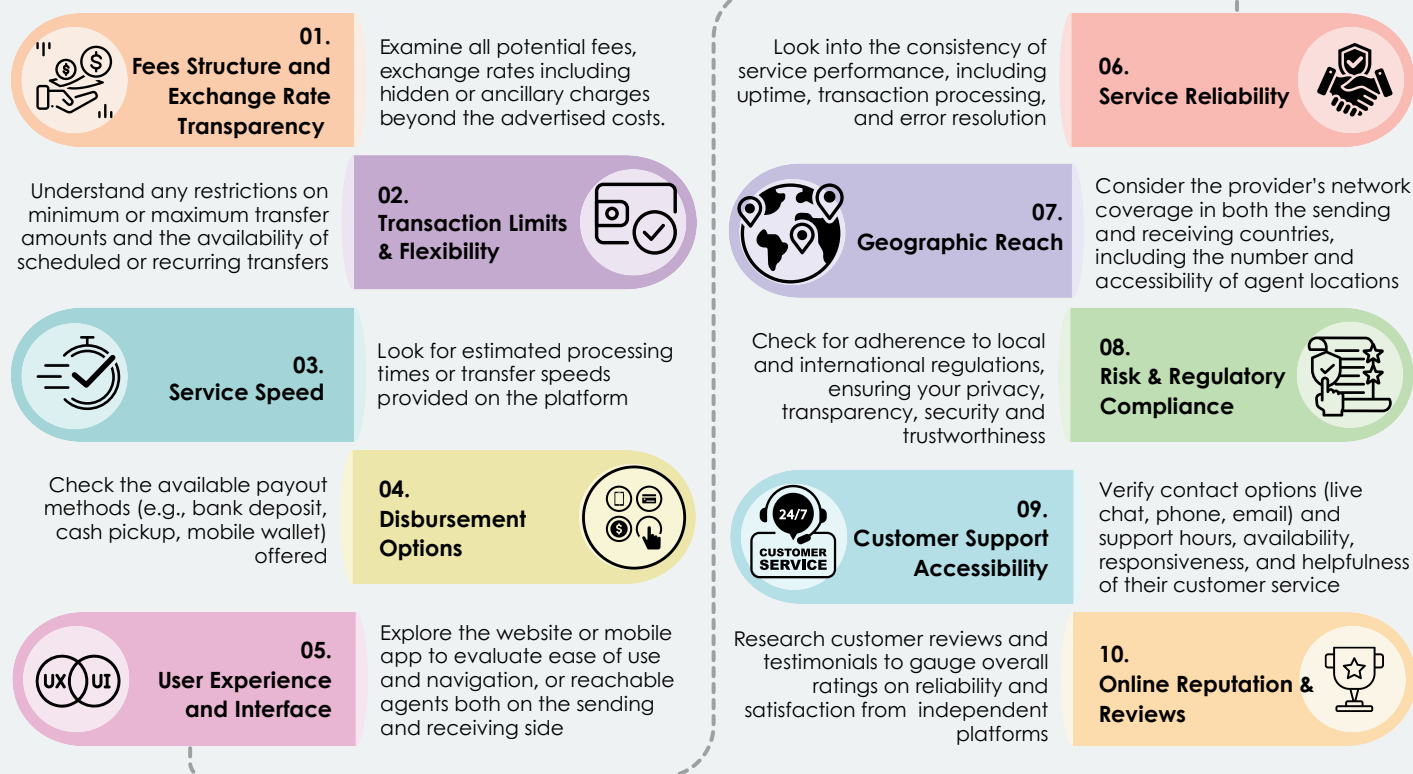
DIGITAL-BASED REMITTANCE



- 1 Sender in UK decides to remit via online channel using card, online banking, mobile app or other digital wallet
- 2 Sender downloads RSP app, visits RSP website or accesses mobile money wallet where available. If not registered, creates account with KYC details and links to bank account, mobile wallet or card. If registered, initiates transaction to send money to intended recipient in Kenya, indicating the amount and channel i.e. to bank account, to mobile money or card
- 3 RSP authenticates the sender and recipient, receives remittance in the send country and transfers the money to the receive country, **instantly** executing the necessary foreign exchange and fees
- 4 Recipient gets an instant notification of remittance in their mobile money or bank account
- 5 Recipient may now use the remittance in their mobile money wallet or bank account to save, transfer or pay directly for goods and services
- 6 Recipient may visit the agent or bank branch to withdraw cash from mobile wallet or bank account

Note: The illustrations provide a simplified schematic of remittances from the user's perspective. However, remittance transactions involve multiple interconnected processes beyond what is depicted here. In reality, remittances pass through various stages, including compliance checks, transaction verification, currency conversion, and fund settlement between the sending and receiving Remittance Service Providers (RSPs) and financial institutions as shown in the previous page. These behind-the-scenes operations ensure security, regulatory compliance, and the successful delivery of funds. To maintain clarity and accessibility, these complexities have been intentionally omitted from this visual representation.

GENERAL CONSIDERATIONS WHEN CHOOSING A REMITTANCE SERVICE PROVIDER (RSP)



THE COST OF SENDING MONEY: Hidden Fees?

The cost of sending money remains a critical pain point for most diaspora sending money and their recipients in Kenya. Senders opt to maintain smaller remittance tickets or use non-traditional or unregulated channels, mostly cash-based. Kenyans abroad report that they often don't understand the fees charged by most RSPs. When you send money home, your transaction involves converting your local currency into Kenyan Shillings. RSPs charge different rates for sending money because their charging models vary based on how their businesses are modelled for profitability. Common charging models are:

- **Exchange Rate Markup:** embedding their fee in the exchange rate, offering you a rate that's slightly less favourable than the market rate.
- **Flat Fee:** a fixed fee per transaction, regardless of the amount you send.
- **Percentage-Based Fee:** fee calculated as a percentage of your transfer amount, which may vary with the transaction size.
- **Hybrid Model:** Certain providers combine a flat fee with an exchange rate markup or a percentage fee, while some may even include cash-out fees.

Factors that drive up fees include hidden charges by the RSP that aren't immediately obvious like: high foreign exchange margins, forex currency arbitrage (where RSP buys a currency at a lower price on one exchange and simultaneously sells it at a higher price on another to make a profit), double dipping (where your money is converted first into an intermediary currency, typically the US dollar, and then into Kenyan shillings with markups at each stage) and the involvement of multiple intermediaries or channels (such as agents for cash-in or cash-out). Understanding these charging models and pitfalls can help you make more informed decisions, ensuring that your remittances deliver maximum value to your loved ones.

Since these practices vary by remittance corridor (for example, sending money from the US to Kenya), checking online currency platforms like Oanda.com or XE.com to compare current market rates and assess the competitiveness of your RSP's exchange rate, remittance comparison tools (covered later) is recommended.

Analysis of Remittance Costs from Various Countries to Kenya

According to the GSMA, remittances through mobile money channels are growing fast due to the convenience, speed, and lower cost driven by lower foreign exchange margins, which contributes to lower costs of sending money. The total average percentage fee to send a cross-border mobile money remittance from other African countries to Kenya currently stands at 5.73%, while sending from Kenya to the same countries averages at 5.16%. The insights below highlight correlations between cost, speed, and several key factors, when examining the percentage cost of sending and receiving USD 200 versus USD 500 between different origins to Kenya:

Payment Instrument (debit and credit card, bank transfer, cash) & Access Point (branch, agent, online)

- Remittance transactions done online bank account transfers generally achieve lower costs. For instance, some providers such from the UK register fees as low as 1.49%–2.41% for both USD 200 and USD 500 transfers, well within the low-cost SDG target. In contrast, when the same transactions are conducted via traditional bank branches and agents, costs can significantly increase.
- Providers offering cash-based transfers through agents frequently display much higher fee percentages, often exceeding 9% or even reaching 16% for smaller amounts. This disparity indicates that the physical handling and extra processing steps inherent to agent-based channels drive up costs.
- Credit/Debit Card vs. Bank Transfers: When sending funds with credit or debit cards, the fees can vary widely depending on the provider. For example, certain transactions using card services have relatively low costs (around 1.74%–1.82% for USD 200) compared to cash transactions. However, many card-based transfers still incur higher fees relative to digital bank transfers. This suggests that while card payments offer convenience, their cost competitiveness is generally lower than that of bank account transfers conducted online.

Pickup Method

- Remittance transactions that deliver funds directly to mobile wallets tend to achieve lower fee percentages and faster delivery. Most providers consistently report fees well below the 3% target when funds are received via mobile wallets.
- In contrast, cash pickup methods—whether via agents or at bank branches—tend to show substantially higher costs. This is because the additional handling, security measures, and physical distribution logistics inflate the overall transaction cost.

Receiving Network Coverage

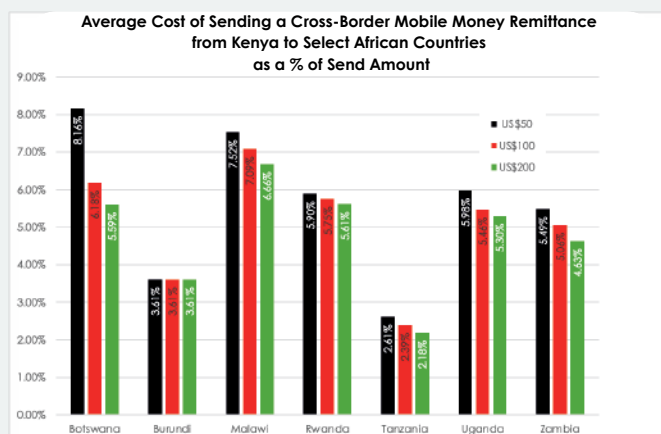
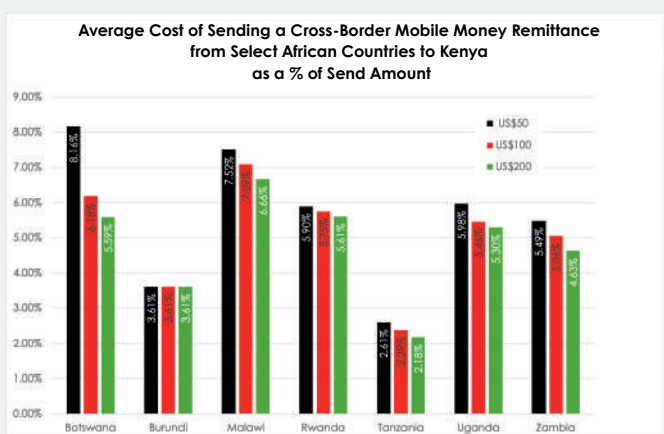
- Kenya has an extensive network coverage of bank branches, agents, ATMs etc allowing money to be easily received at home, which generally correlates with better service quality and lower fees in digital channels, guaranteeing quicker and more efficient fund delivery. However, in cases where the network coverage is low (e.g. in rural areas where traditional agents are fewer), the inefficiencies can contribute to higher costs and slower processing times.

Origin of the Money

- Transactions originating from the United Kingdom often enjoy lower fee percentages—particularly when processed digitally—compared to those from South Africa or Tanzania, where local currency fluctuations and intermediary conversion costs can drive fees up significantly. In some Tanzanian transactions, costs soar to extremely high levels (over 80% for USD 200 transfers via certain bank channels), underscoring the impact of local financial systems and exchange rate markups on remittance fees.

In conclusion, digital remittance channels—especially those that use online bank account transfers and deliver funds via mobile wallets—consistently offer lower costs, faster speeds, and better alignment with the SDG target of under 3%. In contrast, traditional agent-based, cash pickup methods, and transactions involving multiple intermediaries (or those originating from countries with less favourable local financial conditions) tend to incur high fees, often well above the SDG target. As a remittance sender you should, therefore, consider opting for digital channels with extensive network coverage in your country and also back at home to maximise the value of your remittances while minimising costs. Remember that the cost is not only that incurred when sending the money, but also that incurred by your loved one when they receive the money. Collecting money from a branch or agent can sometimes be a long and expensive journey, especially if you are sending to a loved one in a remote rural village with limited coverage.

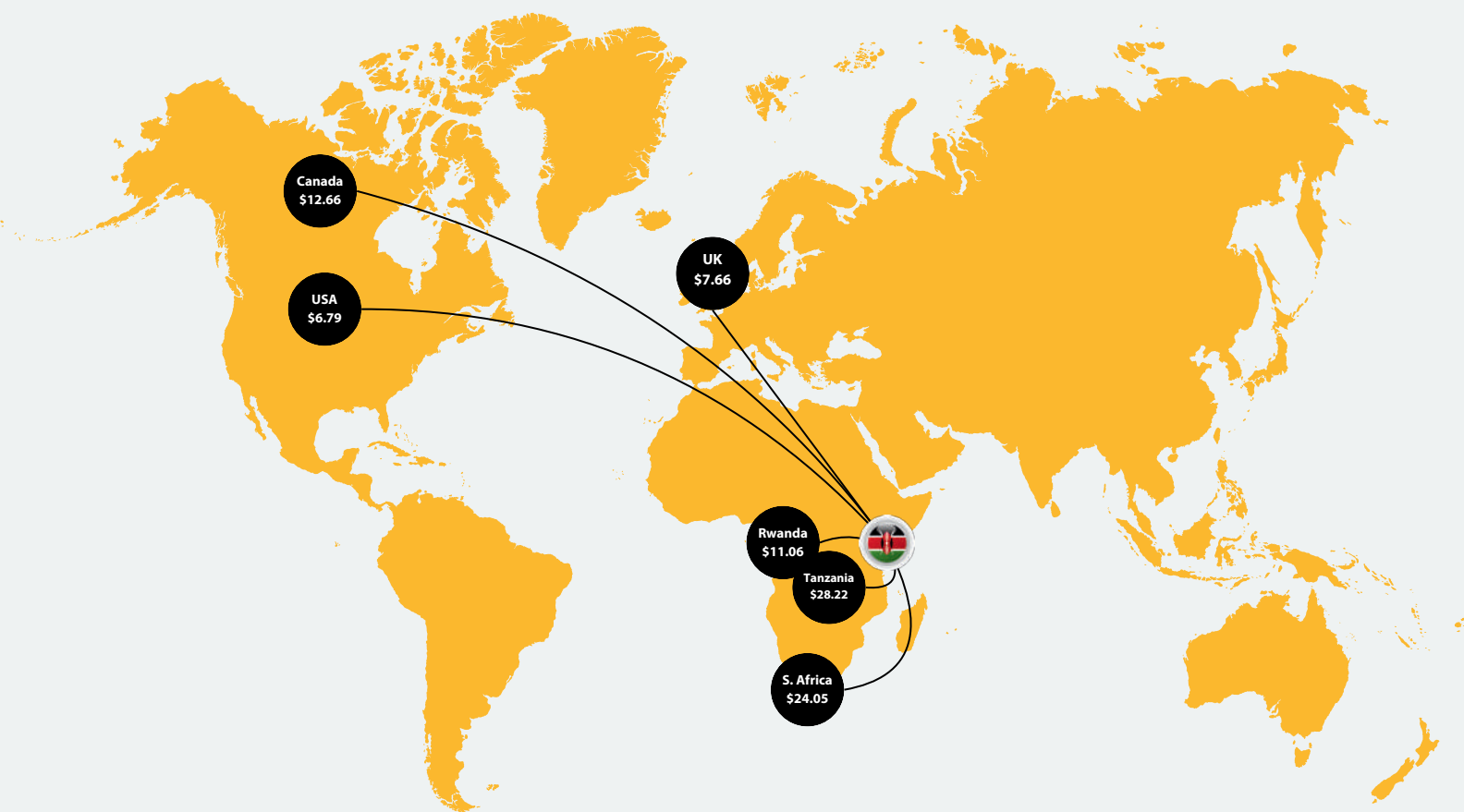
This analysis is based on 2024 data from *The World Bank: Remittance Prices Worldwide*, available at <http://remittanceprices.worldbank.org/>



Source The GSMA (2024): Cross-Border Mobile Money Remittance Cost Survey: Key Trends and Insights



Cost of Sending USD 200 to Kenya (Q4 2024)



Source World Bank, Remittance Prices Worldwide.

Note: The USD figures indicated are based on percentages which represent the total average cost of sending USD \$200 in the 4th quarter of 2024. These are average costs based on the services of popular remittance service providers (banks, money transfer operators, post offices) terminating on mobile wallets, which are most widely used in Kenya.

The percentages are: Canada - 6.3%, U.S. - 3.4%, U.K. - 3.6 %, Rwanda - 5.5%, Tanzania - 14.1%, and South Africa - 12%.

Online Remittance Price Comparison Tools

Price comparison databases are available online and compare RSPs on a number of parameters such as fees, payment instruments, access points, sending network coverage, transfer speeds, receiving methods, disbursing network coverage, and exchange rate margins. These comparison tools use different models and may differ on: corridor coverage, frequency with which they are updated, price information (some only include transfer fees without providing information on exchange rate margins), and data collection methods (some tools collect the price information directly from the RSPs while others use mystery shopping exercises). Click the links below to access the different remittance price comparison tools.

IOM MigApp



IOM's MigApp mobile app has a price comparison feature allowing you to compare the price of sending various amounts to Kenya. When you enter the send country currency, it will give a list of all service providers, the amount your recipient gets in KES and the % cost of remitting the value.

WB Remittance Prices Worldwide



The World Bank's price comparison website covers multiple country corridors. For the Kenyan remittance market, RPW provides price comparison information and other metrics for multiple in and out corridors with Kenya (Canada, Rwanda, South Africa, Tanzania, UK, USA, South Sudan).

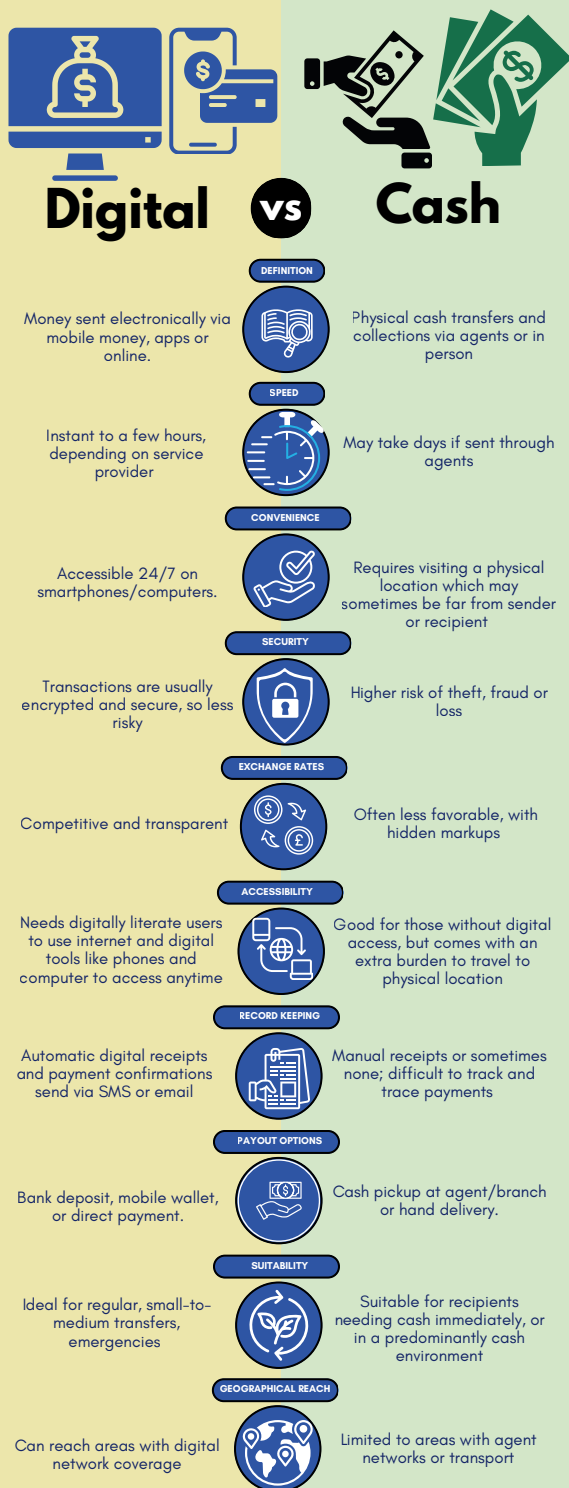
AIR Send Money Africa



African Institute for Remittances's (AIR) comparison tool (certified by the World Bank) provides price comparison information on a selected number of in and out corridors with Kenya in Africa



Comparing Digital and Cash Remittances



A Story of Transformation:

Cash to Digital Remittances

Katana is a 65-year-old man living in Burani, a rural area in Kwale County. Every month, he receives money from his son, Mbotela, who now lives and studies in Canada. Mbotela excelled in his KCSE exams and secured a place at a local university, but he couldn't attend due to a lack of funds. After three long years of struggling and almost giving up, he learns about a scholarship for studying abroad. Though the scholarship covers only tuition, Mbotela is grateful to be selected. To seize this opportunity, Katana sells his cows and a part of their land to buy his son an air ticket.

Mbotela vows to repay every cent his father spends and then some. While studying in the US, he works extra jobs to send money back home, helping cover household needs and dreaming of the day he can buy more land, build a stone house for his family, and replenish their livestock.

However, Katana faces a daily challenge. Living in a rural area means he and his wife, Kijala, must walk 2 km to the shopping centre, catch public transport for a 45-minute journey to the nearest bank, and endure a trip that costs about 1,000 shillings and takes 3–4 hours. Sometimes, poor weather forces them to spend money renting a hotel room away from home, and at times, remittance delays force them to return home and wait days for the funds, making two journeys.

Frustrated with the high costs and time lost, Katana wonders, "Is there another way to receive Mbotela's hard-earned money?"

Imagine if Katana could use digital remittances—specifically mobile money—to receive funds directly on his mobile phone. With digital remittances, money transfers happen in minutes, often instantly, and at a lower total cost. Katana wouldn't need to travel hours or pay for transport, and every transaction would be tracked securely. The process is user-friendly, with clear fee structures and transparent exchange rates. Plus, 24/7 accessibility means that regardless of the time or weather, his funds are just a few taps away.

When choosing a remittance service provider for digital transfers, factors such as total price, speed of service, disbursement options, consumer protection, and robust security policies are critical. Mbotela can easily check these details online—comparing fee structures, reading reviews on user experience, and ensuring excellent customer support. These features guarantee that every shilling he sends is secure, fast, and available when needed.

By embracing digital remittances, Mbotela and his parents can save both time and money. The savings could then be reinvested into improving their livelihoods—whether it's by buying additional land, constructing a proper house, or supporting local community projects. In this way, digital remittances not only ease the burden on individual families but also contribute to the broader development of their beloved homeland.

Hawala: An Informal Cash Remittance System

Hawala, which means "transfer" in Arabic, is an informal value transfer system that operates outside of conventional financial services channels. It is based on a network of brokers who, on a trust-based arrangement, facilitate the transfer of money from one party to another without the actual 'movement' of funds. For example, a Kenyan migrant worker in the UK can hand over GBP to a hawala broker who then instructs a counterpart in Kenya to pay the equivalent in Kenyan Shillings to the intended recipient. This method is popular among some diaspora members mainly due to its anonymity—often requiring little to no identification, making it particularly appealing in regions with predominantly cash-based economies.

However, the unregulated nature of the hawala system carries significant risks for Kenyan migrant workers. In Kenya, hawala operations are banned, and because these transactions do not leave a formal paper trail, they are vulnerable to misuse for money laundering or terrorism financing. The lack of regulation means that if a mistake occurs or funds are lost, or linked to any illegal activities, there are limited avenues for customer protection or dispute resolution. To mitigate these risks, it is crucial for migrant workers to use licensed and regulated remittance services, which offer greater transparency, accountability, and security, ensuring that your hard-earned money is transferred safely and legally.

LICENSED REMITTANCE SERVICE PROVIDERS IN KENYA

The table below shows a list of licensed RSPs in Kenya, indicating those with mobile money and online transfer services.

Name of MRP (click on the name for more details)	Remittance Corridors / Regions Received From	Mobile Money	Online Transfer
Afrisend Money Transfer Ltd	Worldwide via Visa & Mastercard	Y	Y
Airtel Money Transfer Limited	KE, UG, TZ, RW, ZM and MW	Y	Y
Amal Express Money Transfer Ltd	E.Africa, Middle East, UK, USA, Australia, Canada, Sweden	Y	Y
Amana Money Transfer Ltd	Not found		
Bakaal Express Money Transfer Ltd	Ethiopia, Uganda, UK, Australia, Canada, Somalia	Y	Y
Cashia Money Remittance Limited	Worldwide via Visa & Mastercard	Y	Y
Dahabshill Money Transfer Limited	Worldwide via Visa & Mastercard	Y	Y
Flex Money Transfer Limited	Worldwide via Visa & Mastercard	Y	Y
Gala Money Transfer Ltd	Ug, Tz, Cina, South Africa, Japanese, Australia, Canada, UAE, US , UK, Euro,	Y	Y
Hodan Global Money Remittance & Exchange Ltd	Contact for details		
Iftin Express Money Transfer Limited	Uganda, Ethiopia, Sudan, Djibouti, Somalia, Australia, Canada, UAE, US, UK		
Juba Express Money Transfer Ltd	EU and UK	Y	Y
Junction Forex & Money Remittance Ltd	Worldwide via Western union & Moneygram	Y	
Kaah Express Money Transfer Ltd	Australia	Y	
Laeken Money Transfer Ltd	UG, TZ, Ethiopia, Rwanda, Ghana	Y	
Mobex Money Transfer Services Ltd.	Worldwide via Visa & Mastercard	Y	Y
Mukuru Money Transfer Ltd	US, Africa & Europe	Y	Y
Real Value Money Transfer Ltd	Worldwide via Visa & Mastercard	Y	
Remitcore Money Transfer Ltd	Worldwide via Visa & Mastercard	Y	
Safaricom Money Transfer Services	E. Africa, Zambia, Malawi, Bangladesh, Pakistan	Y	Y
Sunny Forex and Remittance Ltd	Worldwide via Western union & Moneygram	Y	
Surfin Money Remittance Ltd	Worldwide via Western union & Moneygram	Y	
Taaj Money Transfer Limited	Worldwide via Western union & Moneygram	Y	Y
Tawakal Money Transfer Limited	USA, Worldwide via Visa & Mastercard	Y	Y
Upesi Money Transfer Ltd	China, India, Pakistan, Philippines, Japan, Turkey, Africa	Y	Y
Wapi Money Transfer Ltd.	China, USA, Uganda, UK, Nigeria	Y	Y

INTERNATIONAL REMITTANCE SERVICE PROVIDERS

The table below shows a list of international RSPs sending to Kenya, showing mobile and online transfer services.

Name of MRP (click on the name for more details)	Remittance Corridors / Regions Received From	Mobile Money	Online Transfer
Western Union	Global (200+ countries)	Y	Y
MoneyGram	Global (200+ countries)	Y	Y
Ria Money Transfer	160+ countries (Americas, Europe, Asia, etc.)	Y	Y
WorldRemit	50+ countries (US, UK, CAN, AUS...)	Y	Y
Wise (TransferWise)	50+ countries (US, UK, EU, Australia, etc.)	Y	Y
Xoom (PayPal Service)	Primarily US, Canada, UK, select EU	Y	Y
Remitly	20+ countries (US, Canada, UK, EU, Australia...)	Y	Y
Sendwave	US, Canada, UK, select EU countries	Y	Y
TransferGo	30+ European countries (UK, Germany, France)	Y	Y
PayPal	Global (200+ countries); usage varies		Y
Skrill	100+ countries (Europe, US, many others)	Y	Y
QFX	US, Canada, UK, Europe, Australia, parts of Asia		Y
Hello Paisa	S. Africa; Europe, Middle East *	Y	Y
SimbaPay	Mostly UK, some EU	Y	Y
Mukuru	UK, Europe, parts of Africa	Y	Y
Dahabshill	East Africa, EUR, M. East, N. America	Y	
MoneyTrans	Europe (Belgium, Spain, Italy, etc.)	Y	Y
ACE Money Transfer	Europe, UK, Canada, Australia	Y	Y
TapTap Send	US, UK, Canada, select EU (France, Italy, Spain)	Y	Y
InstaReM (Nium)	US, Canada, Australia, Europe, parts of Asia		Y
CurrencyFair	EUR, UK, AUS, USA, Canada, Hong Kong, Singapore		Y
Thunes	Global B2B platform*	Y	
Transfast	US, Canada, Europe, Middle East, Asia	Y	Y
Paysend	50+ countries (Europe, UK, US, Canada, etc.)	Y	Y
Boss Revolution	Primarily US; some expansion to Europe*	Y	Y
Pay Angel	Australia, EU, UK, US and Canada	Y	
Nala	EU, UK, US	Y	Y
LemFi	EU, UK, US and Canada	Y	Y

Sources: Central Bank of Kenya Information from various RSP websites and interviews with RSP officials

*Remitters are advised to check RSP website for more information about the available corridors and latest news on products and services. Blank spaces mean no information was found to confirm whether the provider offers any mobile or online transfer services

MANAGE YOUR FINANCES IN KENYA FROM ABROAD

Opening and Managing Accounts | Making Payments Remotely

Introduction








As a member of the diaspora, being able to make personal and business payments remotely is not just a convenience—it's essential for maintaining financial independence. Managing your Kenyan accounts and conducting transactions from abroad means you no longer need to rely on family or friends to handle your financial affairs.

Opening a diaspora account in Kenya typically requires specific documents and procedures that vary slightly by commercial bank and account type. Most banks have streamlined this process through a global network of authorized bank agents located in major cities and regions with high Kenyan diaspora populations (such as North America, Europe, the Middle East, and Australia). These agents not only assist with account opening and document certification (often requiring an account application form, Kenyan ID, proof of address, and passport photos) but also provide additional support such as loan referrals and general queries. In some cases, banks also conduct roadshows and marketing tours in cities with significant Kenyan communities, and some even accept account opening documents by courier.

In this section, we will introduce you to a range of financial providers, account types, digital tools and platforms that empower you to manage your accounts independently. You'll find information on how to use mobile banking apps, online payment systems, and other innovative solutions that allow you to monitor balances, pay bills, transfer funds, and even invest securely—all while ensuring low fees and robust security measures. These insights and tips are designed to help you stay connected to your financial life in Kenya, giving you full control regardless of where you reside.

Types of Diaspora Bank Accounts

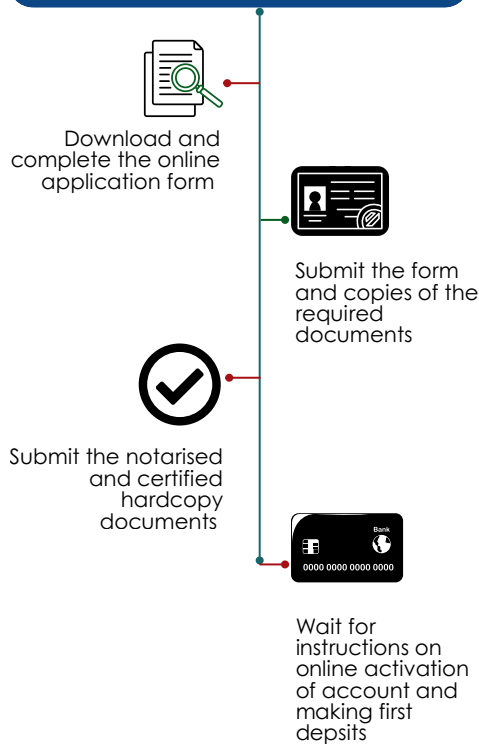
Various commercial banks in Kenya have bank accounts specifically targeting Kenyans in the diaspora. These accounts may offer the same types of services but banks make a few variations to attract different types of users. It is important to check the various banks' websites to find exactly the type of account that meets your needs. Some banks offer additional services like access to debit and credit cards, a dedicated relationship manager, loans, insurance, mortgage financing, financial and investment advice. Minimum account opening amount and operating balance also vary by bank. Interest rates also vary according to bank, account type and other terms. Below are a few common types of account available to the diaspora and their key features:

	Diaspora Transactional Account	Allows you to transact online from wherever you are in the world in Kenya Shillings of foreign currency.
	Diaspora Current Account	Allows you to access or move money, make payments or shop online or from your mobile phone in KES or other major currencies like EUR, USD, YEN and GBP. This type of account is suitable for businesses which do multiple transactions frequently
	Diaspora Student Account	Kenyans under 17 year studying in the diaspora can use this type of account to access tuition and pocket money with zero maintenance fees and minimum balance requirements. It also serves as an avenue for you to save and invest in future
	Diaspora Investment Account	Allows you to transact online when you want to trade in investments such as securities, equities, pension, mutual funds or purchase insurance.
	Diaspora Business Account	Allows you to manage your business finances from abroad. If you have a business, business, partnerships, or a trading company, this account caters for all financial transaction needs offering flexibility of transacting remotely
	Diaspora Savings Account	Savings accounts can be short-term or long-term fixed deposit accounts. These account are vehicles for saving money to earn an interest and to achieve a future goal like school fees, investment or holiday.
	Chama (group) Savings Account	A chama account is a savings account for groups of people, such as investment clubs, community groups, or merry-go-round groups. The purpose of a chama account is to help members save money and participate in welfare activities.

KENYA DIASPORA BANKING FACTSHEET

Opening Requirements | Features & Benefits | Products & Services | Charges

Opening an Account



Common Requirements to Open a Diaspora Account*

Individual Accounts

- Completed account opening form.
- Passport-size photo of the applicant.
- Copy of valid Kenyan national ID or valid passport (bio pages)
- Proof of address (a recent utility bill, bank statement, driver's license, or national social security number; less than 3 months old).
- KRA PIN certificate.
- Notarised documentation (by your Embassy, Notary Public, Family Bank Agent, or your current banker in your country of residence).
- Country-specific document as requested by bank e.g. FATCA & W9 forms (for applicants residing in the USA).

Business Accounts

- Completed account opening form.
- Copies of the certificate of registration, articles, and memorandum of association.
- Copy of the latest company annual returns.
- Business PIN certificate.
- Board resolution appointing bankers and specifying the signing mandate.
- Copies of National ID or valid passport (pages 1, 2, and the last page) for all authorized directors.
- KRA PIN certificate for each director.
- One passport-size photo for each director.
- Proof of address for the company (recent utility bill, bank statement, or valid driver's license; documents must be less than 3 months old).
- Additional corporate documents (e.g., CR 1, CR 2, CR 8, CR 12, and FATCA W-9/confidentiality waiver forms for US clients).

NB: Some requirement may vary depending on bank, and country of residence

Common Features and Benefits

- **Convenient Digital and Multi-Channel Banking:** Access through internet, mobile, telephone, and in-branch services, with 24/7 account monitoring and transactions.
- **Multi-Currency Capabilities:** Hold and transact in Kenyan Shillings (KES) and major foreign currencies like USD, GBP, and EUR.
- **Comprehensive Payment Solutions:** Includes debit and credit card services, cheque books (on request), and automated e-statements for easy transaction tracking.
- **International Banking Features:** Integrated SWIFT connectivity, built-in money transfer services, and negotiable forex rates for cross-border transactions.
- **Cost-Effective Banking:** Low minimum opening balances and minimal or waived maintenance fees.
- **Financial Independence & Cost Efficiency:** Manage your funds directly without intermediaries while benefiting from lower transaction costs over digital channels.
- **Seamless Banking & Transfers:** Enjoy convenient domestic and international payments with user-friendly digital platforms for easy account management, budgeting, and tracking.
- **Security & Real-Time Monitoring:** Robust online features protect your transactions, while timely alerts provide real-time updates on your financial status.
- **Value-Added Financial Services:** Access insurance, loan facilities, investment products, and expert financial advice from dedicated relationship managers.
- **Competitive Interest Rates & Lending Solutions:** Benefit from better rates for personal and business loans, savings, and investment products.

Value-Added Products and Services

- **Sharia Compliance:** Offering interest-free, asset-backed, and ethical financial services for the Muslim community
- **Insurance:** Coverage options including free or optional premium plans
- **Loans:** Access to personal or business loan facilities
- **Investment Products:** Fixed Deposits, Call Deposits, Treasury Bills and Bonds, Money Market accounts
- **Multi-Channel Payment Options:** Ability to make payments via mobile banking, online banking, and in-branch transactions
- **Debit and Credit Cards:** For everyday spending and online transactions
- **Multi-Currency Accounts:** Support for multiple currencies, including KES, USD, GBP, EUR, JPY etc.
- **Digital Banking Services:** Secure Internet and mobile banking platforms with 24/7 access
- **International Money Transfers:** Efficient cross-border transaction services with competitive rates
- **Financial Advisory Services:** Expert advice on savings, investments, and long-term financial planning

Fees and Charges

- Ledger fees per transaction
- Cash handling fees
- ATM usage fees for cash withdrawals.
- International money transfer fees
- Monthly or annual maintenance fees
- Currency conversion charges or FX margins
- Overdraft or insufficient funds fees
- Service charges for premium features

Source: Information from various commercial bank websites and interviews with bank officials

*NB: The information here is a general representation of products, services, features, benefits and charges offered across multiple banks. Details may vary according to banks, therefore you are encouraged to visit the bank's website for more specific information or talk to a trusted bank representative.



LICENSED COMMERCIAL BANKS IN KENYA

The table below provides an overview of licensed commercial banks in Kenya, indicating those with dedicated diaspora banking products and services for Kenyans abroad.

Name	Diaspora banking	e-Banking	m-banking	Authorised security dealer
<u>ABSA Bank Kenya PLC</u>	Y	Y	Y	Y
<u>Access Bank (Kenya) PLC</u>				
<u>African Banking Corporation Limited</u>	Y	Y	Y	Y
<u>Bank of Africa Kenya Limited</u>		Y	Y	Y
<u>Bank of Baroda (Kenya) Limited</u>	Y	Y	Y	
<u>Bank of India</u>		Y		
<u>Citibank N.A Kenya</u>		Y		
<u>Consolidated Bank of Kenya Limited</u>		Y	Y	
<u>Co-operative Bank of Kenya Limited</u>	Y	Y	Y	Y
<u>Credit Bank PLC</u>	Y	Y	Y	
<u>Development Bank of Kenya Limited</u>	Y	Y	Y	
<u>Diamond Trust Bank Kenya Limited</u>	Y	Y	Y	Y
<u>DIB Bank Kenya Limited</u>		Y	Y	
<u>Ecobank Kenya Limited</u>	Y	Y	Y	Y
<u>Equity Bank Kenya Limited</u>	Y	Y	Y	Y
<u>Family Bank Limited</u>	Y	Y	Y	Y
<u>First Community Bank Limited (Premier Bank)</u>		Y	Y	
<u>Guaranty Trust Bank (K) Ltd</u>		Y	Y	Y
<u>Guardian Bank Limited</u>		Y		
<u>Gulf African Bank Limited</u>	Y	Y	Y	
<u>Habib Bank A.G Zurich</u>		Y		
<u>I&M Bank Limited</u>	Y	Y	Y	Y
<u>KCB Bank Kenya Limited</u>	Y	Y	Y	Y
<u>Kingdom Bank Limited</u>	Y	Y	Y	
<u>Mayfair CIB Bank Limited</u>		Y	Y	
<u>Middle East Bank (K) Limited</u>		Y	Y	
<u>M-Oriental Bank Limited</u>		Y	Y	
<u>National Bank of Kenya Limited</u>	Y	Y	Y	Y
<u>NCBA Bank Kenya PLC</u>	Y	Y	Y	Y
<u>Paramount Bank Limited</u>	Y	Y	Y	
<u>Prime Bank Limited</u>		Y	Y	
<u>SBM Bank Kenya Limited</u>	Y	Y	Y	
<u>Sidian Bank Limited</u>		Y	Y	
<u>Stanbic Bank Kenya Limited</u>	Y	Y	Y	Y
<u>Standard Chartered Bank Kenya Limited</u>	Y	Y	Y	Y
<u>UBA Kenya Bank Limited</u>	Y	Y	Y	
<u>Victoria Commercial Bank PLC</u>		Y	Y	Y

Source: Central Bank of Kenya: List of Licensed Commercial Banks in Kenya
Information on services is based on desk research on the various commercial banks. Blank spaces mean no information was found to confirm whether the provider offers or plans to offer the services.

CBK Online



SOME SERVICES YOU CAN ACCESS AND PAY FOR FROM ABROAD



Click the logos below to view some services you can access and pay for while abroad, for yourself, your family and associates in Kenya



Compare bank loan costs using standardised parameters and a consistent calculation model. It also provides detailed information on the Total Cost of Credit (TCC) and features an easy-to-use Cost of Credit calculator that helps you estimate the overall expense of a bank loan.



Check your dormant accounts and claim any money that was left unused since you left Kenya. The primary mandate of the Authority is to receive unclaimed financial assets from holders of such assets, safeguard these unclaimed assets, and re-unite the assets with their rightful owners.



Shop for made-in-Kenya products and brands that you crave and have them delivered anywhere you are abroad. By doing so you not only promote Kenyan entrepreneurs, but also enjoy a variety of quality products for personal use and that you can share as gifts.



Research, compare and buy insurance services online for your family. You can get quotes from multiple insurance providers for different cover options like health, motor, life, funeral, home etc. You can also insurance financing to allow you to manage your cash flows.



Comparison website that helps you choose the best financial service options for your needs. Includes loans, insurance, credit cards and bank accounts.



Compare remittance rates and fees by providers across the world, find the best RSPs based on ratings, compare international insurance, and share tips about living abroad



Buy household items directly for your loved ones in Kenya. You are able to share money on the app with their friends and family for specific needs such as school fees, rent and groceries, etc. without losing visibility over how and where money is used.



Use Kenyan e-commerce platforms to buy gifts locally in Kenya for family, friends and colleagues in Kenya from anywhere in the world. Gifts range from flowers, perfumes, cards and other personalised gifts that fit any occasion including birthdays, graduation, anniversary, Christmas etc

Note: Please note that all brand names mentioned above are used solely for illustrative purposes and do not represent any endorsement or affiliation with the companies associated with those brands. The reader has the freedom to choose from many other sources and brands that they prefer.



INVEST IN KENYA

Investment Options | Services | Providers | Philanthropic Investment

Regina Nduku's Journey:

A Story of Strategic Goal Setting and Investing for Financial Empowerment

Regina Nduku, a determined 30-year-old single mother from Machakos, Kenya, dreams of a better future for herself and her two children. Working as a cashier in a busy supermarket, she lives paycheck to paycheck with barely any savings. Inspired by the success stories of fellow Kenyan migrant workers, Regina sets her sights on new opportunities abroad.

Before making any decisions, Regina conducts thorough research. She identifies a reputable recruitment agency that places workers in Qatar's booming hospitality industry. Determined not to fall prey to scams, she checks reviews from other migrants and consults Kenya's National Employment Authority. With this careful groundwork, Regina lays the foundation for a secure migration journey.

Before departing, she crafts a clear financial roadmap. Regina outlines three strategic goals:

- Save 60% of her earnings to build a home for her family.
- Reserve funds for her children's education and emergencies.
- Invest in a small business back home to secure long-term stability.

Once in Qatar, Regina begins her new role as a hotel receptionist. Her contract delivers on its promises—she receives a stable income along with free accommodation, meals, and transportation. With her eyes firmly set on her goals, Regina budgets meticulously, avoiding unnecessary expenses. She sends a significant portion of her earnings back home to repay the funds her family invested in her future, while also joining an informal savings group with other Kenyan workers to pool resources for future investments.

In just two years, Regina's disciplined approach pays off. She amasses enough savings to purchase a small piece of land in Machakos and begins constructing a family home. She also initiates a poultry business, entrusting its day-to-day management to her younger brother. As her contract in Qatar nears completion, Regina celebrates the achievement of financial independence—a dream once distant now within reach.

Upon her return to Kenya, Regina moves her family into their new home and expands her business, generating a steady income. She even sets up a college fund for her children, ensuring that their future is as bright as her own journey.

Regina's story is a powerful testament to how strategic goal setting and prudent financial planning can transform a migration experience. By clearly defining her goals and diligently managing her finances, she not only secures economic stability for her family but also maximises the benefits of her time abroad. Her journey inspires many, proving that with careful planning, determination, and the right opportunities, dreams can indeed become a reality.



INTRODUCTION: INVESTING IN KENYA

Nduku's story reflects the aspirations of many Kenyans abroad who seek to build a secure financial future. Investment is crucial because it guarantees financial security, stability and future growth. It involves using money wisely to create wealth over time, rather than spending it on immediate consumption. Investing allows individuals to build assets that can generate income, appreciate in value, and provide long-term financial benefits such as financial independence, generational wealth, and long-term prosperity. Instead of solely using remittances for daily expenses, channeling part of it into productive investments can yield sustainable economic opportunities for both individuals and the country. Investments are of two types:

- **Productive Assets**, which generate income or help create wealth, strengthening financial security. Examples include rental properties, businesses, stocks, or agricultural land that produces crops. These assets contribute to financial stability and help secure a better future.
- **Unproductive Assets**, which hold value but do not generate income. While they enhance comfort and lifestyle, they do not contribute directly to financial growth. Examples include luxury cars, home appliances, or personal jewelry.

Types of Risk in Investments

Your investment choices and financial decisions should align with your long-term goals, risk appetite, and economic conditions to ensure sustainable financial growth. In evaluating your risk, consider with-risk and risk-free investment.

- **With-risk investments** do not offer guaranteed returns and carry the potential for financial loss. Most investment opportunities fall into this category, including business ventures, stock market investments, real estate, and commodity trading. While some investments may have lower risk levels than others, all with-risk investments come with market fluctuations, economic uncertainties, and the possibility of losing capital. Due to this unpredictability, it is crucial to conduct thorough research, assess risk levels, and diversify investments to mitigate potential losses.
- **Risk-free investments** offer guaranteed returns with very low or no possibility of financial loss, typically with fixed and have pre-agreed terms with financial institutions. Examples include fixed deposits, government bonds, and treasury bills, where the investor earns a fixed interest rate over a specified period. While these investments provide certainty and stability, the potential profit is limited compared to riskier investment options.

Investment Information Platforms



Kenya Investment Authority (KenInvest) was established to promote investments in Kenya by facilitating the implementation of new investment projects, providing services for new and existing investments, and organising investment promotion activities both locally and internationally. The services include, investment promotion, facilitation and post-implementation (after-care) services, including research, policy advocacy and review.

Click the logo for more information.



The Capital Markets Authority (CMA) regulates and develops capital markets in Kenya, with the aim of promoting market integrity and investor confidence. CMA plays a crucial role by licensing intermediaries that offer online trading platforms that allow diaspora members to engage in buying and selling securities online, providing direct access to investment opportunities in the Kenyan capital markets. Some of the licensed intermediaries with online trading platforms include SBG Securities, Genghis Capital, Renaissance Capital, Dyer & Blair, AIB Capital, and NIC Securities. *Click the logo for more information.*



The Central Bank of Kenya offers government securities, risk-free investments called Treasury Bills and Treasury Bonds that provide you with a return and/or a consistent source of income over a specified period of time. By buying securities, you loan money to the government, which promises to repay after a specified period of time, called maturity. Investing in government securities can be done through the Central Bank directly or through a commercial bank or an investment bank.

Click the logo for more information.

INVESTMENT OPTIONS FOR THE KENYAN DIASPORA

Kenyans in the diaspora have access to diverse investment opportunities across various sectors. These include real estate, government securities, bonds, business ventures, and investing in technology-driven platforms. To encourage diaspora investment, several information sources, tools and initiatives have been developed to make the process easier, transparent, and profitable.

Investing in Capital Markets

The stock market is one of the most effective ways to grow wealth over time. It provides individuals and businesses an opportunity to buy and sell shares of publicly listed companies, allowing investors to earn through capital gains and dividends. In Kenya, the Nairobi Securities Exchange (NSE) is the primary marketplace where shares are traded, and it is regulated by the Capital Markets Authority (CMA) to ensure transparency and investor protection. Investing in stocks can help you:

- **Grow Your Wealth**, providing higher returns compared to savings accounts and fixed deposits.
- **Earn Passive Income** via dividends—a share of company profits paid periodically.
- **Diversify Investments** by spreading your investment risks across different industries.
- **Have Liquidity of Funds** because they can be bought and sold easily on the NSE, allowing investors to access funds when needed.
- **Own & Influence** company decisions by voting at annual general meetings (AGMs).

Categories of Investors in the Capital Market

Capital Appreciation Investors:	Buy shares expecting long-term price increases, allowing them to make capital gains.
Income Investors:	Invest in shares primarily for dividends and prefer companies with a strong history of dividend payouts.
Control-Oriented Investors:	Wealthy investors or institutions may acquire over 50% of a company's shares to gain ownership and control.
Shares as Exchange or Collateral:	Some investors buy shares to use as a medium of exchange or as collateral to secure loans, as shares can be easily liquidated.
Speculative Investors	They aim for short-term profits by buying shares at low prices and selling when prices rise. However, this approach carries high risks.
Safety-Oriented Investors:	Investors seeking security prefer corporate or government bonds and shares in well-established, stable companies.
Risk-Averse & Small Investors	Lower-risk investors in Collective Investment Schemes (CIS) like Unit Trusts and Mutual or Money Market Funds, which pool money to create diversified portfolios with professional management.

Financial Market Securities You Can Trade In

Bonds



Commonly known as a Corporate Bond, it represent a loan to a company to help it raise long-term capital at competitive rates, enhancing their growth and development. A bond offers fixed and guaranteed returns with periodic interest payments. Bond holders do not get voting rights or benefit from exceptional company performance. They are creditor who receives fixed interest payments until the bond matures and the principal is repaid. Bonds are less risky and one can benefit from a wide variety of strong portfolios, with easy exit and entry.

Shares



Shares, also known as equities, represent ownership in a company, giving investors voting rights and potential profit-sharing through dividends. A shareholder owns part of the company. Returns are not fixed and depend on company's annual performance. You can buy shares from any company that is listed in the stock exchange. Daily trading happens on weekdays (Monday to Friday, between 9am and 3pm) and prices are published hourly. One can invest in four main categories - Agriculture, Financial, Commercial and Services, Industrial and Allied sectors.

Derivatives



A derivative is a more complex type of financial instrument whose characteristics and value depend on an underlying asset. The asset can be an equity, currency, bond, interest rate, commodity or even the weather. They include a Equity Index and Single Stock Futures. A futures contract is an agreement to exchange a pre-specified asset at a pre-specified price on a pre-specified date in the future.



STOCK TRADING: Starting Smart, Investing Wisely and Growing Your Wealth

Investing in stocks is a great way to build long-term wealth, but it requires careful research, financial discipline, and risk management. Before buying stocks, it is important to understand the stock market, analyse companies, and choose the right investment strategy, make informed decisions and maximise your returns

STEP 1



UNDERSTAND THE BASICS

- How the Nairobi Securities Exchange Works – Know how stocks are bought and sold.
- Role of the Capital Markets Authority – Learn about regulations in stock trading protection of investors.
- Market Trends & Economic Factors – Understand how inflation, interest rates, and economic cycles affect stock prices.

STEP 2



RESEARCH COMPANIES TO INVEST IN

- Financial Health – Check profitability, revenue growth, and debt levels.
- Leadership & Management – A strong, experienced team is key to long-term success.
- Industry Performance – Compare performance relative to its competitors.
- Earnings Reports & Dividend History – Look whether the company regularly pays dividends.

STEP 3



ANALYSE STOCK PERFORMANCE

- Stock Price Trends – Study historical price movements know stock volatility.
- Price-to-Earnings (P/E) Ratio – Is the stock overvalued or undervalued?
- Market Capitalisation – The total value of a company's shares can indicate stability and growth potential.
- Dividend Yield – If looking for passive income, consider the dividends paid per share.

STEP 4



EVALUATE INVESTMENT RISKS

- Market Risk – Stocks fluctuate based on market conditions.
- Company-Specific Risk – Issues like poor management, declining sales, or scandals can affect stock prices.
- Liquidity Risk – Some stocks are harder to sell quickly at a good price.
- Foreign Exchange Risk – If investing in foreign stocks, currency fluctuations can impact returns.

STEP 5



CHOOSE THE RIGHT INVESTMENT STRATEGY

- Growth Investing – Buying stocks expected to grow rapidly over time.
- Value Investing – Looking for undervalued stocks with strong fundamentals.
- Dividend Investing – Focusing on stocks that pay regular dividends for passive income.
- Long-Term vs. Short-Term Investing – Decide whether to buy and hold or trade stocks frequently.

STEP 6



OPEN AND MANAGE A CDS ACCOUNT THROUGH AN INVESTMENT BANK OR A STOCK BROKER

- Find a Licensed Stockbroker – You need a Central Depository System (CDS) account to trade stocks.
- Fund Your Account – Determine how much you're willing to invest.
- Monitor Your Portfolio – Regularly track your stocks' performance and adjust your strategy if needed.

STEP 7



PLAN FOR TAXES AND FEES

- Capital Gains Tax (CGT) – Understand how much tax is charged when selling stocks for a profit.
- Brokerage Fees – Different brokers charge different transaction fees, so compare rates.
- Dividend Tax – If receiving dividends, factor in applicable taxes on payouts.



Investing in Government Securities

Government securities are simply loans the government takes and promises to repay investors after a specified period of time, called maturity. They can be bought directly by the corporate or individual investor from the CBK, or through a licensed commercial or investment bank. The government offers two types of securities:

Treasury Bills

Treasury bills are secure, short-term investment, offering short commitment of funds with maturities of 91 days, 182 days and 364 days. When you invest money in a Treasury bill, you receive that money back within three months, six months or one year, depending on the bill you choose. Treasury bills are sold at a discount, meaning that you pay less than the bill's face value, but after maturity you will receive the full face value. Treasury bills are sold weekly.

Treasury Bonds

Treasury bonds are a secure long-term investment in form of loans to the government given for a specified period of time, which is the bond's maturity. Investors receive interest payments every six months throughout the bond duration, and the invested face value amount at maturity. Treasury bonds in Kenya offer fixed interest rates that are locked at auction for the entire life of the bond, making them a predictable source of income. Bonds are sold monthly but special bonds can also be announced periodically throughout the year e.g. tax-exempt infrastructure bonds offering attractive terms

Opening an Investor Accounts Account from Abroad

Purpose of an Investor Account

Having an investor account is a mandatory step for anyone looking to buy or sell shares at the Nairobi Securities Exchange (NSE) for financial market securities or at the Central Bank of Kenya for government securities. The NSE investor account is known as the Central Depository System (CDS), managed by the Central Depository and Settlement Corporation (CDSC) account while the CBK investor account is known as the Central Securities Depository (CSD), managed by the National Treasury. Investor accounts act as a digital repository for holding and transferring your securities, eliminating the need for physical certificates and making trading more efficient by streamlining transactions. It ensures a secure, efficient, and transparent process for trading bonds and other securities issued by the NSE and CBK.

Opening a CDS Account at the NSE

1 Choose a Licensed Central Depository Agent (CDA)



- A CDA is a licensed stockbroker, investment bank, or commercial bank that facilitates trading on the NSE and open a bank account with them.
- Ensure the CDA is licensed by the Capital Markets Authority (CMA) and compare their brokerage fees and services before choosing one.

2 Gather Required Documents



Individuals

- Two certified recent passport-size photos
- Certified scan of National ID or Passport
- Kenya Revenue Authority (KRA) PIN certificate

Companies

- Certificate of Incorporation (original & copy)
- Company KRA PIN
- Board Resolution authorising CDS account opening
- Certified Memorandum & Articles of Association

3 Fill & Sign Diaspora CDS Account Opening Form



- Download, fill in and sign the CDS Account Opening Form + the e-mail indemnity form (include a witness signature).
- E-mail the duly filled documents or upload them in your stockbroker's website
- The CDA will process your application and inform you of the next steps

4 Receive Your CDS Account Number & Start trading



- Once your application is approved, you will be issued a unique CDS account number.
- Keep this confidential, as it is used for all transactions on the NSE.
- You can open multiple CDS accounts with different stockbrokers.
- If needed, you can transfer shares from one broker to another by completing a Securities Transfer Form, signed by both your current and new CDA.



Open CDS Account



Opening a DhowCSD Account at CBK

1 Access The CBK DhowCSD



- Use any device with internet access to access the DhowCSD portal online or by downloading the mobile app
- Use a valid email address to register to the portal
- Enter the mandatory details in the online form
- Enter the settlement details of your bank in Kenya
- Upload the mandatory documents

2 Upload Mandatory Documents



Individuals

- A recent passport-size photo
- Certified scan of National ID or Passport
- Kenya Revenue Authority (KRA) PIN certificate
- e-mail indemnity form availed by CBK

Companies

- Certificate of Incorporation/registration/license
- Company KRA PIN
- Board Resolution authorising investment, duly signed by directors and chairman
- Copies of directors' ID documents
- Audited reports for the last year
- Corporate stamp/ seal on all forms

3 Get Username Details



- Once you have created your profile on the Investor Portal or Mobile App, you will receive an email notification with the Username details.
- The assigned Username or email shall be required for any future logins to access the Investor Portal or Mobile App

4 Receive Your CDS Account Number & Start trading



- Once you receive the details of your DhowCSD Account, you will now be able to trade in treasury bills and bonds
- The same instructions will be followed to open a joint account. However, one must already have an existing account



Open DhowCSD Account



Investing in Mutual Funds

If you are new to investing, mutual funds are for those who are starting out in their investment journey because they are low-risk, stable, short-term securities. Mutual funds, also known as **Collective Investment Schemes (CIS)** or **unit trusts**, are a type of fund that pools money from multiple investors and invests it in low-risk, short-term securities such as government treasury bills and bonds, equity stock funds, money market funds, multi-asset funds and fixed deposits. Your money is pooled together to create greater buying power so you are able to invest in a wider range of investments than as individual investor. Each investor in a fund owns units (or shares) which represent a part of a fund's portfolio holdings. Most funds have a prospectus and factsheet that shows their respective investment objectives, policy and past performance.

Unlike stocks or bonds, mutual funds prioritise capital preservation, making them an excellent choice for individuals looking to grow their money safely while maintaining liquidity. You can save any amount which will typically mature within one year or less, offering a high degree of liquidity and capital preservation. Most fund managers allow investments in Kenya Shilling or other major currencies like the US dollar and can be accessed and managed digitally via USSD, web platform, and mobile app.

Investing via mutual funds is beneficial because they:

- **Are low-risk, stable**, short-term securities, reducing exposure to market fluctuations.
- **Earn regular interest** on your investment, calculated daily and allocated to your account monthly.
- **Offer high liquidity that's fast and easy to access** giving you the flexibility to get your money easily in case of emergency (typically, withdrawals are processed within 2-3 business days)
- **Require low minimum investment and zero initial fees**, allowing you to begin with as little as Ksh 500 at no extra charges. Investments can be made via most remittance channels available like card, bank transfer, online or mobile apps
- **Are professionally managed** by financial experts handling the investment decisions, ensuring your money is placed in the best-performing, low-risk instruments.
- **Offer competitive returns** – MMFs often offer higher interest rates than traditional savings accounts, making them a smart place to store idle cash while earning passive income.
- **A means of diversifying** your money, as it is spread across multiple investments, reducing the risk of losing money due to poor performance in a single security.
- **Are ideal for achieving savings goals**, emergency funds, school fees, rent, business capital, or even travel savings since they offer stable and predictable returns.

Opening and Managing Mutual Fund Accounts



Required Documents

Most accounts can be opened online with minimal paperwork. Required documents include:

- Scanned copies of ID or passport, KRA PIN, passport-size photo
- Fill out the investment account application form & submit to your MMF fund manager



Deposit Funds

Pay the initial investment into the account. Most MMFs have a minimum amount you need to invest to open an account. Check for any associated fees like account opening fees, management fees, and withdrawal fees.



Engage and Track

Track your investment performance through the monthly statements. Ask your fund manager questions regularly about fees, taxes and how easily you can access your funds when needed.



Automate Savings:

Set up a Cash Flow Plan to automate regular transfers from your money market fund to your designated account or other investments within our company.



Keep Investing

You can top up your funds at any time to add more to your investment to increase your investments. Regular investments, no matter how small, can lead to significant growth over time.

Investing in Pooled Investments

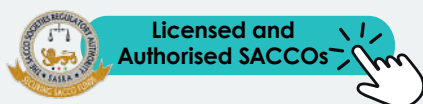
In many instances, Kenyans in the diaspora come together to pool their financial resources together to form a collective fund to achieve their mutual savings and investment objectives. Usually they can do so informally through a *chama*, or formally through a Savings and Credit Cooperative (SACCO). Chamas and SACCOs operate on the principle of collective saving and investment. Each member contributes a certain amount of money to the group's fund every month or at regular intervals. This money is then used to make investments or provide loans to members who need it. Members share the profits from these investments or loans based on their contribution levels.

Diaspora Savings and Credit Cooperatives

Diaspora SACCOs are cooperatives formed by Kenyans overseas, tailored to their unique needs. Since 2012, several Diaspora SACCOs have been formed in the US, Europe, Middle East and beyond. Diaspora SACCOs are regulated by SACCO Societies Regulatory Authority (SASRA) as Non- Withdrawal Deposit Taking SACCOs. They have a clear governance structure with a board of directors, supervisory committee and management team.

For Kenyans living abroad, Diaspora SACCOs offer an excellent opportunity to pool savings and get loans to enable them undertake investment ventures in Kenya while supporting local communities and securing financial growth. These SACCOs have gained momentum in the recent years, provide tailored financial services, enabling Kenyans abroad a reliable vehicle to build wealth back home.

Joining a SACCO can be easy, depending on the terms and conditions of the SACCO itself. You will need to research on a suitable one that meets your goals, and choose between a diaspora SACCO and Kenya-based SACCO with diaspora services. It is important to also check the membership requirements as some may only cater for certain groups of people. Once you've done your due diligence, you can fill the application forms, pay the membership fee, buy shares and start investing by making regular contributions. After a certain period, you will start to enjoy benefits like loans.



Why Invest Through Diaspora SACCOs?

- **Safe & Regulated Investments** – Diaspora SACCOs conduct due diligence, ensuring safe and credible investment opportunities for their members.
- **Asset Financing** – Diaspora SACCOs partner with investment companies, making it easier for diaspora members to buy land, build homes, and invest in property.
- **High Returns on Savings** – Members receive annual interest on your savings, profit-sharing (dividends), and even rebates or bonuses in good years, often at rates better than banks.
- **Affordable Loan Facilities** – Members can access loans at competitive rates better than commercial banks because they are lower, stable, have no hidden fees, and repayment periods are friendly.
- **Lower Remittance Costs** – SACCOs are exploring ways to reduce remittance charges, ensuring that more money is available for actual investment.
- **Savings Discipline and Community Support** – SACCOs operate on cooperative principles of membership and community, which encourages pool together for large projects like real estate. They also instil a strong savings culture, since members are required to save regularly, with rules that make it harder to withdraw easily
- **Financial Education & Growth** – Diaspora SACCOs regularly hold training and seminars, helping members maximise their remittances and make informed financial decisions.

Chamas (Group Savings)

An informal cooperative society primarily focused on fund-sharing and collective investment, a chama allows members to pool resources to achieve mutual financial goals through savings and loans to achieve individual or collective goals. Though predominantly informal in structure, chamas play a vital role in supporting members. Members not only share personal investment experiences to aid in business growth but also collectively manage risks, ensuring financial resilience and long-term success.

Chamas can take different forms and are created for one or multiple purposes, including 'merry-go-round' or Rotating Savings and Credit Associations - ROSCA (members make fixed regular contributions and each member takes a turn to receive the entire pot), Investment Club (pooling to invest in financial instruments and grow wealth), Welfare Chamas (pool collections to offer support in emergencies), and many others. They are governed by a constitution that's agreed by its members who elect officials - typically a chair, secretary and treasurer, who are also the administrators. Like SACCOs, chamas are regulated by SASRA and are required to be formally registered. With time, most well governed chamas grow to become successful SACCOs or formal registered companies.

Chamas can be exclusive to member or open, based on their collective goals. They are usually formed on the basis of common characteristics of members like women groups, work colleagues, high school friends, people living in the same community and so on. Thus membership criteria varies across many chamas. It is important to do proper due diligence before joining any chama or ensure regulatory compliance when starting one.

Collective Investment Opportunities for the Diaspora



Real estate: You can save or take a loan towards housing projects, loan, or mortgage



Land Purchase: buying lower price due to collective bargaining power, for future development or investment



Asset Financing: You can invest in an income generating asset like tractor to hire out, a matatu, or bakery equipment which can pay itself over time



Business Ventures: you can take a development loan or business loan to fund your business idea in Kenya like a family shop, a small hotel, rental buildings, school, clinic, etc



Savings and earning returns: You earn interest from the money you save which is credited to increase your wealth



Financial Instruments: SACCOs and chamas can sometimes invest members' funds in government bonds, Treasury bills, or blue-chip stocks on their behalf

Investing in Real Estate

Kenya's real estate sector has continued its upward growth trajectory, fuelled by urbanisation, infrastructure expansion, and increased investment by the diaspora. In recent years, demand for housing has surged, particularly in satellite towns around major cities like Nairobi, Kisumu, Mombasa and Eldoret, where mixed-use developments are gaining traction. Improved road networks, and expanded electricity and water access have enhanced property values, attracting more investors. Kenya National Bureau of Statistics Real Estate Survey Report 2023/2024 states that Kenya's real estate remains one of the fastest-growing in Africa, with the sector expanding by over 7.3% in 2024, and contributing over 9% to Kenya's GDP. Kenyans abroad invest largely in properties ranging from affordable housing to luxury apartments and commercial spaces. There are several sources of real estate financing, including commercial banks and micro-finance institutions, SACCOs, chamas and employee schemes.

Affordable Housing Program: Launched by the Government, the program offers subsidised home ownership opportunities for citizens both in Kenya and in the diaspora. Diaspora members can now register for the program via and access tax-free mortgage incentives and flexible financing options through local banks. Additionally, the government has partnered with Kenya developers to facilitate joint housing projects, allowing investors abroad to co-own and develop real estate without physically being in Kenya. With these new digital and policy-driven initiatives, Kenyans in the diaspora can now own property more securely and profitably than ever before.

Real Estate Companies list properties for sale, rent or lease. These websites connect investors to properties by matching them with a real estate agencies, landlords, private sellers to identify the right houses, office spaces, land, shops and other commercial properties that suit their needs. Most can be found easily through an online search.

Real Estate Investment Trust (REIT) - a regulated collective investment vehicle that enables one to contribute towards acquiring interests and rights in a trust. As an investor, the money you contribute is divided into units which earn you profits or income from real estate as beneficiaries of the trust. Two types of REITs exist in Kenya: **Development REITs (D-REIT)**, which are involved in development or construction projects and **Income REITs (I-REIT)**, which own, operate and finance income-generating real estate properties. REITs provide benefits to both the issuer, such as tax exemptions and easier access to capital, and to the investor, such as regular income streams and exposure to professionally managed properties.

More Information on Real Estate Investment Opportunities for Kenyans in the Diaspora



Government portal run by State Department of Housing and Urban Development as a gateway to the Affordable Housing Program.
Click logo for more information



The NSE and the REITS Association of Kenya provide information about REITs to both issuers and investors alike, to promote its growth in Kenyan market by establishing a framework for development of REITs, through continuous engagement, partnerships and knowledge transfer. *Click logo for more information*



Estate Agents Registration Board (EARB) is the regulatory body for estate agents practice in Kenya ensuring that agents operate with compliance, competence and conduct that guarantee public protection when buying real estate.
Click logo for more information



KenInvest lists a number of investment opportunities in housing in Kenya across multiple segments including real estate development in urban areas, gated communities, green and sustainable housing, commercial real estate and REITs
Click logo for more information



Investing in a Business

Kenyans abroad often come across new innovations, invention, business ideas and models that want to try back at home in order to gain from the first mover advantage. There are many ways that Kenyans in the diaspora can invest in business ventures in Kenya. Click the links below to learn about the definition and characteristics of the business structure, legal status, liabilities, tax obligation and ownership/management structure and registration cost, duration, requirements and procedures.

Business Structure (click for more)	Definition
Company	A legally registered entity incorporated in Kenya that may take the form of: <ul style="list-style-type: none">• a company limited by shares or by guarantee; or• an unlimited company.
Partnerships	A business owned by two or more people who share profits, risks, and responsibilities
Sole Proprietorship (Business Name)	A business owned and run by one person who takes full control of operations and finances.
Limited Liability Partnership - LLP	A hybrid structure combining features of a company and a partnership, registered under the Limited Liability Partnership Act.

If you are investing in a new business or setting up from abroad you may require guidance to help you through the process. The Kenya Investment Authority (KIA) developed the [Kenya Investment Portal](#) (e-regulations), a one-stop shop for information on investment opportunities and requirements for setting up a business in Kenya. This includes:

- Procedures: To enhance transparency and efficiency for investors, information related to initiating and operating a business in Kenya are detailed in step-by-step guides to company registration, obtaining permits, and compliance requirements.
- Databases: provide access to laws and norms (a repository of legal documents, regulations, and standards pertinent to business operations in Kenya), contacts and information on relevant authorities and institutions that investors may need to engage with. and essential forms and templates required for various administrative procedures.
- Trade Information Portal serves as a valuable resource for investors seeking market insights (data and analysis on trade statistics, market trends, and economic indicators), and information on procedures, tariffs, and regulations affecting import/export trade activities.
- KenInvest highlights various investment opportunities across multiple sectors, including financial services, tourism, ICT, housing and food security.

To support investors, KenInvest has a One Stop Center (OSC) which brings together officials from various government agencies involved in investment facilitation, such as the Registrar of Companies, Kenya Revenue Authority, Ministry of Lands, and others to provide timely and transparent business registrations services. It also has an Online Facilitation, allowing investors to access services related to investor registration, investment certificates, tax facilitation, immigration assistance, and more. These services are designed to streamline the investment process and provide comprehensive support to both local and foreign investors.

Investing in Kenyans through Diaspora Philanthropy

Beyond the financial success you achieve abroad, most citizens living in the Kenya greatly need your skills, resources and generosity to transform their livelihoods. Whether through education sponsorships, supporting healthcare initiatives, funding community development projects, or offering business mentorship, your contributions creates a lasting change. To ensure your contributions are impactful and reach those in need, consider collaborating with reputable organizations that facilitate diaspora giving. You can give directly and independently to causes or use intermediaries such as faith/community-based organizations, diaspora associations, hometown associations and internet-based platforms.

