# Kenya

## Country brief 2024

### How and why mobile money drives growth

Mobile money has become a mainstream financial service across many low-and middle-income countries (LMICs), improving access to financial services for underserved or excluded populations.

A large body of research and empirical evidence has demonstrated the positive social and economic impacts that mobile money has had on individuals, households and businesses. This has shown that mobile money reduces user transaction costs and helps households to better manage their cash flows, enabling them to smooth consumption and manage risk. It also allows firms (particularly small and micro-enterprises) to invest and build capital over time, fostering the creation and expansion of business, and facilitates faster and more efficient government transfers. These benefits allow mobile money users to realise significant quality-of-life improvements.[1]

If adoption is widespread, these microeconomic effects can also have a macroeconomic impact and contribute to economic growth. Access to credit and saving facilities can help to smooth consumption and cope with shocks, which can increase aggregate consumption and, therefore, gross domestic product (GDP). Reducing transaction costs can increase trade, which can lead to a more efficient allocation of capital, thereby improving productivity and investment by enterprises. Moreover, mobile money can increase the size of the formal economy and enable more effective monetary policy because a greater share of economic activity falls under the influence of the central bank's interest rates. This can contribute to a stable and growing economy.

### Key statistics

**Kenya**

Population

**52 million**

Mobile money providers

- Airtel Money
- Equitel
- M-PESA
- T-Kash

Mobile Money Regulatory Index 2024 score

**88** / 100

Mobile Money Prevalence Index 2023 assessment

**Very high**

**79%**

**of adults had an account[2] in 2021**

**69%**

**of adults had a mobile money account in 2021**

GDP per capita 2023 (2017 PPP)

**$5,400**

Sources: IMF World Economic Outlook (October 2024), The Global Findex Database 2021

1 For a detail review of the literature, see GSMA Intelligence (2023), Beyond financial inclusion: does mobile money drive GDP growth?

2 The percentage of respondents who report having an account (by themselves or together with someone else) at a bank or another type of financial institution, or report personally using a mobile money service in the past year.

## Mobile money in Kenya

Between 2013 and 2023, the number of registered mobile money accounts in Kenya more than tripled from 25 million to 77 million. This reflects an increase in mobile money penetration from 60% to 150% (Figure 1).[3] Similarly, the number of active agents climbed to 320,000 in 2023, from 110,000 in 2013. The value of cash-in and cash-out transactions grew 1.5 times during the same period, reaching almost $1 billion in 2023.[4]

## Mobile money's contribution to Kenya's economy

At the end of 2023, the total GDP in Kenya was $24 billion greater than it would have been without mobile money – an increase of 20% compared to the year before (Figure 2). This is equivalent to mobile money increasing GDP by up to 8.6%, similar to the contribution made by the country's manufacturing and real estate sectors.[5] Mobile money's contribution to Kenya's economy in 2023 was more than double its impact in 2013 (3.9%). It was also significantly higher than the impact of mobile money in Sub-Saharan Africa (4.5%) in 2023.

At the individual level, mobile money increased GDP per capita (2017 PPP)[6] by $460 in 2023, an almost three-fold increase compared to 2013 (Figure 3).

Figure 1

Source: GSMA Intelligence, using Central Bank of Kenya data

**Registered accounts penetration, cash-in and cash-out value in Kenya** 2013–2023

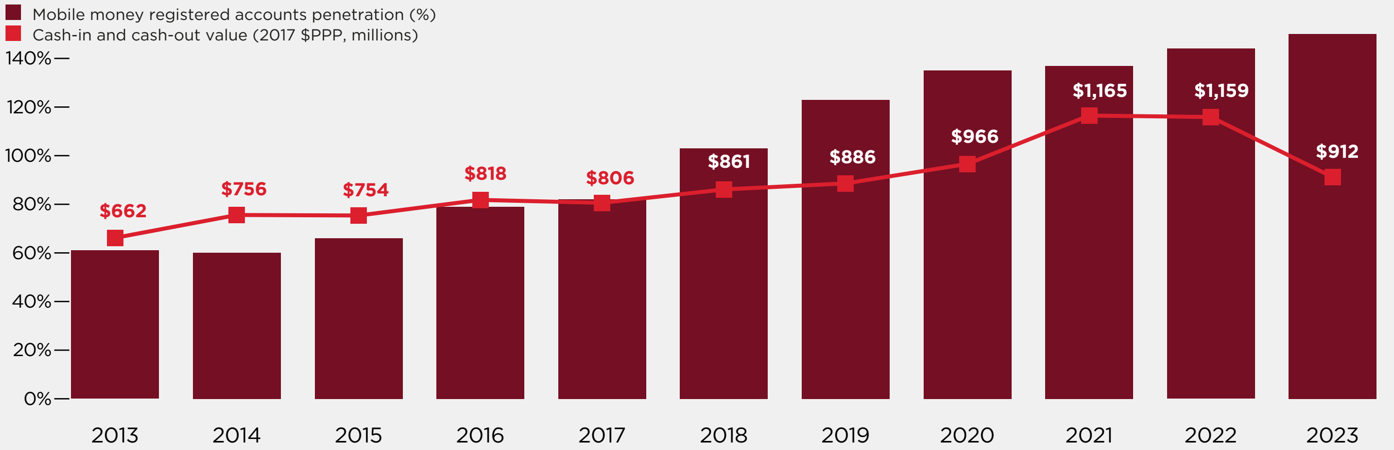



Figure 2

Source: GSMA Intelligence

**Simulated impact of mobile money registered accounts on GDP in Kenya** 2013–2023 (2017 $PPP, billions)

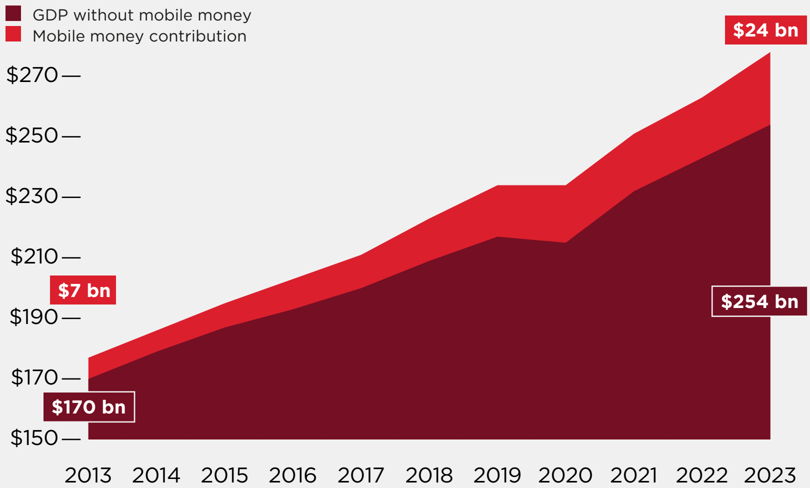
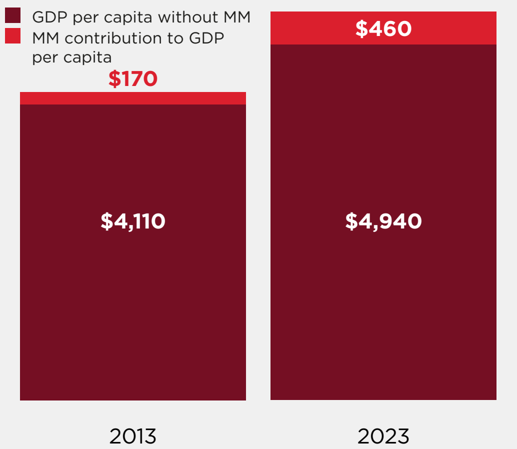



Figure 3

Source: GSMA Intelligence

**Simulated contribution of mobile money to GDP per capita in Kenya** 2013 and 2023, (2017 $PPP)




3 Mobile money penetration is defined as the number of mobile money registered accounts divided by the total population of the country.

4 Source: Central Bank of Kenya statistics on Mobile Payments. Available at: https://www.centralbank.go.ke/national-payments-system/mobile-payments/

5 Source: Economic Survey 2024, Kenya National Bureau of Statistics. It should be noted that these contributions are not mutually exclusive to the impact of mobile money, which spreads across all economic activities.

6 Refers to Purchasing power parity; 2017 international dollar.