



Central Bank of Kenya

Agriculture Sector Survey

November 2025

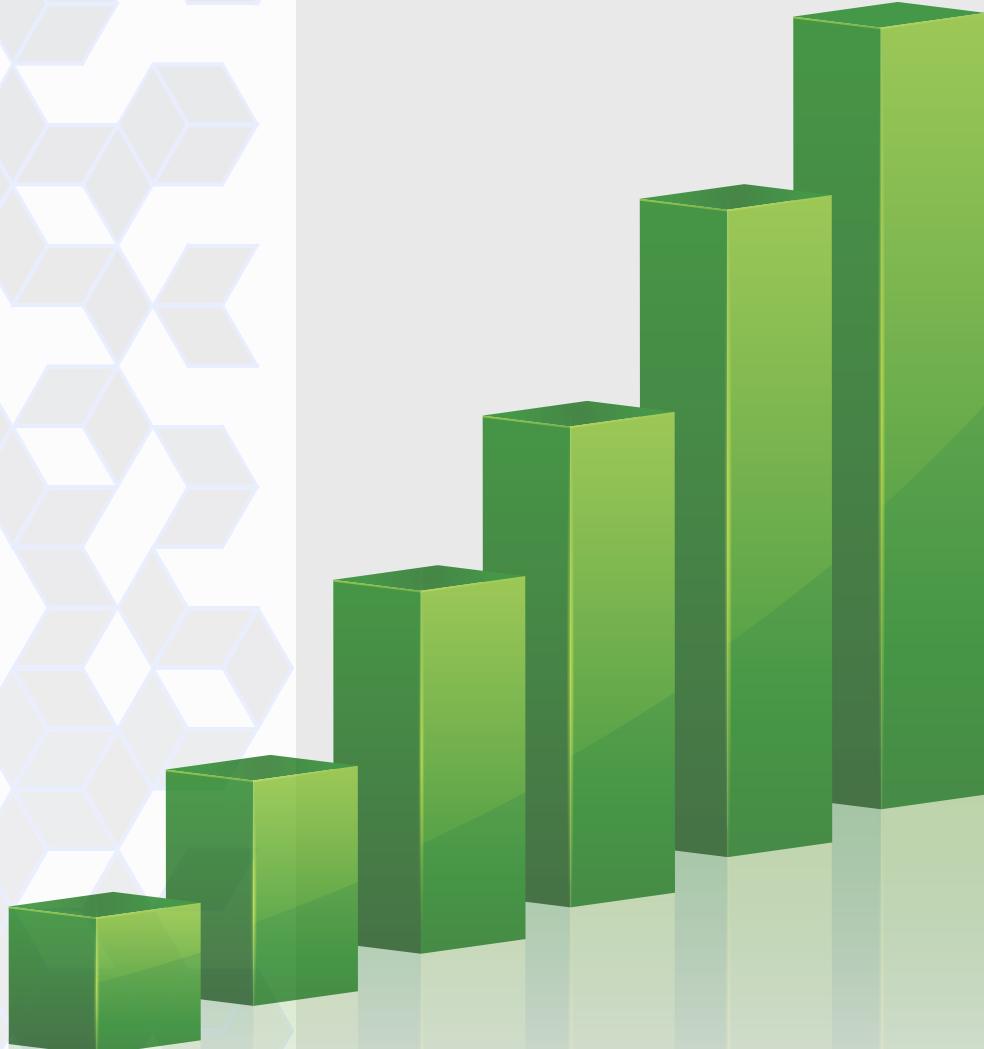


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1. BACKGROUND

The agriculture sector plays a crucial role in the Kenyan economy through its contribution to food security, economic growth, employment and foreign exchange earnings. According to the Kenya National Bureau of Statistics (KNBS) *Economic Survey 2025*, the contribution of agriculture¹ to nominal Gross Domestic Product (GDP) averaged 21.8 percent between 2000 and 2024. Growing of crops was the dominant agriculture sector activity with its contribution to nominal GDP averaging 15.5 percent over the period.

In 2023 and 2024, the sector grew in real terms by 6.6 percent and 4.6 percent, respectively, and this performance continued into the first half of 2025. The KNBS *Quarterly Gross Domestic Product Report* for the second quarter of 2025 shows the sector expanded by 4.4 percent in the second quarter of 2025 compared to 4.5 percent in a similar quarter in 2024.

Based on the KNBS *Economic Survey 2025*, Kenya produced, on average, 41.1 million 50-kilogram bags of maize each year between 2020 and 2024. Over the same period, the average annual production of beans was estimated at 8.8 million 50-kilogram bags while the production of Irish potatoes was estimated at 2 million tonnes per year. These food commodities feature prominently in the consumer basket in view of their relatively significant in the household budget. Beans and Irish potatoes have weights of 0.72

percent and 0.75 percent, respectively, in the overall Consumer Price Index (CPI). The weight of maize and associated products is significant at 2.6 percent².

Developments in the agriculture sector are therefore bound to have an impact on not only aggregate output but also on inflation. It is in view of these considerations that the Monetary Policy Committee (MPC) of the Central Bank of Kenya (CBK) continuously monitors developments in the sector through a survey conducted in select regions to gather information on indicative prices of basic food commodities, output and expected trends.

More specifically, the survey focuses on the following:

- i. Indicative prices of select key agricultural food items and the general price expectations.
- ii. Assessment of output and acreage of select food items, and expectations.
- iii. Access to, usage and barriers to farm inputs for agricultural production.
- iv. Factors affecting agricultural production and marketing/sale of farm produce.
- v. Indicative information on access and use of credit facilities.
- vi. Suggestions on how to improve agricultural production.

1. Agricultural activities include growing of crops, animal production, support activities to agriculture, forestry & logging and Fishing & aquaculture.
2. The weight of maize grain – loose (0.5031), green maize (0.0768), green maize-loose (0.0188), maize flour-loose (0.4344), maize flour – sifted (0.7343) and premium/fortified maize flour (0.7222).

2. METHODOLOGICAL FRAMEWORK

The November 2025 survey, like previous MPC surveys of agriculture sector, gathered information on wholesale and retail prices of select food items, expectations regarding changes in prices and output, and factors that affect agricultural production. The survey drew respondents from select wholesale and retail markets and select farms in key food basket regions. These included Nairobi Metropolitan area, and neighbouring counties such as Kiambu, Kajiado and Machakos. Other areas covered included Naivasha, Gilgil, Nakuru, Narok, Bomet, Kericho Kisumu, Mombasa, Kisii, Eldoret, Kitale, Nyandarua, Nyahururu, Mwea, Isibania, Meru, Nyeri, Iсиоlо, Oloitoktok, Namanga, Makueni and Molo and some parts of Western Kenya.

The coverage and scope of the survey has continued to expand over time, thereby enhancing the response rate. The data was collected through face-to-face interviews with retailers, wholesalers and farmers in select markets and farms. A total of 306 respondents were sampled out of which farmers and retailers accounted for 52 percent and 36 percent, respectively, while wholesalers accounted for 12 percent (**Figure 1a & 1b**).

Figure 1a: Sample Composition (Percent)

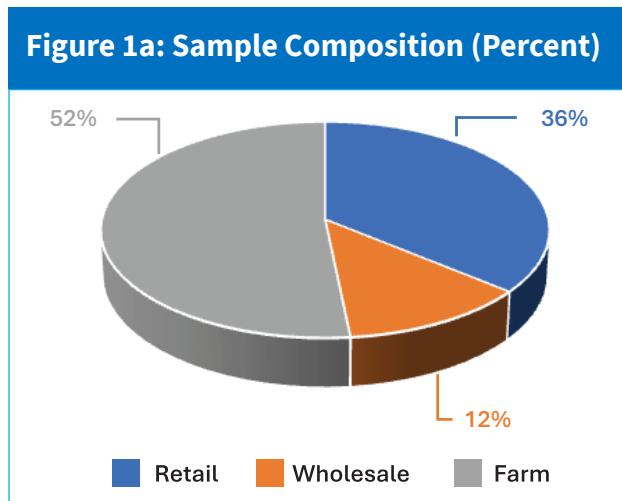
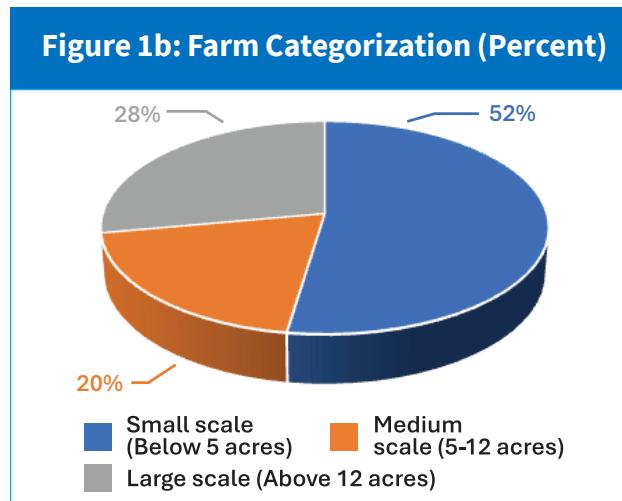


Figure 1b: Farm Categorization (Percent)



Analysis of the information collected was undertaken using both quantitative and qualitative approaches, with findings presented using summary tables and/or charts. The Balance of Opinion (BOO) is a key tool used in the analysis to show on a net basis the expected directional change in relation to variables of interest such as retail and wholesale prices of select food commodities, acreage under crop and output. In general, the BOO metric reveals the net position with regard to responses to select questions such as respondents' expectations about future prices and economic performance. The BOO is generally defined as the difference between the proportion of respondents having expressed a positive opinion and the proportion of respondents having expressed a negative opinion divided by the total number of respondents. The computation of BOO facilitates conversion of qualitative responses into quantifiable values.

For instance, with regard to inflation, the survey sought respondents' views about whether they expected inflation to increase, remain unchanged or decrease in the next one month and three months

ahead. The BOO gets the net positions of respondents and therefore helps shed light on the direction where, on balance, most of the responses are concentrated, after taking into account all the responses to the particular question. It is important to note that a respondent's expectations about inflation or economic performance could vary depending on the time horizon, for instance, a respondent could expect inflation to increase one month ahead but decrease three months ahead, and vice versa. The same applies to expectations about economic performance.

The survey also sought to understand how respondents expect the agriculture sector to perform in the next three months and one year ahead. The objective is to have separate expectations for agriculture sector performance and overall economic growth since expectations about the two can differ significantly despite the former being a sub-set of the latter. Overall economic performance encompasses the industrial and service sectors, in addition to agriculture.

3. MAIN HIGHLIGHTS FROM THE SURVEY

This section highlights the key findings from the November 2025 Survey, as follows:

- i. Monthly price changes for sampled food items were generally modest in November 2025 compared to October 2025.
- ii. Balance of opinion on expected food prices in December 2025 generally suggests an increase, mainly reflecting the December festive season.
- iii. Majority of the sampled respondents expect overall inflation to increase one month ahead, largely driven by December festivities. However, the proportion of respondents anticipating an inflation increase three months ahead is comparatively lower.
- iv. Subsidized fertilizer was reported by 83 percent of the farmers sampled in the November 2025 survey as one of the most critical interventions needed to support production (**Annex Figure 12**).
- v. Optimism about expected performance in the agriculture sector has remained high since January 2025. About 87 percent of the farmers sampled in November 2025 expect the sector's performance to improve in the next three months, while 89 percent expect an improvement one year ahead (**Figure 7a**).
- vi. Optimism about overall economic performance in the next three months and next one year has generally remained high since January 2025.

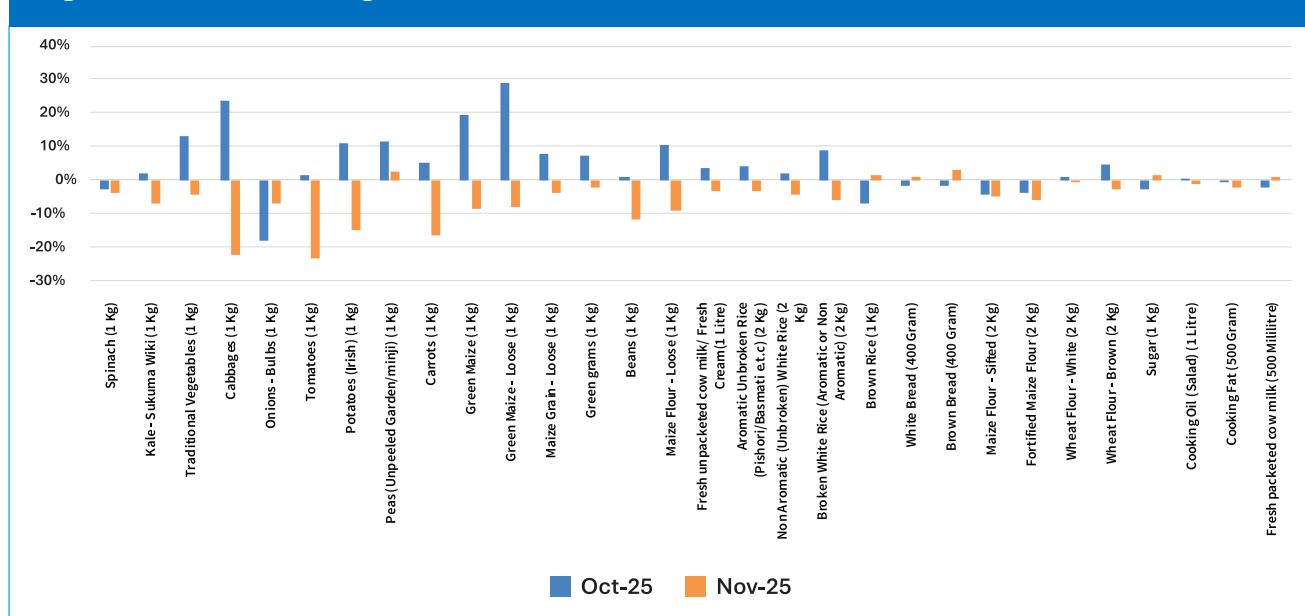
The November 2025 survey shows 77 percent of the sampled farmers expect overall economic performance to improve in the next three months, while 73 percent expect an improvement one year ahead (**Figure 7b**).

- vii. The use of irrigation is relatively limited, with 79 percent of the farmers sampled in November 2025 reporting they largely rely on rain-fed irrigation agriculture (**Annex Figure 10**).

3.1 Prices of key agricultural commodities

The analysis of the data shows monthly price changes across the sampled food commodities were generally modest in November 2025 compared to October 2025. For instance, the survey showed modest declines in prices of maize products such as maize flour-sifted, premium maize flour and maize flour - loose, reflecting the impact of increased supply of maize grain following maize harvest in Kenya's food basket areas. Prices of other sampled food items remained generally unchanged compared to October 2025, for instance, bread, white wheat flour, brown wheat flour, vegetable cooking oil, cooking fat, sugar and milk (**Figure 2**). Retail prices of fresh packed cow milk and un-packed cow milk have generally remained stable, supported by favourable weather that has boosted pasture.

Figure 2: Monthly Changes in Retail Prices of Select Food Items (Percent)



3. The price changes of the sampled food items are indicative and may differ in magnitude and direction from those reported by the KNBS. The KNBS CPI and inflation report published monthly has the final price outcomes.

3.2 Expected price changes for select food items

BOO for the November 2025 survey on expected price changes one month ahead, that is December 2025 shows food price expectations largely tilted towards an increase, mainly due to expected increase in

demand during the December festivities (**Figure 3a**). For instance, the prices of wheat flour and cooking fat/salad oil are expected to increase in line with respondents expectations of increased demand in December (**Figure 3a, 3b & 3c**).

Figure 3a: Balance of opinion in November 2025 on expected price change one month ahead for select food commodities (Percent of Respondents)

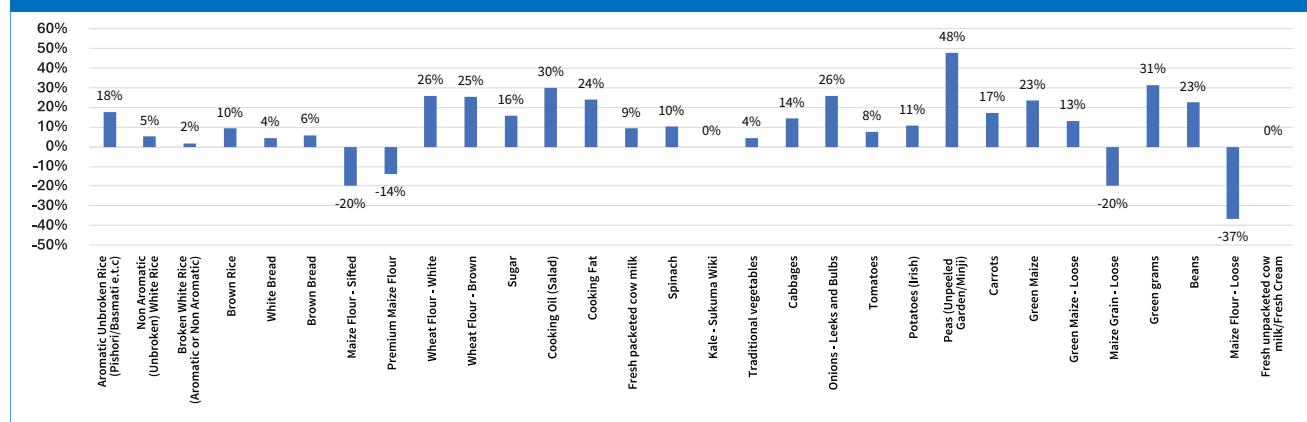


Figure 3b: Balance of opinion on expected price changes in the next one month for select food items in the core basket (Percent of Respondents)

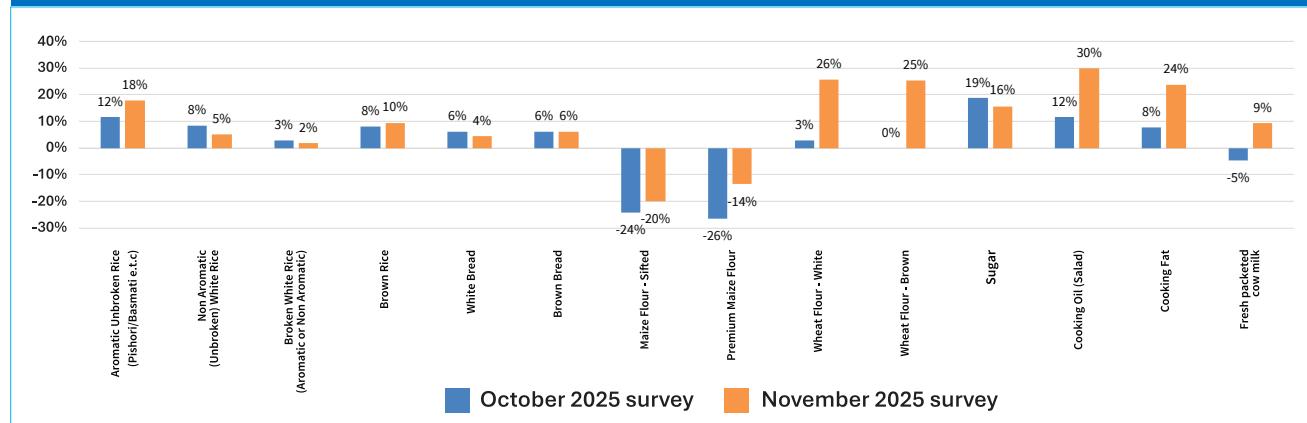
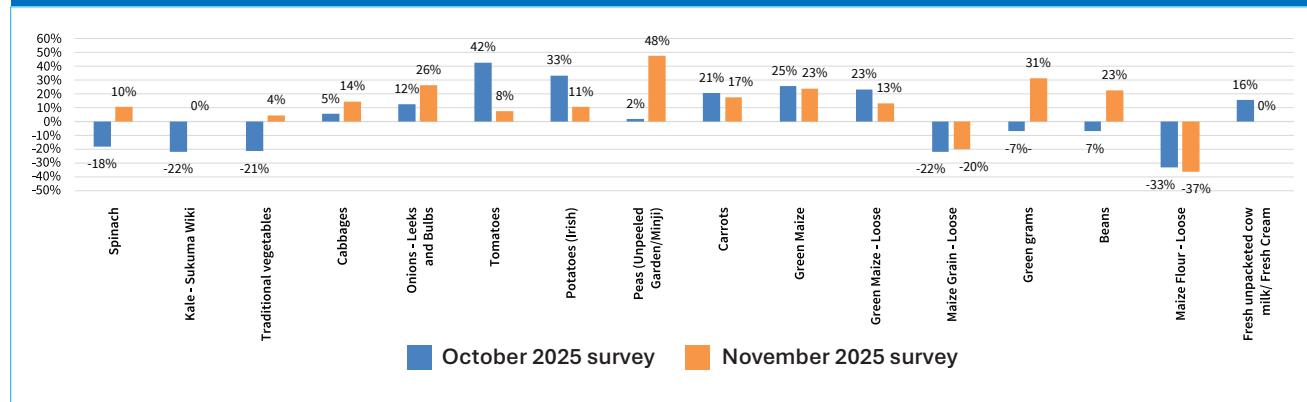


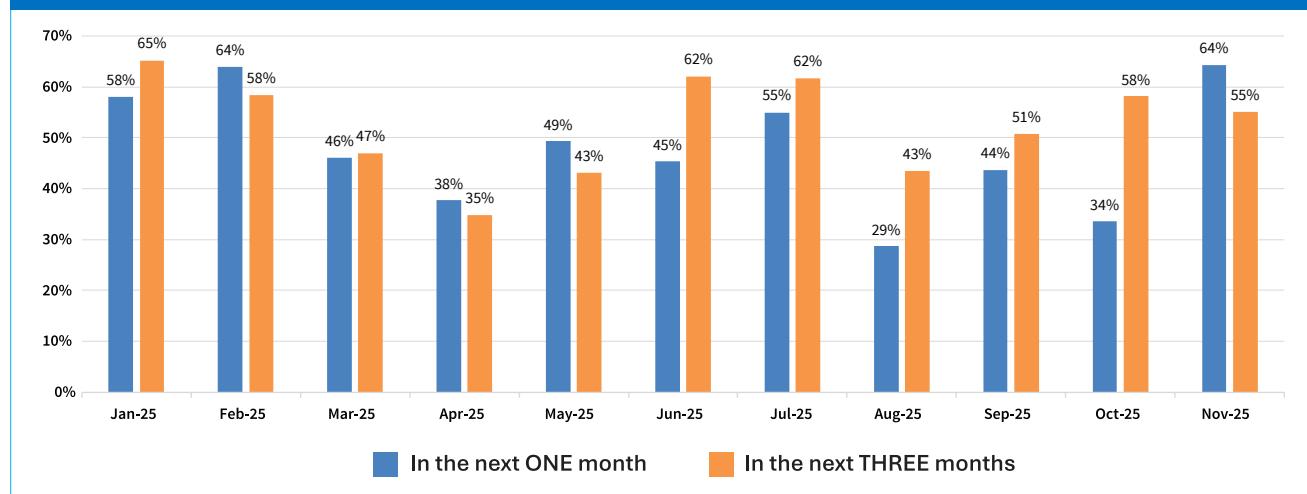
Figure 3c: Balance of opinion on expected price changes in the next one month for select food items in the non-core basket (Percent of Respondents)



With regard to overall inflation, the November 2025 survey showed 64 percent of sampled respondents expect overall inflation to increase in the next one month (that is, December 2025) compared to 34 percent who expected overall inflation to increase one month ahead in the October 2025 survey. On the other hand, the proportion expecting overall inflation to increase in the next three months stood at 55 percent in the November 2025 survey compared to 58 percent in the October 2025 survey (Figure

4). Those expecting an increase in overall inflation in the next one month reported that, other factors remaining constant, December festivities tend to be inflationary as demand for most consumer items tends to exceed supply. In particular, the season is marked by increased demand for food, transport and accommodation services. The proportion that expected overall inflation to increase three months ahead was relatively lower.

Figure 4: Proportion of respondents expecting inflation to decrease or remain unchanged (Percent of Respondents)

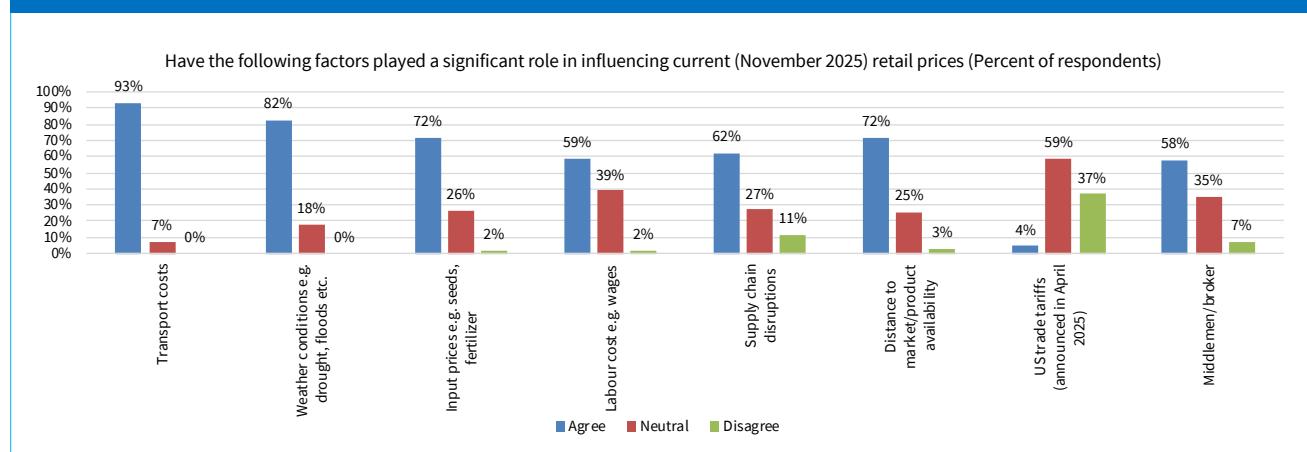


3.3 Factors affecting retail and wholesale prices

The November 2025 survey, like previous surveys, sought to establish the factors that influence retail prices of select food items. Transport costs and weather conditions were ranked the highest as

they were reported by 93 percent and 82 percent of sampled respondents, respectively, as key factors that influence retail prices of food commodities. Meanwhile, distance to market and labour costs were reported by 72 percent of sampled respondents in November 2025 as key factors affecting retail prices (Figure 5).

Figure 5: Factors Affecting Retail Prices Reported in November 2025 Survey (Percent of Respondents)



3.4 Analysis of output

3.4.1 Output and acreage expectations

This section describes the outcomes of the November 2025 agriculture survey regarding farmers' views on expected changes in output and acreage for select crops. These expectations are then compared to expectations obtained in the September 2025 survey in order to establish if there has been any shift in expectations either in relation to output or acreage or both. The survey also sought to understand what underpinned the expectations on output and acreage, for instance, what would inform a farmer's decision to change acreage or what reasons they had for expecting a lower, unchanged or higher output in the next season.

3.4.2 Output expectations across select food crops

Most sampled farmers in the November 2025 survey were generally optimistic that output of most food crops was expected to increase. However, the optimism was somewhat subdued relative to the findings in September 2025 due to concerns about rainfall outcomes for the October-December season in some regions. Nonetheless, the positive output expectations were informed by the positive sentiment in regions that had experienced favourable rainfall, as well as the expected continuation of government support measures aimed at increasing productivity in the agriculture sector and adoption of irrigation in select regions.

3.4.3 Acreage expectations for select food crops

Farmers were optimistic about area under crop in the next season. On balance, most farmers sampled in the November 2025 survey expected to increase the acreage for all sampled crops. The BOO on acreage and output expectations in November 2025 shows farmers expect to realize increased output and they intended to increase acreage for most crops in general, in the next season. For instance, about 33 percent of sampled farmers reported that they will increase acreage for cabbage, beans and sorghum, while for millet and rice it was relatively higher at 44 percent and 36 percent, respectively (**Figure 6a & 6b**). These findings reflect the optimism generated by the bumper harvest for most crops especially in the food basket regions, in the previous season, the continued adoption of climate smart agriculture and the expectations that the government would continue implementing measures aimed at easing farm input cost burden to boost productivity in the agricultural sector. These include the subsidised fertiliser programme and distribution of certified seeds.

Despite the general optimism, some wheat farmers especially in Nyeri and Laikipia were less optimistic about increased output due to unfavourable rainfall. Likewise, some wheat farmers in Eldoret did not anticipate increased output due to excess rainfall which came close to and during harvest time.

Figure 6a: Balance of opinion on expected acreage for select crops (Percent of Respondents)

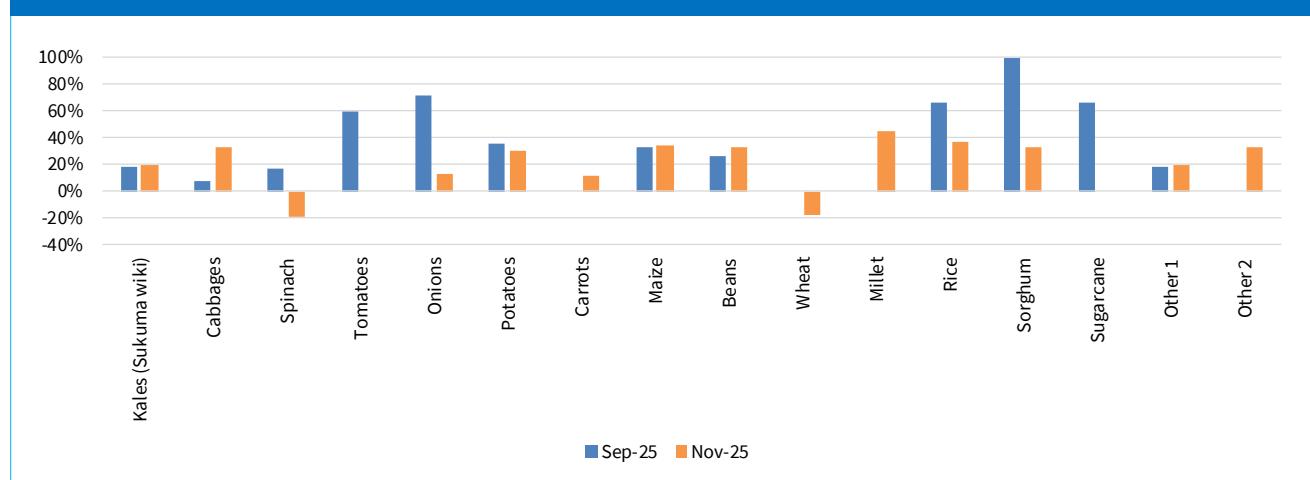
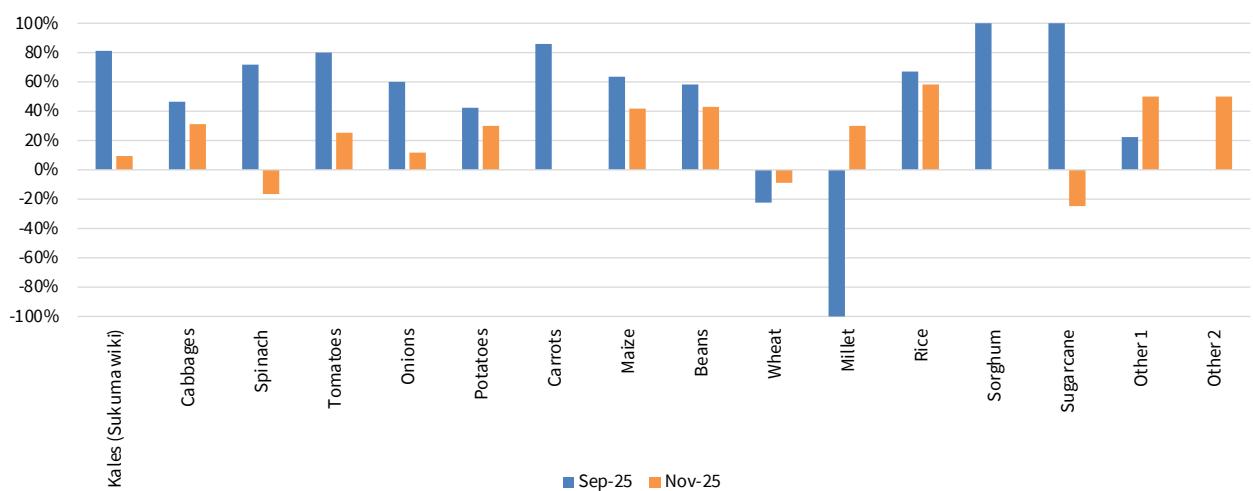


Figure 6b: Balance of opinion on expected output for select crops (Percent of Respondents)



3.5 Expected performance of the agriculture sector and the overall economy

Respondents were asked to state how they expected the agriculture sector to perform in the next three months and as well as one year ahead. That is, whether they expected the sector's performance to remain unchanged, to improve or to worsen. The proportion of sampled respondents optimistic about agriculture sector prospects has been rising, in general, since January 2025. Analysis of November 2025 survey response data shows that optimism was high, with about 90 percent of the sampled respondents expecting the performance of the agriculture sector to improve in the next three months as well as one year ahead. The proportion was relatively higher both for three months ahead and one year ahead compared to outcomes of September 2025 survey (**Figure 7a**).

The high optimism since January 2025 was mainly informed by the favorable rainfall outcomes during the March-May 2025 season which had positively impacted output and expected continuation of government interventions aimed at increasing productivity in the sector. There were, however, concerns in some regions that the October-December 2025 rainfall had

been below average and was likely to adversely affect next season's harvests. Some respondents underscored the potential of the sector in view of the adoption of new farming methods such as smart agriculture farming methods and the growing interest by investors in the agriculture sector.

Additionally, the survey sought respondents' views on their expectations about the overall performance of the economy, in terms of GDP growth prospects in the next three months and one year ahead. Results of the November 2025 survey showed that optimism remained high with 77 percent and 73 percent of the respondents, expecting an improvement in the overall economic performance in the next three months and in the next one year, respectively (**Figure 7b**). The optimism, which is similar to what was reported in previous surveys, was largely informed by the positive expectations about the performance of the agriculture sector, which has strong forward and backward linkages with other sectors of the economy, particularly manufacturing through agro-processing, wholesale and retail trade and transport and storage. It was also informed by the expectation that government interventions aimed at boosting productivity in agriculture would be sustained.

Figure 7(a): Proportion of Sampled Respondents Optimistic about Agriculture Sector Performance (Percent of Respondents)

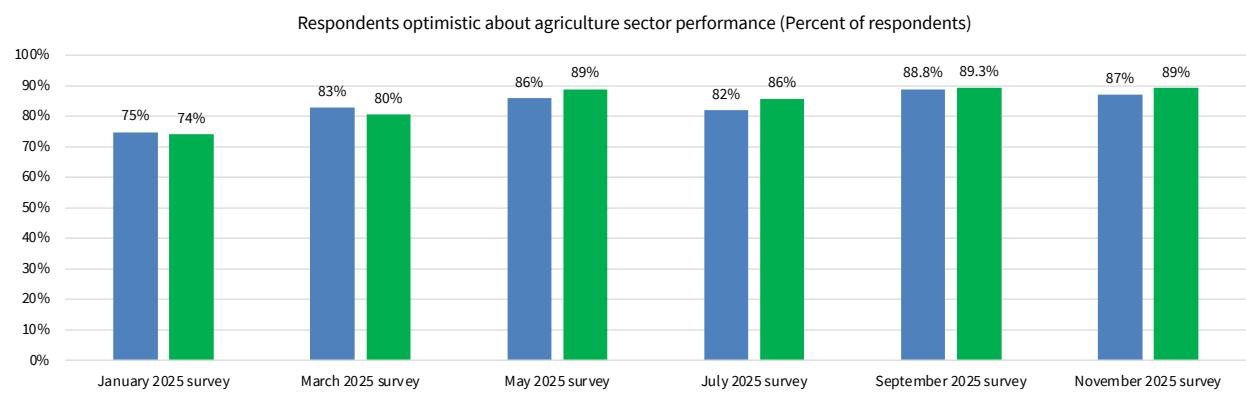
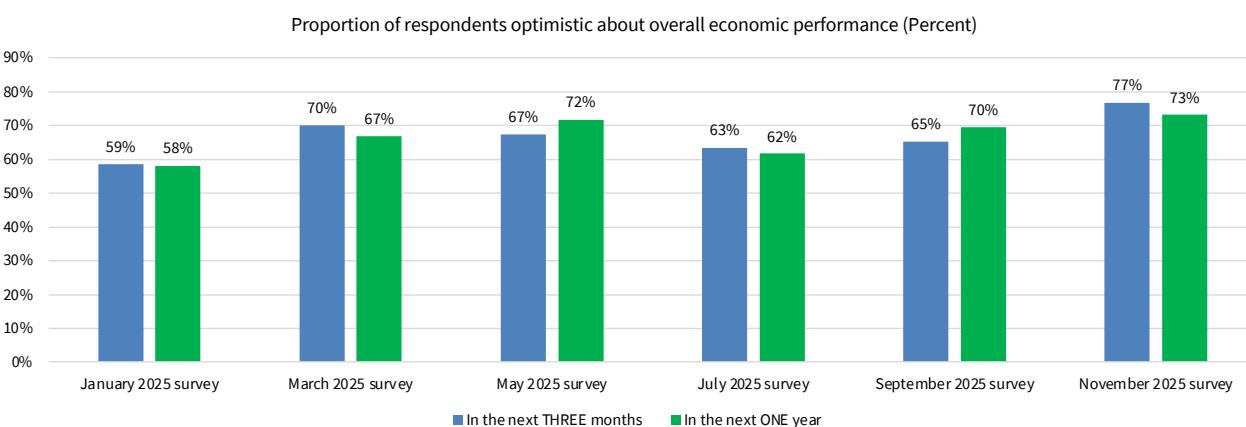


Figure 7(b): Optimism about GDP Growth Prospects (Percent of Respondents)

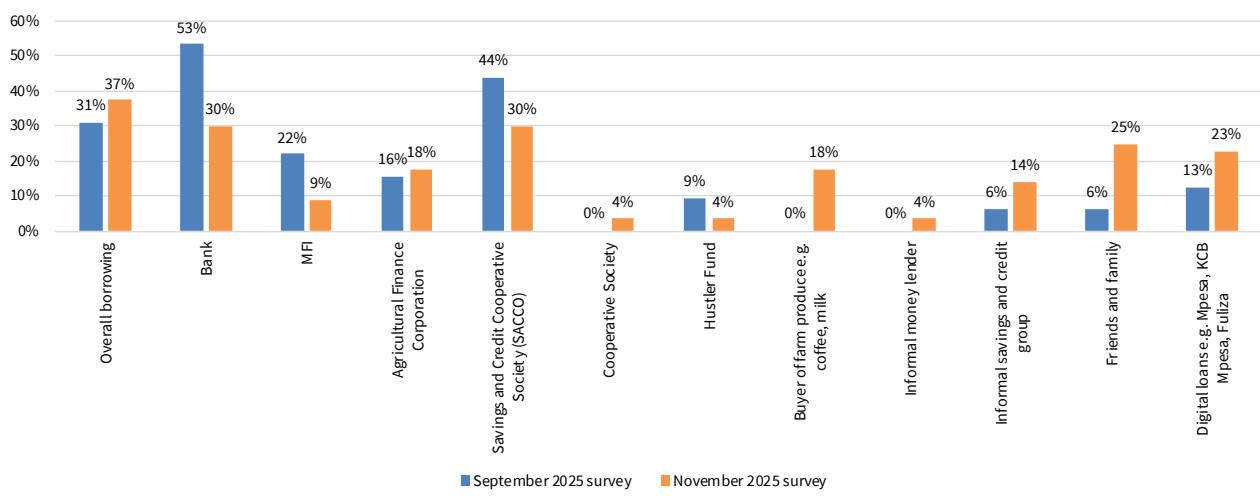


3.6 Access to credit facilities in agriculture

The proportion of farmers who reported to have borrowed to finance farming was less than one half at 37 percent in November 2025 compared to 31 percent in September 2025. Borrowing from friends and family was relatively higher as reported by 25 percent of sampled farmers in November 2025 compared to 6 percent in September 2025, while the proportion of those who reported to have accessed digital loans stood at 23 percent compared to 13 percent in September 2025. The proportion that accessed bank loans was relatively lower at 30 percent in November 2025 compared with 53

percent reported in September 2025. Similarly, 30 percent of the sampled farmers reported to have borrowed from Savings and Credit Cooperatives (SACCOs) in the November 2025 survey compared to 44 percent in the September 2025 survey (**Figure 8**). Despite a relatively smaller proportion reporting to have borrowed from banks and SACCOs in November 2025 relative to September 2025, they still remained the main sources of credit reported by farmers in the September and November 2025 surveys. The sustained monetary policy easing by the CBK has resulted in relatively lower lending rates and this may explain the uptick in borrowing from banks and SACCOs.

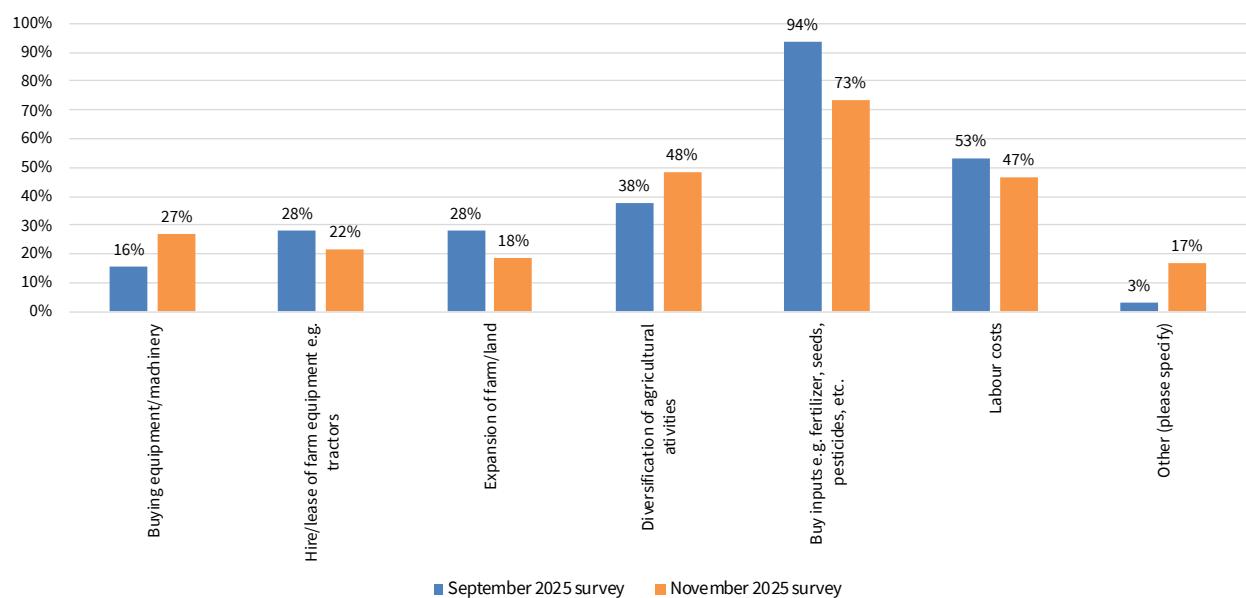
Figure 8: Proportion of respondents who borrowed to finance farming by lender (Percent of Respondents)



Consistent with previous findings, trends in use of credit for various farming activities show that farmers typically borrow to purchase farm inputs, with the proportion having borrowed for this purpose at 73 percent in November from

94 percent in September 2025 (Figure 9). The proportion reporting using agricultural loans to meet labor costs decreased to 47 percent in September from 53 percent in September.

Figure 9: Purpose of agricultural loans (Percent of Respondents)



4. CONCLUSION AND POLICY RECOMMENDATIONS

This agriculture sector survey report summarizes findings from the survey conducted from November 17–21, 2025. The main objective of the survey was to obtain indicative information on recent trends and market expectations of prices and output of key agricultural commodities for the purpose of informing monetary policy. As with previous surveys of the agriculture sector, the survey focused on indicative prices of key agricultural commodities in select retail and wholesale markets, indicative agricultural output and acreage as well as output expectations from sampled farms, factors affecting agricultural production, access to farm inputs and credit facilities as well as proposals on how to improve agricultural production.

The survey drew 306 respondents from wholesale traders, retailers, and farmers in select towns across the country (Nairobi Metropolitan area, and neighbouring counties including Kiambu, Kajiado and Machakos, Naivasha area, Gilgil Nakuru, Narok, Bomet, Kericho Kisumu, Mombasa, Kisii, Eldoret, Kitale, Nyandarua, Nyahururu, Mwea, Machakos, Isibania, Meru, Nyeri, Iсиоlo, Oloitoktok, Namanga, Makueni, Molo, Kakamega and Bungoma).

The survey sought farmers' views on what should be done to increase production in the agriculture sector. The views/suggestions gathered in November 2025 were similar to those obtained in previous surveys and include:

- The need to modernize agriculture to increase yields.
- Lower cost of production by reducing the cost of fuel and seeds, for instance, by subsidizing fuel and farm inputs.
- Improve road infrastructure across counties and provide warehousing facilities for safe storage of farm produce particularly cereals to reduce post-harvest losses and also stabilize prices.
- Build more dams to increase area under irrigation and drill bore holes in dry areas where farmers experience minimum rain.

- Government to ensure provision of adequate quantities of high-quality fertilizer, seeds and pesticide.
- Provide extension services to farmers.
- Reduce taxes on moving farm produce from one county to another.

Policy recommendations based on the findings of the November 2025 survey similar to those indicated in previous survey reports. They include the following:

- Government should continue supporting modernization of agriculture, including supporting county governments to avail tractors for hire at subsidized rates.
- Measures aimed at reducing input cost burden should be enhanced in order to reduce the cost of production. The national fertilizer subsidy programme and provision of high-quality certified seeds to farmers should be expanded.
- Investment in infrastructure to expand the road network is key to unlocking the untapped potential of vast regions of the country as well as ensuring efficient delivery of food commodities to markets.
- Need to build more dams to increase land under irrigation and support farmers drill boreholes in dry areas where farmers experience minimum rain. Incentives should be created to attract private sector investments in construction of dams for irrigation.
- Ensure farmers have access to adequate high-quality fertilizer, and that the seeds and the pesticide sold to the farmers are of the required quality to increase yields.
- Measures should be put in place to increase access to extension services and assist farmers with information about best farming methods.
- Reduce taxes imposed on transporters while moving food commodities from one county to another.

Figure 10: Main water source for farming in November 2025 (Percent of Respondents)

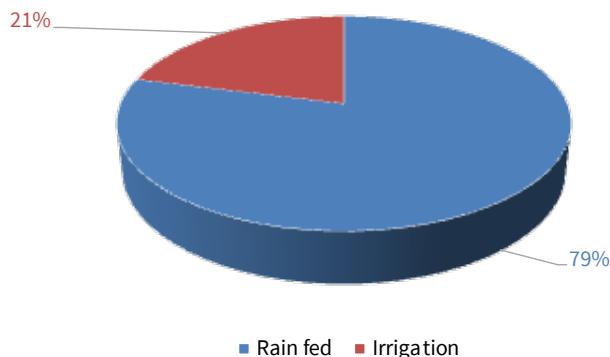


Figure 11: Access to Subsidized Fertilizer (Percent of Respondents)

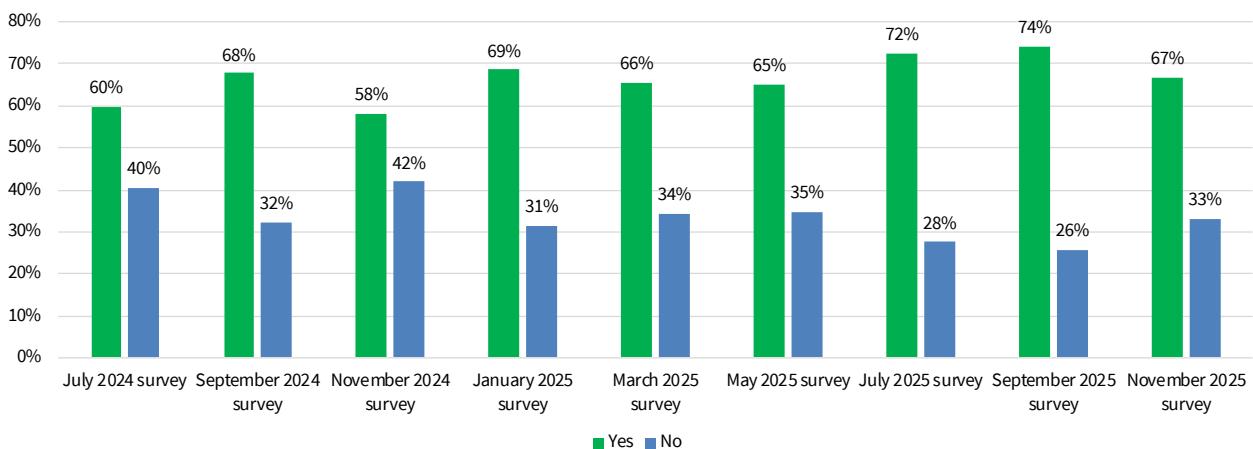
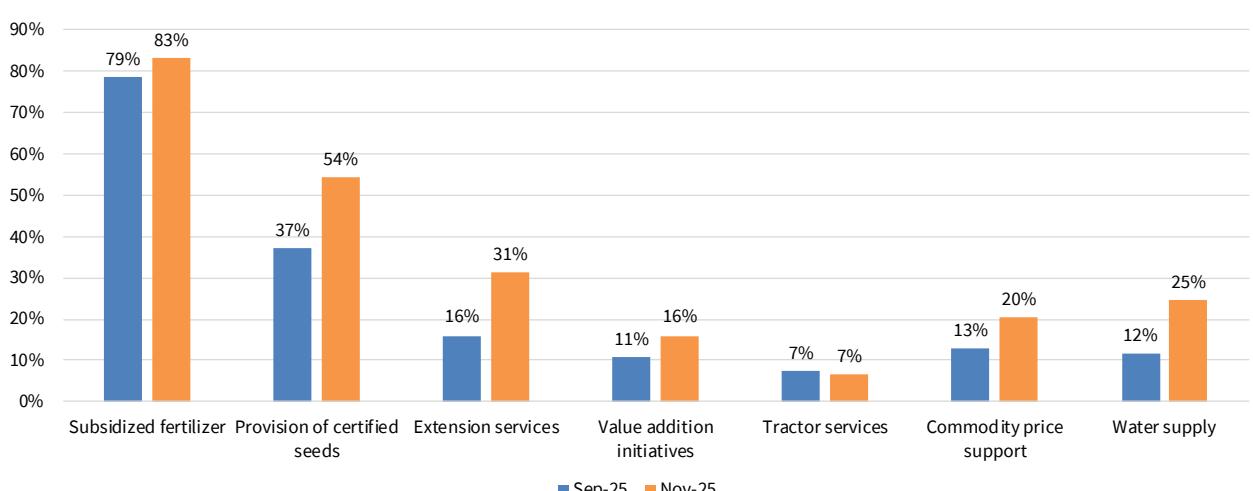


Figure 12: Government interventions reported as most critical for agricultural production in September 2025 survey (Percent of Respondents)





Central Bank of Kenya

Haile Selassie Avenue P.O. Box 60000 - 00200 Nairobi | Tel: (+254) 20 - 286 0000 / 286 1000 / 286 3000