

AFRICA RISK CONSULTING

Kenya Monthly Briefing July 2026

Kenya Summary 31 July 2026

Police arrest 355 protesters during demonstrations commemorating the 2024 Gen Z protests, highlighting widespread antipathy towards President William Ruto's (2022-present) government and the Kenyan police, especially among the country's urban youth. National Treasury cabinet secretary John Mbadi Ng'ongo presents the 2026/27 budget to Parliament, indicating an optimistic economic growth projection and outlining plans to improve revenue mobilisation by strengthening the Kenya Revenue Authority's (KRA) collection capabilities. Prime cabinet secretary Musalia Mudavadi announces that Exercise Haraka Storm, a planned joint military exercise between the Kenya Defence Forces (KDF) and the British Army Training Unit Kenya (BATUK), will take place in September as originally scheduled, despite ongoing tensions around the British military presence in Kenya.

Police arrest over 300 during countrywide commemoration protests

Police [arrested](#) 355 protesters at numerous demonstrations across **Kenya** on 25 June, who were commemorating the June – August 2024 **Gen Z** protests and the more than 80 demonstrators who were killed during that protest campaign. The Gen Z protests began as a response to proposed tax increases contained in a finance bill, but rapidly morphed into a sustained campaign demanding substantial government reform and pushed for President **William Ruto's** (2022-present) removal as president (*see ARC Briefing Kenya Jul 2024*). Ruto survived the 2024 protests after repealing the proposed tax bill, but the protest campaign and the state's violent response left the president measurably politically weaker and less popular.

Ruto was further damaged by the government's heavy-handed response to renewed protests in June – July 2025, in which a further 65 people were killed (*see ARC Briefing Kenya Jul 2025*). Protestors called for the 2025 protests in response to the death of a government critic while in police custody. These demonstrators were further bolstered by the call to stage mass demonstrations on 25 June 2025 to commemorate the anniversary of the initial finance bill protest.

This year, Kenyan security authorities were better prepared to manage the commemoration protests. The interior ministry [ordered](#) heightened security measures, which included additional security force deployments, road closures and barricades. These measures were particularly elevated in central **Nairobi**, where a large number of street-level businesses such as shops and restaurants remained closed on the day. Police also fortified the area around **Parliament** to prevent demonstrators from reaching the legislature. Yet, despite these elevated measures, security forces still responded to the 25 June demonstrators in a heavy-handed manner, using tear gas to forcibly disperse protesters and arresting scores of demonstrators; of the 355 people arrested across Kenya, at least 74 were [detained](#) and charged in Nairobi.

Following the protest, activists, rights groups, and opposition parties accused the government of police brutality and human rights violations. The global human rights organisation, **Amnesty International**, [alleged](#) that security forces abducted and tortured at least six people following the demonstrations. According to Amnesty International, these activists were eventually found dumped on roadsides across Nairobi. Such allegations of brutality and torture have become frequent in Kenya in recent years, especially since the 2024 unrest.

However, such actions have failed to deter protesters and instead have tended to fuel further anti-government anger. This was illustrated in the 2025 protests over the death in detention as well as on

30 June when scores of protesters rallied on Nairobi's Outer Ring Road accusing the state of abducting a youth activist and demanding his **release**.

The Ruto government is clearly concerned about the popular anger against the administration, especially among urban youth. Indicative of this fear was the government's attempt to [prevent](#) a march in Nairobi on the country's **Saba Saba Day** on 7 July. Saba Saba Day commemorates Kenya's 1990 pro-democracy protests that helped restore multi-party democracy in the country. In recent years, the day has been used by civil society groups to hold the state accountable for service delivery failures and alleged extrajudicial killings by security forces.

It is evident that there remains widespread antipathy towards the Ruto government and the Kenyan police, especially among the country's urban youth. This is a worrying portent ahead of the upcoming August 2027 general election in which Ruto is expected to seek re-election. Political tensions will increase as the election draws closer and the election campaign will likely be marked by several demonstrations condemning the Ruto administration. This is expected to come to a head in June and July next year when protesters will seek to rally on the 25 June and 7 July protest commemoration days. These events will take place during the peak of the election campaign and could potentially lead to sustained protest campaigns which could define the final weeks of the campaign. As such, there is a strong likelihood of widespread unrest and political violence in the build-up to next year's election.

Treasury secretary delivers annual budget address

Although the Ruto government has adopted a muscular approach to responding to protest demonstrations in the country, the 2024 anti-tax protests clearly had an impact on the government. This was evident in the [2026/27 annual budget](#) that **National Treasury** cabinet secretary **John Mbadi** presented to Parliament on 11 June.

The National Treasury attempted to avoid the implementation of any new taxes in the coming year but instead centred the state's revenue mobilisation around increased borrowing and efforts to enforce compliance. This latter push has necessitated that the National Treasury prioritise strengthening the **Kenya Revenue Authority's (KRA)** enforcement mandate. This has been done by consolidating and expanding the KRA commissioner's statutory powers. In addition, Mbadi has proposed expanding the commissioner's powers to allow the KRA to issue assessments based on third-party data, electronic systems and historical filings, thus reducing the KRA's dependence on taxpayer declarations. This will allow the KRA to be a more proactive organisation and pursue unpaid taxes, particularly those owed by Micro, Small, and Medium Enterprises (MSMEs) and cash-based businesses. If implemented, measures to strengthen the KRA's revenue collection capabilities could translate into improved rates of tax collection without having to try and squeeze compliant taxpayers any further with politically unpopular tax increases, which could trigger renewed unrest.

Kenya's 2026/27 budget is around KES 3.631 trillion (\$28.06 billion), up from KES 3.322 trillion (\$25.67 billion) in 2025/26 financial year. The government will [operate](#) at a fiscal deficit of 5.5% of GDP in the coming year, which it expects to decline to 3.6% in 2027/28. This is a manageable but not an insignificant deficit; however, it will need to be financed through additional borrowing.

The National Treasury also wants to increase domestic borrowing to reduce the country's reliance on external debt. This is a logical move as external debt is denominated in foreign currencies and leaves Kenya exposed to the fluctuations of global currency markets, especially the shilling's possible depreciation against the **United States (US)** dollar. Reducing external debt should stabilise and ease the government's debt burden and reduce the risk of debt obligations crowding out development and operational expenditure. The **International Monetary Fund (IMF)** [data](#) notes that Kenya's debt-to-GDP ratio is currently around 71.6%, which could present a sustainability concern over the long term, placing pressure on Mbadi to improve revenue mobilisation and reduce the debt burden.

Notably, the government's largest non-debt budget items were again education and national security, which received allocations of KES 784.5 billion (\$6.06 billion) and KES 567.4 billion (\$4.38 billion) respectively. This latter line item is particularly noteworthy as it underscores the resource pressure

and opportunity cost of Kenya's numerous security challenges, especially the need to combat the **al-Shabaab** insurgency along its northern border with **Somalia**.

In general, the 2026/27 budget was generally optimistic and well received. The National Treasury is currently forecasting that the country's economy will grow by 5% in 2026 and 5.2% in 2027. This is more optimistic than the IMF's projection over the same period; the IMF expects growth of 4.5% in 2026 and 4.7% in 2027. Regardless, this is still respectable growth, especially given the current uncertain global macroeconomic climate. Indicative of the extent to which the budget was well received, the **World Bank** [announced](#) on 29 June that it had approved \$750m in budget support via its **Development Policy Operation (DPO)** programme. This funding combines a \$340m **International Bank for Reconstruction and Development (IBRD)** loan and \$410m highly concessional **International Development Association (IDA)** financing.

British-Kenyan joint military exercise to take place despite defence agreement dispute

Prime cabinet secretary **Musalia Mudavadi** [announced](#) on 28 July that **Exercise Haraka Storm**, a planned joint military exercise between the **Kenya Defence Forces (KDF)** and the **British Army Training Unit Kenya (BATUK)**, will take place in September as originally scheduled. This marks a reversal from a week prior when the **United Kingdom's (UK)** defence ministry [announced](#) on 23 July that the exercise had been cancelled after the Kenyan government refused to ratify a bilateral defence agreement.

The dispute over the country's bilateral defence agreement centres around two key factors – firstly, the amount of money that the UK pays Kenya to maintain the BATUK base, as the Kenyan government reportedly wants increased rent for the land. Secondly, tensions over the ability to hold British soldiers accountable for actions committed in Kenya. Local anger and frustration over the alleged impunity of British soldiers has steadily grown in recent years amid allegations that British forces have committed numerous crimes, including sexual assault and murder. The most high-profile of these was the [alleged 2012 murder](#) of a local woman in Nanyuki (Laikipia County), near where the BATUK base is located.

Mudavadi's announcement on 28 July underscores the importance that the Kenyan central government places on its defence relationship with the UK. An estimated 1,000 KDF soldiers receive training at the BATUK facility every year, and the British military is a vital partner in Kenya's anti-terrorism efforts. As such, Kenya's defence administration is eager to avoid risking this relationship even despite the growing unpopularity of the British military contingent and its perceived impunity.

Planner

29-31 Jul 2026 **Nairobi (Kenya)** Power & Energy Africa – Kenya 2026;
 9-10 Sep 2026 **Nairobi (Kenya)** AmCham Business Summit 2026;
 14-16 Oct 2026 **Nairobi (Kenya)** Fintech Festival Kenya;
 19 Jun – 17 Jul 2027 **(Kenya)** Kenya to co-host **Africa Cup of Nations (AFCON)** alongside Tanzania and Uganda;
 10 Aug 2027 **(Kenya)** General election;

Chronology

29 Jul 2026 **Nairobi (Kenya)** *Daily Nation*. President **William Ruto** declines to sign the **Public Procurement and Asset Disposal (Amendment) Bill, 2024**, and returns it to **Parliament** claiming that the proposed law would undermine Kenya's investment environment;
 29 Jul 2026 **Nairobi (Kenya)** *Kenyans*. Mining cabinet secretary **Hassan Joho** orders local soda ash manufacturer, **Tata Chemicals Magadi Limited**, a subsidiary of **India's Tata**

Chemicals, to cease operations until the company ensures its full compliance with the **Mining Act**;

28 Jul 2026 **Nairobi (Kenya)** *Kenyans*. A roadside bombing in **Mandera County** believed to be carried out by the **al-Shabaab** militant group kills at least five soldiers;

28 Jul 2026 **Nairobi (Kenya)** *Kenyans*. The agriculture ministry cancels tenders related to the country's **National Agricultural Value Chain Development Project (NAVCDP)** in a setback for the **World Bank**-backed initiative;

26 Jul 2026 **Nairobi (Kenya)** *Daily Nation*. Energy cabinet secretary **Opiyo Wandayi** reports Kenya's fuel import bill reached a record KSh 122.4 billion (\$949m) in May, reflecting the continued high cost of petroleum imports;

26 Jul 2026 **Nairobi (Kenya)** *Kenyans*. Suspected **al-Shabaab** militants carry out an attack in the **Abakaile** village in **Garissa County** during which they attempt to destroy a telecommunications mast;

24 Jul 2026 **Nairobi (Kenya)** *Kenyans*. The **al-Shabaab** militant group carries out two coordinated attacks in the towns of **Fino** and **Arabia** in **Mandera County's Lafey Constituency**;

22 Jul 2026 **Nairobi (Kenya)** *Daily Nation*. **Kenya Airport Authority (KAA)** shows Kenya's air passenger traffic reached a record 13.1 million passengers in the year to June 2026 despite a global slowdown affecting the aviation sector;

20 Jul 2026 **Nairobi (Kenya)** *iGaming Business*. High court suspends the implementation of the **Gambling Control (Licensing) Regulations Act, 2026**, following a petition by industry actors who are opposed to the new gambling licensing framework;

19 Jul 2026 **Nairobi (Kenya)** *Kenyans*. Police successfully intervene to repel a bandit attack in **Turkana County**, recovering 45 stolen cattle;

17 Jul 2026 **Nairobi (Kenya)** *Reuters*. The **United States (US)** NGO **Samaritan's Purse** reveals that at least seven of its staff members are quarantining at an **Ebola** bio-isolation facility in Kenya despite the health ministry ordering the suspension of operations at the site following a court order and widespread public opposition to quarantining people travelling from Ebola-affected areas in the **Democratic Republic of Congo (DRC)**;

16 Jul 2026 **Nairobi (Kenya)** *Kenyans*. President **William Ruto** announces that around 250 board members at 66 state corporations had been retired following the implementation of the **Government-Owned Enterprises Act**;

16 Jul 2026 **Nairobi (Kenya)** *Daily Nation*. High court strikes out a petition challenging the registration of former president **Rigathi Gachagua's Democracy for Citizens Party (DCP)**, ruling that the dispute must be heard in the **Political Parties Disputes Tribunal**;

14 Jul 2026 **Nairobi (Kenya)** *Reuters*. Government extends its reduction in VAT on petroleum products from 16% to 8% for another three months until mid-October to shield households and businesses from high global energy prices caused by **Middle East** tensions and confirms it will also provide a KSh945m (\$7.3m) fuel subsidy to maintain current prices;

12 Jul 2026 **Nairobi (Kenya)** *Kenyans*. Security forces carry out an operation targeting the **al-Shabaab** militant group in **Mandera County**, killing at least 11 militants;

9 Jul 2026 **Nairobi (Kenya)** *Daily Nation*. The **Agriculture and Food Authority** reports that Kenya's miraa exports to **Somalia** have continued to decline, reducing export earnings from KSh3.56 billion (\$27.6m) to KSh3.09 billion (\$24m), as **Ethiopian** producers gain market share following preferential access to the Somali market in 2023;

8 Jul 2026 **Nairobi (Kenya)** *Daily Nation*. Kenyan coffee exports to the **United States (US)** double amid strong global demand and supply shortages in major coffee-producing markets following the renewal of the **African Growth and Opportunity Act (AGOA)**, which provides preferential market access for **African** goods;

7 Jul 2026 **Nairobi (Kenya)** *Reuters*. **Nigeria's Dangote Group** plans to finance a proposed 700,000-barrel-per-day oil refinery on Kenya's **Lamu Island**, using a combination of internal cash flow, bonds and an initial public offering;

2 Jul 2026 **Nairobi (Kenya)** *Reuters*. Kenyan activists file a new court case seeking to halt the construction and expansion of luxury lodges in the **Maasai Mara National Reserve** until 2032, arguing that existing developments were approved illegally and threaten wildlife migration routes and **Maasai** livelihoods;

30 Jun 2026 **Nairobi (Kenya)** *Daily Nation*. **World Bank** approves a \$750m budget support loan for Kenya and a sustainability-linked facility that will reduce the country's reliance on expensive domestic debt and bolster economic reforms;

27 Jun 2026 **Nairobi (Kenya)** *Al Jazeera*. **Amnesty International Kenya** reports six activists who went missing after police arrested them during a memorial gathering have been found “dumped” in various parts of Nairobi, with the activists alleging they were severely beaten and tortured while in police custody;

25 Jun 2026 **Nairobi (Kenya)** *Al Jazeera*. Police deploy tear gas, set up roadblocks and arrest more than 350 people during demonstrations marking the second anniversary of the deadly 2024 anti-finance bill protests;

23 Jun 2026 **Nairobi (Kenya)** *Reuters*. Transport cabinet secretary **Davis Chirchir** confirms that the government has signed a \$1.2 billion agreement with the **China Road and Bridge Corporation** to expand Nairobi's **Jomo Kenyatta International Airport**;

22 Jun 2026 **Nanyuki (Kenya)** *BBC*. High court finds health minister **Aden Duale** guilty of contempt of court after defying a high court order to halt the construction of a controversial, **United States (US)**-funded **Ebola** isolation facility at a military base in Nanyuki;

22 Jun 2026 **Nairobi (Kenya)** *The Star*. The government secures a \$170.85m bond agreement from **Japan** to support local manufacturing and industrial growth, of which the largest portion will go towards supporting Kenya's efforts to develop its local auto manufacturing capabilities.

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