



Kenya: African Development Bank Group and KCB Bank sign \$150 million deal to accelerate green lending and trade

December 11, 2025 -The African Development Bank Group (AfDB) and KCB Bank Kenya Limited have signed a \$150 million financing package to support green finance and accelerate climate-smart investments to enhance KCB's trade finance capacity within the growing small business and corporate banking sector in Kenya.

The package comprises a \$100 million subordinated debt facility which will strengthen KCB Kenya's Tier II capital, reinforcing its role as a key financial intermediary in strategic sectors and supporting its goal to allocate 25% of its portfolio to green initiatives by 2031. These initiatives include renewable energy, infrastructure, and agriculture. A \$50 million transaction guarantee will enable the African Development Bank to provide up to 100% coverage to confirming banks against non-payment risks arising from the confirmation of letters of credit and similar trade finance instruments issued by KCB.

"We are proud to partner with KCB as this facility is a testament to our shared commitment to advancing Africa's green transition and ensuring that economic growth goes hand in hand with environmental stewardship," said Alex Mubiru, African Development Bank Director General for East Africa. "KCB has demonstrated strong leadership in sustainable finance, and we are confident this collaboration will deliver measurable climate impact and inclusive development for Kenya and the region."

The collaboration is expected to deliver impactful outcomes for small and medium-sized enterprises, women-led businesses, and climate-resilient projects, including expanded access to long-term finance, job creation, and enhanced resilience to economic shocks. It follows a rigorous appraisal and due diligence process, underscoring AfDB's role as a counter-cyclical financier and trusted development partner.

KCB has made significant strides in climate action, financial inclusion, and community development, in line with its ambition to create long-term value for stakeholders while supporting Kenya's transition to a green and inclusive economy.

"We are looking to strengthen our capacity in supporting customers focusing on green projects," KCB Bank Kenya Managing Director, Annastacia Kimtai noted. "This partnership marks a significant milestone in our sustainability journey as it reinforces our commitment to

scale up green lending and enable us to deepen our impact, catalyse private investment and support Kenya's goal of achieving net-zero emissions by 2050.”

Last year, KCB disbursed \$402 million in green loans, growing its green portfolio to 21.32% from 15% in 2023. The support was extended to green products designed to foster energy transition, including initiatives in the blue economy, e-mobility, and climate change adaptation.

About KCB Bank Kenya

KCB Bank Kenya Limited is the largest commercial bank in Kenya. A subsidiary of KCB Group Plc, the Bank has the largest branch network, with 214 branches, 477 ATMs, and 22,000 agents offering banking services on a 24/7 basis in East Africa. This is complemented by mobile banking and Internet banking services with a 24-hour contact centre service for our customers to get in touch with the Bank. KCB Group Plc has a wide network of correspondent relationships totalling over 200 banks across the globe.

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