

Press Communique

MCCI organized an Interactive Session with **His Excellency Mr. Willy K. Bett, High Commissioner of Kenya in India** on the theme “**Doing Business with Kenya**” at the Chamber today. Mr. Pranay Poddar, Hony. Consul of Kenya in Kolkata was present and spoke on the occasion. Ms Mercelline Orindi, Economic Counsellor of the Kenyan High Commission in New Delhi was also present.

Mr. Bett said that Kenya offers excellent investment opportunities and investors should take advantage of the political stability of the country in the East African region, an area which has at times been unstable. Other tailwinds emanate from the spirit of cooperation fostered by the Prime Ministers of the two countries as well as the Indian diaspora in Kenya which is integrated in the economic and political streams of the country.

Mr. Bett said that the Kenyan Government has decided to focus on four strategic areas for foreign investment : (1) The country wants investments in **agriculture** as it seeks food security. It wants to increase mechanization in farming. For this purpose, it is looking for suitable equipment which can be used by small scale farmers. Investors can invest in both primary production of food and food processing. (2) Kenya is seeking funds for its **healthcare** system. The country has a large number of people below poverty line. It is therefore looking at the Indian model in order to reduce cost of healthcare. (3) The country is encouraging investments in **manufacturing** as this will create jobs. At present, manufacturing has a low proportion in the economy and the Government wants to increase this figure. (4) Finally, Kenya is interested in investments in **housing**. It is seeking real estate developers who have the expertise in setting up low cost homes. Kenya needs one million homes.

Mr. Bett added that Kenya also welcomes investments in leather and textiles. With its abundant wildlife, tourism is a premium product of the country, he added and urged Indian tourists to explore the huge tourism potential of Kenya.

India was Kenya’s largest trade partner. The top position is now occupied by China. While India - Kenyan business takes place on B2B basis, China and Kenya operate also on a Government to Government basis, apart from following the B2B model.

The balance of trade between the two countries is heavily tilted in India’s favour. India and Kenya have discussed ways to reduce the Kenyan trade deficit to make economic relations more comprehensive. Pulses are a high potential export item from Kenya to India.

Lines of credit are available to support trade and more lines of credit are being opened. The Treasury of Kenya and EXIM Bank of India are cooperating in this regard.

Mr. Poddar noted that India and Kenya are maritime neighbours and many people of Indian origin are proud citizens of Kenya.

Earlier **Mr. Vishal Jhajharia, President, MCCI** in his welcome address said India was Kenya’s largest trading partner in 2014-15 with bilateral trade of US \$4.235 billion. However, for year 2016-17, bilateral trade was US \$2.30 billion and for 2017-18, bilateral trade was US \$2.05 billion. Main Indian exports to Kenya include petroleum products, pharmaceuticals, steel products, machinery, yarn, vehicles and power transmission equipment. Main Kenyan exports to India include soda ash, vegetables, tea, leather and metal scrap.

According to the Kenya Investment Authority (KenInvest), India is the second largest investor in Kenya. Over 60 major Indian companies have invested in various sectors including manufacturing, real estate, pharmaceuticals, telecom, IT & ITES, banking and agro-based industries.

India is the third largest source of inbound tourists to Kenya. Over 60,000 Indian tourists visited Kenya in 2017. Kenya Tourism Board (KTB) has launched a marketing campaign in major Indian cities to increase tourist arrivals from India. Many Kenyans visit India for medical treatment.

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(S. Roy)
Deputy Director General**