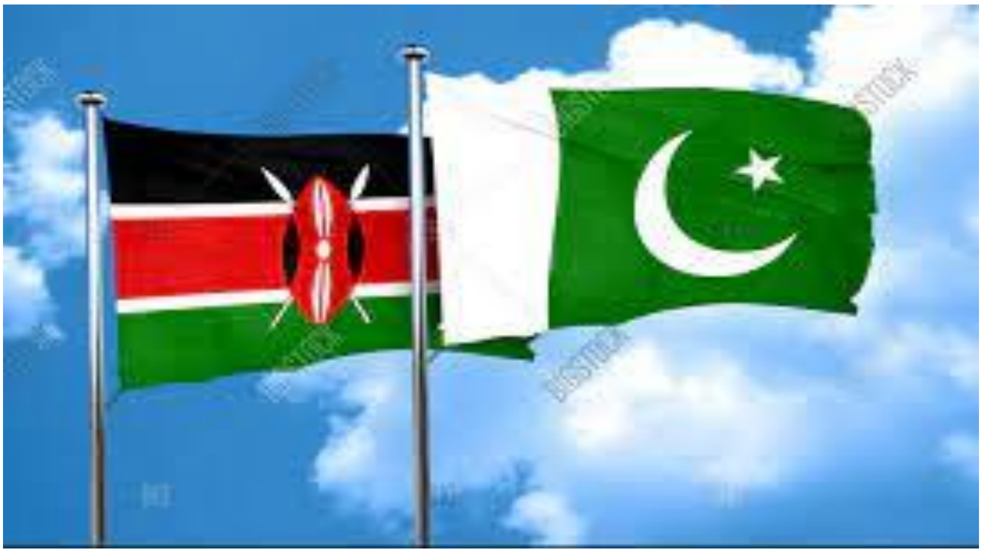
IMPORT PROFILE REPORT

Kenya, 2021



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Kenya at a Glance

Executive Summary

The "Import Profile Report" is a mandatory requirement vide circular of the Ministry of Commerce dated 20 February, 2020 regarding Key Performance Indicators (KPIs) and guidelines for Trade and Investment Officers.

This Report has been prepared on the basis of data and information collected through primary and secondary sources. It discusses the trade and economic landscape of the Republic of Kenya, bilateral trade, trade preference agreements, various policies, rules and regulations governing different dimensions of trade especially the import regimes. It throws adequate light on the tariffs/duties, non-tariff and technical barriers as well as import regime comprising import sources, products, competitors and categories. At the end, some recommendations have been made part of the report as future intervention strategy.

Kenya and East African countries are potential markets for Pakistani products and a lot has to be done to fully exploit the potential of the market. There is dire need of many interventions through higher level political engagements, public and private sector exchanges, operational level visits to accredited countries, re-activation of trade agreement, conclusion of economic understandings, recognition of mutual standards and elimination/removal of non-tariff and technical barriers as well as offering capacity building and training opportunities to the host country. Therefore, constant efforts are required to counter the long, deep and widespread presence of the competitors and make adequate penetration into the market in the times to come.

General Facts

- Name: .... Republic of Kenya
- Independence: .... 12th December, 1964
- Total Area: .... 581,309 Sq Km
- Capital: .... Nairobi
- Total Counties: 47
- Coastal Area: .... 1,420 Km
- Sea Port: .... Mombasa (Indian Ocean)
- Climate: .... Temperate (14°C-31°C)
- Establishment of Diplomatic Mission: .... 31 July, 1952
- Population: .... 49.7 million (2021)
- Form of Government: .... Presidential Democracy
- Population Growth Rate: 3.5%
- Language: .... English and Kiswahili
- Religions: .... Christianity, Islam /others
- Time Zone: .... UTC +3 (EAT)

Economic Facts

- Total Budget Outlay: .... FY-2022-23, US$ 28.5 bn
- Total GDP: .... FY-2020-21, US$ 101 bn
- Global economic ranking: .... 67th Largest
- Economic growth rate, 2019: 5.4%
- Economic growth rate, 2020: 1.4%
- Economic growth rate, 2021: 1.5%
- Projected Economic growth rate, 2022: 5.9%
- Ease of doing business ranking 2020: 56th
- Total Debt: .... US$ 35.3 bn
- Inflation rate 2021: 5.1%
- Per capita income 2020: .... US$ 2,000
- Foreign Exchange Reserves: .... US$ 8.287 bn (Dec 2021)
- Bank interest rate: 13%
- Fiscal Deficit of GDP: 8.3%
- Currency: .... Kenyan Shilling (US$1: Kshs.115)
- Regional and Trading/Economic Partners:.. EAC/COMESA/AfCFTA/AGOA
- Digital financial transaction system.................one of the best in the world
- 13% of the total trade is with....................................... African countries
- 16% is with.. East African members

Global/Bilateral Trade

- Kenya's Total export: .... bn US$ 5.9-8% decrease
- Import: .... bn US$ 15.2-9% decrease
- Trade imbalance: .... bn US$ 9.3 in 2021
- Bilateral trade with Pakistan: .... US$ 757 million
- Exports to Pakistan: .... US$ 507 Million
- Import from Pakistan: .... US$ 250 Million
- Kenya share in total exports of Pak: 1.3%
- Kenya share in total imports of Pak: 1.0%
- Pakistan's share in total export of Kenya: 7.4%
- Pakistan's share in total import of Kenya: 1.6%
- Major exports: .... Fresh flowers, black tea, horticulture, textile
- Major export Destinations: .... Uganda, Pakistan, USA, UK
- Major Imports: .... Petroleum and products, industrial and electrical machinery, used vehicles, cereals, pharmaceuticals
- Major Import Sources: .... China, India, UAE, KSA, EU/Germany, African Countries-Uganda/Tanzania/SA/Egypt

Travel and Business Landscape

- Kenyans are very disciplined, helpful and English-speaking citizens. They are free from discrimination of religion, creed, colour, citizenship and friendly to foreigners/Pakistanis
- Pakistani citizens can obtain Kenyan visa on arrival as well as through online portal of Kenyan High Commission at Islamabad and submission of hardcopies of passport/required documents
- Kenyan work visa/business visa could also be obtained easily. Work permit is renewed after every two years
- Foreigners can purchase land or property in Kenya/EAC countries
- Constitution allows Kenyan nationality to all foreigners and there is no bar on dual nationality.
- Import is highly discouraged. Multiple Non-Tariff and Technical Barriers exists for importation.
- Proof of documentation is required on transfer/withdrawal of amount above than US$ 10,000.
- Bank cheque of US$ 15,000 and above are not entertained by Banks
- Outward flow of dollar is discouraged
- Credit line is not provided by Central Bank of Kenya
- Around 30,000 Kenyan citizens having Pakistani origins are settled in Kenya, involved in all sort of businesses mostly in sale/purchase of Japanese used vehicles. Around 70% are settled in port City-Mombasa.

- Working method in both public and private sector is very slow. Obtaining of information and routine approvals are delayed and they are least responsive.
- Among all sectors of economy, digital financial and transaction services are highly developed.
- There are two international airports at Nairobi and Mombasa. There are no direct flights between Kenya and Pakistan. Generally, air fare ranges from 550-1100 US$.
- Mombasa serve as the main and only port for all incoming/outgoing cargo ships for Kenya and EAC countries. The newly operated Naivasha Inland Container Depot at a distance of 520 Km from Mombasa serve as the main dry port for all cargos destined to EAC countries.
- Port City-Mombasa is at 480 Km from Nairobi connected through road, rail and air flight.
- Sea route shipping duration is 12-15 days between Karachi-Mombasa ports.
- Kenya is the hub of tourism related to natural life and wild beasts/ animals.

Table of Contents

1 Introduction

The Republic of Kenya is strategically located on Africa's east-central coast at the equator. It is the only coastal country providing access of sea routes to all other adjoining land locked countries of East Africa. Having a market-based economic structure, it is the top most trading partner of Pakistan in East Africa, 8th largest in the continent, 16th biggest trading partner in the world and 101st largest exporter. Major industries include agriculture, tourism, forestry, fishing, mining and digital financial services. Predominantly agricultural economy, it accounts for 23% of GDP, 56% of employment and 65% of foreign exchange earnings followed by tourism having 13% share and manufacturing, 8% share, Transport-11%, Real Estate-9%, Trade-8%, IT Services-15%, Construction-7%, Financial Services-6%. Export to GDP ratio is 6.8% and import to GDP ratio is 19.7%. Total share in world export is .03% while that of import is .09%. 1.9 billion US$ were received in remittances and had a fragile economic growth rate of 1.5 % in 2021 due to onset of COVID-19 pandemic compounded by border closures, high cost of trade, prolonged drought season and disruption of global supply chain.

Economic growth for 2019 was 5.4% and during 2020 it was reduced to 1.4% while in 2021 was 1.5% as overall effects of pandemic however, African Development Bank has projected its growth as 5.9% in 2022 however has warranted of further possible contraction in case of prolonged droughts and recurrence of COVID-19- pandemic. Being an agrarian economy, it mostly relies on export of horticulture products. Services (tourism, transport, retail trade, events management, hoteling and leisure etc.), manufacturing, construction, and agriculture sectors are worst hit by the on-going pandemic. The looming food shortage due to heavy floods and locust invasion have further complicated the economic landscape. Informal sector of Kenya is composed of 60% industry and only 25% is engaged in e-commerce transactions. Imports from Asia are on the rise and China is the largest import source economy while imports from US and EU are decreasing over the years. This implies that Kenya's global trade with emerging economies is increasing.

It has comparatively high custom duties and multiple non-tariff and technical barriers for importing partners. Major trade partners of Kenya are USA, UK, EU, India, China, Uganda, Pakistan and Tanzania. Pakistan's bilateral trade with Kenya is increasing over time. However, increase in imports is higher than increase in exports during the recent years, thereby leading to trade deficit. Bilateral trade between Pakistan and Kenya as percent of Pakistan's global trade is not encouraging over the years. Out of total exports of Pakistan, 1.3% found its way to Kenya, and share of Kenya in overall import of Pakistan is 1.0%. Pakistan ranks as one of the top export destinations for Kenyan merchandise as 7.4% of its total export dominated by black tea (97%) lands in Karachi while Pakistan's share in total import of Kenya is 1.6% out of which 51% is rice in 2021 reduced from 72% before COVID-19 pandemic.

1.1 Export/Import Dynamics of Kenyan markets:

Kenya traditional export items are tea, horticulture and coffee. Uganda ranks on top of the list for Kenyan exports destination followed by Pakistan. UK buys around 19% of Kenyan cut flowers and a major destination for tea, vegetables and fruits. Export to US under quota free and duty free AGOA largely textile and apparel.

Import of tea in large quantities pushed Pakistan as the top most export destination of Kenyan products from Jan-June, 2021 for the first time since 2017 pushing Uganda back as second importer on the list due to restrictive measures and requirements for truckers. The slow delivery of vegetable oil, fuel, iron and steel and paper and paper board.

Kenya import from other African countries was US$ 2 billion accounts for 13% of the import bill with increased import from South Africa of US$ 660 million accounts for 32% dominated by steel and iron and vehicles followed by Egypt of US$ 375 million dominated by paper and paper board and beauty products.

Kenya export to African countries was US$ 1.8 billion. Uganda and Tanzania remained leading destinations for shipping goods worth of US$ 570 million and US$ 290 million respectively. Most African countries produce similar agricultural goods hindering intra African trade.

<u>Illicit Trade:</u>

Illicit trade manifest in eight major and inter-related ways:

- Smuggling
- Transit fraud/Dumping
- Trade in prohibited goods
- Illicit cash flow
- Human and wildlife trafficking
- Trade in small arms and light weapons
- Counterfeiting and piracy
- Sale of substandard goods

<u>Textile:</u>

Out of 74 Export Processing Zones in Kenya, 69 are privately owned, 25 are in Mombasa, 6 in Nairobi with largest one in Athi River and remaining are in other counties. Modernization of training institutes and machinery is required. Most of textile and apparel are exported under AGOA.

Sugar:

Kenya imports 350,000 tonnes of sugar from COMESA to bridge the deficit. As the prices of Ugandan sugar has gone high therefore, most of the import is made from Malawi and Swaziland. The old machinery and obsolete techniques of processing has made the production low.

Mitumba (Used Clothes):

Kenya was convinced to revive the textile sector by imposing ban on import of used clothes and onset of COVID-19 provided an opportunity and ample reason for imposition of ban on second hand clothes as a safety measure to contain the disease without a recourse to fumigation or any other safety ensuring option at point of entry as a precautionary measure. The affected circles decried its prevention for some other reasons than that of COVID-19. Before liberalization of trade in 1995, textile was the best performing industry and was the second largest employer after public service. But the cheaper and high-quality clothes from US, Europe and China put it on deathbed as the proponent argues. Kenya import 100,000 tonnes of used clothes annually.

The Kenya textile operators were craving for imposition of ban for long and COVID-19 provided them with opportunity to plead their case resulted in imposition of ban by KEBS in March, 2021. However, there was no evidence that Mitumba has catalysed the spread of disease.

If at all, Kenya goes for extension of this ban and makes it a permanent feature, it will render Mitumba sellers jobless and the sellers are not necessarily clothes making experts to be absorbed in the reviewed industry. Textile factories will gain monopoly implying incremental increase in prices beside intermittent chances of shortage. The locally manufactured prices of clothes are already Highers and quality low as compared to imported one sustaining tonnes of thousands of families. Therefore, protectionism is counterproductive and will backfire characterised by stagflation and recession in the industry.

Mango-Kenya:

Kenya has since 2013 placed a self-imposed ban on export of mango to Europe due to large prevalence of fruit fly menace avoiding restrictions imposed by EU itself as this would make it hard to remove the ban due to stringent SPS compliance requirements. As now Kenya has a Hot Water Treatment Facility and the menace has been reduced to considerable degree especially in some mango growing parts as well as stiff competition from Egypt in the middle east to find avenue in Europe.

The shipping cost of Egypt mango to Dubai and Qatar is 0.2 US$ while that of Kenya is 0.9 US$ of the same quantity thereby, Kenya fresh produce faces stiff competition. Return for Kenya in ME is low as compared to EU. Kenya produced 35,000 tons of mango in Nov-March, FY 2021, exported worth of 5.5 ml US$.

<u>Fruit Juices/Pulps and Raw Products in Kenya:</u>

Kenya has increased duty from 10% to 25 % on semi processed products used in the manufacturing of ready to drink juices. KRA moved the intermediate products from HS Code 2106.90.20 to code 2009 (apple, mango, ginger and multivitamins compounds), which is used for finished products and attract 25% duty thereby, affecting local industry. So, it will kill the manufacturing sector as traders will manufacture and import the same juices from abroad instead of manufacturing in Kenya as both products (finished and raw) attract the same percentage of duty while members of COMESA and after commencement of AfCFTA countries will exploit the indigenous market badly.

Kenya's competitiveness in the export market has eroded in the last decade, stifled by a lack of entry by more productive companies and specialisation in commodities that have low demand growth.

The competitiveness erosion has particularly affected the agriculture and manufacturing sectors, with the latter identified as key in transforming Kenya into an industrialised, middle-income country by 2030.

The International Monetary Fund (IMF), in an analysis of the non-price competitiveness of the Kenyan economy, says that the country's ability to grow its exports is also hampered by barriers to entry.

This is most prevalent in sectors with a high concentration of State-owned enterprises, corruption, poor access to finance, and non-tariff barriers in trading partners.

"The lack of dynamism in the exports sector seems to be the main explanatory factor for the loss of competitiveness as well as specialisation in products with low demand growth and subject to competition from producers from relatively low-income countries," says the IMF.

"The Kenya Association of Manufacturers (KAM) pointed out that export growth has been driven primarily by existing products in existing markets with little new product or market discovery. As such, Kenya may be able to improve export performance and competitiveness by facilitating more dynamism in the export sector."

The problem of stagnating exports has become more glaring in recent years due to the widening trade deficit, which has come about due to rapid growth in imports.

This yawning gap also points to a manufacturing sector that is unable to keep up with the changing demands of consumers, limited product differentiation and a pricing problem where locally manufactured goods remain uncompetitive due to factors such as high energy and labour costs, and high taxes.

Exports of goods and services to gross domestic product (GDP) declined steadily from a high of almost 20 percent in 2011 to about 11 percent in 2019, the IMF said.

Kenya's exports were valued at Sh643.7 billion (5.8 bl US$) in 2020, representing a jump of 86 percent from Sh344.9 billion in 2010. Over the same period, the value of imports jumped by 108 percent, from Sh788.1 billion in 2010 to Sh1.64 trillion (14.9 bl US$) in 2020. This saw the trade deficit widen to Sh999.9 billion in 2020, from Sh443.1 billion in 2010.

While the country has endeavoured to put in place enablers and trade-specific policies to help attract investment and encourage local production of exportable goods, these efforts have been seen to flag somewhat in the last few years, allowing peer and competing economies to steal a march on Kenya in the fight for international markets.

1.2 Composition of Kenya imports

"While the productive capacities index for Kenya has increased in the last decade, its growth has decelerated in recent years. On the other hand, the productive capacities index of its peers, including Ethiopia, Georgia, Rwanda, and South Africa, has continued to rise at a faster pace," said the IMF.

These countries have also been able to outcompete Kenya due to their agility in easing entry, where for instance an investor is facilitated to get their licences more easily and with less red tape. This helps build the dynamism of their export sector by bringing in more competition, which eventually yields better productivity.

Many of the problems bedevilling Kenya's export sector are home-grown however and can be resolved by simple structural or policy reforms. Uncertainty with the country's tax regime has cropped up often as a factor driving investment elsewhere.

According to KAM, Kenya's manufacturing sector suffers from unfair and unpredictable tax policies, rendering it unable to attract the investment needed to remain competitive against external markets.

Some of these unpredictable tax changes often touch on Value Added Tax (VAT) on inputs and excise duty. Here, the government has often found itself caught between a rock and a hard place, trying to balance between raising revenue performance and enabling competitiveness for local producers.

It has been under pressure from the IMF to cut the fiscal deficit and in turn ease dependence debt by reducing tax leakages, yet at the same time manufacturers are keen for tax incentives and rebates on costs such as energy to allow them to compete against their peers in countries such as Egypt and Ethiopia.

The widespread informality of the Kenyan economy has also not helped with improving productivity, given the struggles informal enterprises face in accessing credit, physical infrastructure and government services. The cost of corruption has also stifled the competitiveness of Kenyan companies, the IMF notes. It is a major deterrent to potential investors and a major impediment for existing and new businesses.

In the agriculture sector, a failure to add value to primary products has meant that their scope of growth in value has remained limited, while the problem is compounded by the fact that many lower-income countries are able to get into the agriculture commodities export market. The market shares of produce such as coffee, fruits and vegetables have not increased by much in the past decade.

"On the other hand, tea and cut flowers have registered relatively strong export market share growth. However, these are low-value primary products and could explain the decline in the overall agriculture sector," said the IMF.

There are, nonetheless, positives for Kenya's export market prospects. The country has done well in capital and services exports, especially to the East Africa Community (EAC) bloc. The financial services sector has particularly done well, with local commercial banks and insurers expanding their footprint in the region and opening up new markets such as DR Congo.

1.3 Composition of Kenya exports

Down the road, this is expected to open up these markets to Kenyan goods, by making it easier for their traders to transact with Kenyan producers. Kenya has also entrenched its position as a major source of direct foreign investment for neighbouring countries. The country is also increasing its exports of services such as logistics, technology, and digital services to the region, riding on its competitive advantage in these areas.

Massive investment in transport, communication and energy infrastructure is also bound to pay dividends down the road by reducing the cost of doing business in the country, and in turn, boosting the cost competitiveness of locally manufactured goods. The country has in the last two decades spent tens of billions of shillings every year on infrastructure, with new roads opening up access to previously hard to reach countries such as Ethiopia and South Sudan.

Billions have also been poured into renewable energy, although the cost of power is yet to come down to levels that are competitive against other African manufacturing hubs. Problems of Kenya Export:

- High input and energy cost
- Low skilled labour and high cost
- Irrational and high taxes-Taxes incentives and rebates
- Insufficient incentives for export led imports
- Non-existence of aggressive marketing and branding
- Low saving and investments in export led industry
- Ineffective trade dispute resolution mechanism
- Weak Intl standards compliance
- Need of structural and policy reforms

2 Trade Preference Agreements of Kenya

There is no significant trading arrangement between Kenya and Pakistan like early harvest program, preferential or free trade understanding except a bilateral trade agreement. Kenya has also signed bilateral trade agreements with several countries i.e. Argentina, Bangladesh, Nigeria, Bulgaria, China, Comoros, Congo (DRC), Djibouti, Egypt, Hungary, India, Iraq, Lesotho, Liberia, Netherlands, Poland, Romania, Russia, Rwanda, Somalia, South Korea, Swaziland, Tanzania, Thailand, Zambia, and Zimbabwe.

However, Kenya have been a part of multiple regional and global trading arrangements and founding member of the East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA) and the African Continental Free Trade Area (AfCFTA) and plays pivotal role in the affairs of the regional trading blocks. Kenya is also member of the WTO, Africa Growth and Opportunity Act (AGOA), EU-Economic Partnership Agreement and EU-GSP. Detail of the preference agreements with partner countries and blocs are as follow:

2.1 Trade Agreement with Pakistan:

The Bilateral Trade Agreement (BTA) between Kenya and Pakistan was signed in 1983 which is still in force as neither Kenya nor Pakistan has terminated it as per provisions of the Agreement (Articles 12.2). BTA provides for formulation of Joint Trade Committee (JTC) on trade and investment to enhance trade relations and discussion over pending bilateral trade issues for increased and smooth relationship. Although, bilateral trade agreement still exists but has not benefited yet and most of its provisions are very general and outdated therefore, need to be revised and tailored according to the present requirements.

Conduction of the first ever inaugural virtual meeting of the Joint Trade Committee (JTC) on 7th April, 2021 under the BTA, 1983 between the Republic of Kenya and the Islamic Republic of Pakistan resulted in:

- Agreement on revision of the outdated Bilateral Trade Agreement (BTA) of 1983
- Conduction of Mutual Recognition Agreement on pharmaceutical and health products
- MoU for closer cooperation and enhancement of trade and investment between trade promotion organizations of both the countries i.e. TDAP and KEPROBA
- Kenya agreed for supporting trade understanding i.e. PTA/FTA between Pakistan and EAC.
- Kenya agreed for supporting Pakistan at EAC HQ on downward revision of duty on rice
- Finalization of MRAs on scientific standards and phytosanitary measures

- JTC also agreed for cooperation in agricultural, engineering, services, leather, textile, EPZs, ICT, cooperatives, irrigation, industrial development, tourism, immigration, air transport, vocational and technical trainings for diversification of bilateral trade

Moreover, Kenya and Pakistan have also established Joint Ministerial Commission (JMC) in 1992. Three sessions of the JMC have been held with third and last session in 2004 at Nairobi. The following agreements (MRAs) pending since 2007 were finalized between PSQCA, Pakistan and KEBS, Kenya and DPP, Pakistan and KEPHIS, Kenya during 2021 respectively.

i) MoU Between Pakistan Standards and Quality Control Authority (PSQCA) and Kenya Bureau of Standards (KEBS)
ii) Bilateral Agreement between KEPHIS and DPP regarding conditions for the importation of citrus fruits and mangoes from Pakistan to Kenya.

The above two MRAs/MoUs were initiated for recognition of scientific standards and conformity assessment of manufactured products and importation of citrus and mangoes from Pakistan to Kenya respectively. The long awaited MRAs were finalized through six relevant Kenyan Departments in 2020. MRAs will be signed after approval from Cabinet. These two MRAs are major breakthrough since inception of bilateral trade and resulted in market access for mango and citrus

2.2 Joint Business Council Between KNCCI and FPCCI:

Federation of Pakistan Chamber of Commerce and Industry (FPCCI) and Kenya National Chamber of Commerce and Industry (KNCCI) had signed an agreement for establishment of Joint Business Council (JBC) on 11 July, 1996 and another agreement for enhanced cooperation was also signed between the chambers on 11 July, 1996 but no meeting or further progress has ever taken place so far.

2.3 East Africa Community (EAC):

Kenya is a member of the East African Community (EAC). The EAC is a regional intergovernmental organization and a single customs territory of six partner states i.e., the Republics of Kenya, Uganda, Rwanda, Burundi, South Sudan and the United Republic of Tanzania with its headquarters in Arusha, Tanzania. Treaty for the Establishment of the East African Community was signed on 30 November 1999 and entered into force on 7 July 2000.

Membership entails extending preferential tariffs to goods imported from member states subject to agreed conditions at preferential rates. This provides an incentive to import from or export to countries in the regional trading bloc. The integration process is progressive starting with East African Customs Union (CU) leading to free movement of goods across borders and destined for implementation of the East African Monetary Union Protocol (EAMU) and Political Federation (PF).

Joint infrastructure projects which were echoed at the start could not go down due to Tanzania which had been a serious competitor for Uganda, Rwanda, Burundi, DR Congo goods through port of Dar es Salam port.

Uganda sided with Tanzania for collaborating construction of oil pipeline for less than what Kenya has estimated. Kenya, Uganda and Rwanda had started a project of SGR for transportation of goods but in the meanwhile Rwanda surprisingly opted out of the project and resultantly SGR was terminated at Naivasha and now the Kenya and Uganda is to go for MGR instead of SGR from Nakuru to Kisumu. Tanzania has been very reluctant on many issues related to integration of EAC.

Kenya, Uganda and Rwanda have allowed intra country movement of citizens using national IDs as travel documents. Kenya, Rwanda and Tanzania have also commenced issuing the International East African E-Passport. AfCFTA will further enhance interdependence of the EAC states

The features of the Customs Union include common import duty rates applied to third-party goods (Common External Tariff), a common set of customs rules and procedures including documentation, a common trade policy that guides the trading relationships with countries or trading blocs outside the Customs Union and duty free and quota-free movement of tradable goods within the constituent customs territories. EAC countries are Kenya’s largest buyers, led by Uganda and Tanzania. It is one of the fastest growing regional economic blocs in the world. Pakistan’s exports to EAC members are tabulated below:

Top Sectors with Potential Exports to COMESA

Exports Sectors with Potential Exports to EAC Economies (US $ Million)

HS 2	HS Des	Pak Global Exports	EAC Global Imports	Pak Exports to EAC	Indicative Exports Potential
63	Other made-up textile articles;	3939.67	540.36	29.36	511.00
62	Articles of apparel and clothing accessories	2391.02	297.02	1.53	295.49
10	Cereals	1750.89	1326.20	297.84	1028.36
17	Sugars and sugar confectionery	511.50	1057.50	9.07	502.43
39	Plastics and articles thereof	267.56	822.30	5.88	261.68
27	Mineral fuels, mineral oils	258.39	3028.70	0.00	258.39
30	Pharmaceutical products	207.19	1366.08	16.14	191.05
84	Machinery, mechanical appliances,	188.91	2546.78	5.48	183.43
73	Articles of iron or steel	115.10	379.81	0.06	115.04
85	Electrical machinery and equipment	72.13	1174.55	0.70	71.43

Source: ITC Trade Map

2.4 Common Market for Eastern and Southern Africa (COMESA):

COMESA was formed in 1994 and has 21-member states with a population of over 385 million, making it a major market for both internal and external trade. Kenya being one of the founding and important members of the COMESA has preferential flow of goods and services with all member states. COMESA is one of the largest Economic Communities of the African Union. Its current strategy is 'economic prosperity through regional integration'. It forms a major market place for both internal and external trading.

The FTA has been achieved on 31st October, 2000 resulted in elimination of tariffs on COMESA originating products, in accordance with the tariff reduction schedule. COMESA offers its members and partners a wide range of benefits which include:

(a) A wider harmonized and more competitive market
(b) Greater industrial productivity and competitiveness
(c) Increased agricultural production and food security
(d) A more rational exploitation of natural resources
(e) More harmonized monetary, banking and financial policies
(f) More reliable transport and communications infrastructure

Top exports products from Pakistan include semi milled or wholly milled rice, instruments and appliance used in medical and veterinary sciences, cane or beat sugar, Portland cement, broken rice, medium oil and preparations, denim and petroleum oils etc. Detail of Pakistan's sectoral potential exports is depicted in the table below.

2.5 African Continental Free Trade Area (AfCFTA):

The 55-member states of the Africa Union (AU) have established the African Continental Free Trade Area (AfCFTA) to create a single continent-wide market for goods and services and to promote the movement of capital and natural persons with it headquarter at Addis Ababa, Ethiopia. H.E. Mr. Wamkele Mene, the first Secretary General of AfCFTA re-iterated for its effective enforcement for better trading regime. The Agreement establishing the AfCFTA entered into force on 30 May 2019 for the 24 countries that had deposited their instruments of ratification while trading was to commence under the agreement from 1 July 2020 which was delayed. Kenya have signed the agreement on 21 March, 2018 and ratified the same on 6 May, 2018. The AfCFTA is governed by five operational instruments, i.e. Rules of Origin, online negotiating forum, monitoring and elimination of non-tariff barriers, a digital payments system and the African Trade Observatory.

The AfCFTA is the African continent's most ambitious integration initiative, embedded in the Agenda 2063 of the African Union. It covers the market of more than 1.3 billion people with a combined GDP of US$ 3.4 trillion. In terms of numbers of participating countries, the AfCFTA is the world's largest free trade area since the formation of the World Trade Organization. The main objectives of the AfCFTA are to create a single continental market for trade in goods and services, with free movement of business persons and investments, intellectual property rights and dispute settlement and thus pave the way for accelerating the establishment of the Customs Union. The AfCFTA is expected to increase intra-Africa trade from an existing level of about 13% to 25% or more through better harmonization and coordination of trade liberalization.

All member states aim to achieve the same level of tariff liberalization – member states have agreed that 90% of tariff lines are to be liberalized. A distinction is drawn between 32 LDCs and 23 non-LDCs for the tariff negotiations. LDCs have 10 years to achieve 90% liberalization, while non-LDCs have 5 years. The remaining 10% of tariff lines is divided into two categories. 7% can be designated sensitive products and 3% of tariff lines can be excluded from liberalization entirely. LDCs have 13 years to eliminate tariffs on sensitive products and may maintain their current tariffs for the first 5 years, back loading liberalization during the remaining 8 years. Non-LDCs have 10 years to eliminate tariffs on sensitive products and may also retain the status quo, starting liberalization in year sixth. Both LDCs and non-LDCs may exclude 3% of tariff lines, but the excluded products may not account for more than 10% of their total trade. There is a further carve-out for a specific group of countries, the so-called G6. They are Ethiopia, Madagascar, Malawi, Sudan, Zambia, Zimbabwe. These countries have argued that they face specific development challenges and have managed to secure a 15-year phase down period.

The agreement establishing the AfCFTA was signed by leaders from 44 African countries at the AU Summit held in Rwanda in March 2018. Thus far, 37 of the 54 African countries have ratified the trade pact. The deal is signed by 54 of the AU55 member states and ratified by 37. On January 1, 2021, African countries officially opened their markets under the Africa Continental Free Trade Area (AfCTA) pact and duty-free trading of goods and services across borders.

The launch of AfCFTA is historic because it is the largest free trade area in the world by virtue of the number of participating countries since the development of the World Trade Organisation. As the world's largest single market, the AfCFTA is estimated to have a market of over 1.2 billion people with a combined Gross Domestic Product of US$ 3.4 trillion.

The AfCFTA will create a single market with easy access, enhanced business opportunities, greater employment, reducing the cost of goods and services in the markets by reduced duties at borders, encourage intra country movement of products and low or no tariff for goods and services, will create competitiveness (cheaper goods with high quality), add into ease of doing business, reducing the cost of production, transfer of skills and technology, easier market access, foreign and domestic investment, facilitate the movement of people, promote industrial growth and development, sustainable and inclusive socio-economic growth and will help in resolving the multiple and overlapping membership issue in line with AU's Agenda 2063. The agreement will also cut red-tape and simplify customs procedures. Additionally, AfCFTA places emphasis on opportunities for women entrepreneurs focusing on women in informal cross-border trade, gender and regional value chain analysis and affirmative action / preferential public procurement.

Each country or trading bloc is to make its own arrangement for reduction of tariffs and eventually to be hosted on Africa trade Observatory (ATO) website. Under the trade deal, tariffs on 90% of goods will be phased out within 10 years and remaining till 2035 in phase manner. Currently oranges import into Kenya from South Africa attract 25% import duty. The creative fashion items such as handmade laptop bags, handbags and pillow with African prints export of 1Kg to US costs 25$ while to Uganda costs US$90 from Ghana.

AfCFTA is expected to grow intra-African trade particularly the intra-African exports which currently stands at 16.6 % compared with 68.1 % in Europe and 59.4 % in Asia, 55 % in America and 7% in Oceania as per UNCTAD's economic development in Africa Report 2020. The World Bank estimates that successful implementation of the AfCFTA will lift over 30 million Africans out of extreme poverty, raise incomes of 68 million Africans who live below the daily wage — a majority of whom are women and youth.

AfCFTA is an avenue for dealing with the problem of youth and women unemployment in Africa through job creation. Youth unemployment in Africa stands at 60 per cent of the continent's total joblessness according to the World Bank Reports. Worst still, women are the most affected by unemployment than men. Lack of capital has been a key challenge for youth and women-led start-ups and AfCFTA will provide new innovative ways of providing credit for e-commerce through cross-border crowd funding initiatives. Africa, unlike Europe, Asia and Americas, lags behind in nurturing youth talent.

Kenya is a major exporter of flowers but Nigeria import flowers from Netherland and similarly palm oil is currently coming from Malaysia and Indonesia to Kenya while Nigeria also used to export so the idea behind AfCFTA is to sale Kenyan flowers in the streets of Lagos while Nigerian palm oil on the shops and retail stores of Kenya which will reduce these costs.

Challenges in execution of AfCFTA:

- Required skill are deficient in the market
- Smaller companies may not compete with big giants and MNCs but ITC says smaller companies can specialize as part of supply chain of larger firms.
- Poor physical infrastructure such as road and railway networks are weak.
- Customs system is not harmonized and will create hindrances in intra country movement of goods and services.

- Security issues along the borders is a major block discouraging movement round the clock accruing to delays.
- Communication barriers and restricted banking channels is another area posing serious challenges.
- The relations of multiple trading blocs with AfCFTA and how they will shape themselves and the level of mistrust that exists among the bloc countries.

This agreement will result in free and cheaper influx of imported goods into Kenya from intra African markets and thereby will lead to stiff competition between the local products and imported goods. It is also feared that there will be less reliance on imports from other countries and trade blocs due to increased volume of intra-Africa trade thereby limiting the ability to compete with the African producers of similar products in the continent. However, there are still many issues to be sorted out among African countries and a long way to go.

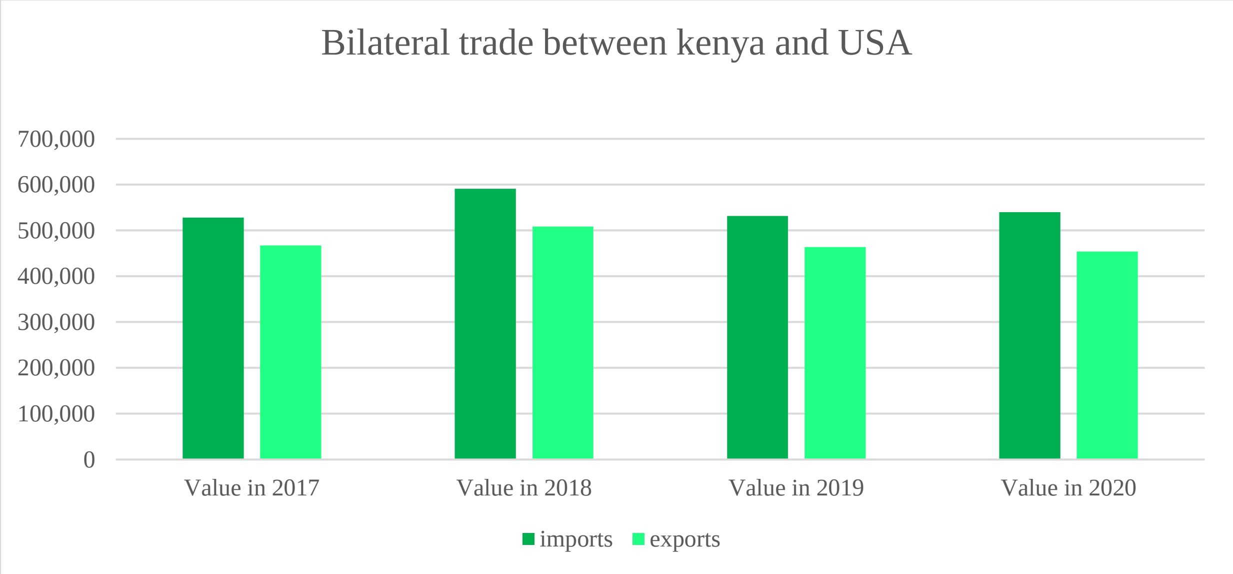
2.6 African Growth and Opportunity Act (AGOA):

Bilateral trade between Kenya and the US is largely governed by AGOA. The African Growth and Opportunity Act promotes increased trade and economic cooperation between the United States and eligible sub-Saharan countries. Kenya was the first country to be designated an AGOA beneficiary in the sub-Saharan Africa region. The AGOA initiative has revitalized the textiles and apparel industry, which has seen substantial growth in recent years.

Kenya’s exports to U.S.A are relatively lower-priced goods and commodities such as tea, textiles, apparels, pyrethrum, handcrafts and nuts. Since the enactment of AGOA, textiles and apparels have dominated the composition of Kenya’s exports to the U.S.A and constituted about 76 per cent of the total exports. U.S. exports to Kenya have generally been manufactured high-value goods such as aircraft parts, machinery, electronic equipment, pharmaceuticals, organic chemicals, plastics and fertilizers.

Enacted in May 2000, the African Growth and Opportunity Act (AGOA) is the cornerstone of U.S. economic engagement with the countries of sub-Saharan Africa. In June 2015, the U.S Government authorized AGOA for an additional 10 years till 2025. AGOA has succeeded in helping eligible nations grow, diversify their exports and create employment and inclusive economic development. Currently, 5 EAC’s states are eligible for the AGOA benefits; however, Burundi’s eligibility has been revoked with effect from 1 January 2016.

Keeping in view, the termination of AGOA in 2025, Kenya and USA have initiated and embarked upon negotiations for signing of FTA since January, 2020. First round of negotiation was also held from 7-15 July, 2020. If signed, it will ease entry of the US companies, financial and communication services, cross border data flow and competitive products into the local market with zero or reduced tariff. U.S foresee it as model for similar agreements with African countries leading to a network of trade understandings. Once enacted, sizeable portion of exports from Asian countries like China, India and Pakistan will face stiff competition in Kenyan import market. Current trade between USA and Kenya under AGOA over the past 5 years is depicted below.



President Uhuru Kenyatta and US President Donald Trump announced intention for trade deal on 6 February, 2021 and the two countries formally launched negotiation on 8 July, 2021 to serve as a model FTA for additional agreements across the African continent. Kenya wants to do a deal before expiry of AGOA in 2025 which provides duty free and quota free access of US markets to 40 African states covering more than 6,000 product lines. It would be the first of its kind deal between US and any sub-Saharan African country.

2.7 EAC-EU Economic Partnership Agreements (EPAs):

Economic Partnership Agreements (EPAs) are trade and development agreements negotiated between the EU and African, Caribbean and Pacific partners engaged in regional economic integration processes. The EU-EAC EPA covers trade in merchandise goods and development cooperation that aims to reinforce cooperation on the sustainable use of resources.

The deal is balanced and fully in line with the EAC Common External Tariff. It bans unjustified or discriminatory restrictions on imports and exports, which contributes to the EAC's efforts to eradicate non-tariff barriers in intra-EAC trade and substantiate EAC's regional integration agenda to foster development. Further negotiations are ongoing to include services and trade-related rules in the future as well.

2.8 Generalized System of Preferences (GSP):

Kenya is enjoying preferential access through this non-reciprocal system of providing countries with preferential treatment for their goods when exporting to developed world. The GSP program was negotiated under the auspices of the United Nations Conference on Trade and Development (UNCTAD) and its objectives are to increase the export earnings of countries receiving preferential treatment, promote their industrialization and accelerate their rate of economic growth. Kenya has been granted this preferential treatment by OECD (Organization for Economic Cooperation and Development) countries such as Canada, USA, Australia, Switzerland, Norway, Sweden, Finland, Austria and Japan. In addition, no quantitative restrictions are applicable to Kenyan exports on any of the 3,000-plus items currently eligible for GSP treatment.

2.9 COMESA-EAC-SADC Tripartite:

Kenya has been the active pursuant of this Tripartite; an umbrella organization of 26-member countries consisting of three Africa's Regional Economic Communities, namely: Common Market for Eastern and Southern Africa (COMESA), East Africa Community (EAC) and the Southern African Development Community (SADC). The supreme objective of the Tripartite is to contribute to the broader objectives of the African Union that is accelerating economic integration of the continent and achieving sustainable economic development leading to poverty alleviation and improvement in quality of life for the people of the Eastern and Southern African Region.

2.10 ACP/EU Cotonou Partnership Agreement:

Kenya among others 79 states is the member of the "Organization of African, Caribbean and Pacific States" (ACP Group). This Organization became reinforced with greater effectiveness for economic and trade development among member states on 5 April 2020, as per the provisions of the revised Georgetown Agreement. the Secretary-General, H.E. Mr. Georges Rebelo Pinto Chikoti expressed his deep concerns for enhanced flow of economic and trade ties among the member states during the inauguration of the ACP.

Exports from Kenya entering the European Union are entitled to duty reductions and freedom from all quota restrictions. Trade preferences include duty-free entry of all industrial products as well as a wide range of agricultural products including beef, fish, dairy products, cereals, fresh and processed fruits and vegetables.

The European Union is Kenya's main trading partner outside Africa. The main players are the Netherlands, Germany and France. The EU accounted for 26 % of Kenya's exports, with a value of $670.6 million in 2019. The ACP/EU Cotonou Partnership Agreement is a trade, aid and political agreement having main objectives of sustainable development of the ACP States, their smooth and gradual integration into the world market and eradication of poverty.

2.11 World trade Organization:

Kenya is among the founder members of WTO since 1 January, 1995 and signatory to all WTO agreements including the GATT, GATS, AoA, Agreement on Textiles and Clothing (ATC) and the Agreement on Trade- Related Intellectual Property Rights (TRIPS). Kenya has established the National Committee on WTO (NCWTO) in May, 1995 to advise the government on all matters pertaining to the WTO. There are around 45 other members of the NCWTO representing different umbrella organizations and institutions and around 25 community-based organizations are also members of the NCWTO.

A number of state corporations and parastatals such as the Kenya Revenue Authority (KRA), the Kenya Bureau of Standards (KEBS), the Kenya Plant Health Inspectorate Service (KEPHIS) and the Kenya Sugar Board (KSB), Central Bank of Kenya (CBK), the Export Promotion Council (EPC), the National Environment Management Authority (NEMA), the Kenya Industrial Property Institute (KIPI) and the Capital Markets Authority (CMA) are members to the Committee. The WTO's 10th Ministerial Conference was held in Nairobi, Kenya, in December 2015. The Conference culminated in the adoption of the "Nairobi Package", a series of six Ministerial Decisions on agriculture, cotton and issues related to least-developed countries (LDCs). Kenya has been an active member of this global trade platform and plays vibrant role in trade affairs and has also been a competitor for the forthcoming appointment to the position of Director General, WTO in 2020.

3 Overview of Import Regulations:

Following are the major regulations governing imports (exports) to Kenya and East African Community.

- The National Trade Policy of Kenya-2017
- The Customs and Excise Act-Revised 2010 and Regulations thereto
- East African Community Customs Management Act (EACCMA)-2004
- East Africa Community-Common External Tariff (EAC-CET)-Revised -2017
- Value Added Tax Act-2013
- Excise Duty Act-2014
- Miscellaneous Fee and Levies Act-2016
- Tax Appeals Tribunal Act-2013

3.1 Import Policies

3.1.1 Tariffs and Taxes

Kenya's average Most-Favored-Nation (MFN) applied tariff rate for agricultural products is 20.3 % and 13.4 % for non-agricultural products. Kenya has bound 16.4 % of its tariff lines in the World Trade Organization (WTO), with an average WTO bound tariff rate of 94.5 %. Kenya generally applies the Eastern African Community (EAC) Customs Union's Common External Tariff (CET), which includes three tariff bands:

1. Zero % duty for raw materials and inputs
2. 10 % duty for processed or manufactured inputs
3. 25 % duty for finished products.

For certain products and commodities deemed "sensitive" Kenya applies ad valorem rates above 25 percent. This includes rates of 60 percent for most milk products, 50 percent for corn and corn flour, 75 percent for rice, 60 percent for wheat flour, 100 percent for sugar, and 50 percent for textiles. For some products and commodities, tariffs vary among the five EAC member states. The EAC has granted Kenya a one year stay to the rice CET, reducing the tariff to 35 % or $200 per metric ton (whichever is higher) due to Kenya's status as a net importer. Kenya sometimes waives tariffs when domestic agricultural prices exceed certain levels which creates uncertainty for exporters.

Under the EAC's Exemptions Regime, the EAC had exempted all solar and wind energy products from import duties. In June 2016, the EAC amended the Regime to narrow this exemption to include only those items related to the development and generation of solar and wind energy. The duties subsequently imposed on spare parts and accessories to solar equipment have a negative impact on the business operations of solar home system companies, even though Kenya has not applied them uniformly in practice. There is also a concern that the amendment to the EAC's Exemptions Regime is ambiguous because it does not define spare parts and accessories to solar equipment.

Kenya's 2018 Finance Bill had exempted the supply or import of certain specialized equipment for the development and generation of solar and wind energy from the value-added tax (VAT). This included deep cycle batteries, which use or store solar power. The subsequent 2019 Finance Bill, adopted amended this exemption by requiring the Kenyan Cabinet Secretary for Energy to issue a recommendation before a VAT exemption is granted. Kenya's 2020 Finance Bill, adopted in June 2020, removed that discretion and eliminated the exemption, which has negatively affected imports of solar home systems in Kenya.

3.1.2 Current Taxation Regime in Kenya

The 2019 Finance Bill amended the Income Tax Act by taxing income accrued through a digital marketplace. The bill defines the digital marketplace as a "platform that enables the direct interaction between buyers and sellers of goods and services through electronic means," which would include taxing transactions on Internet platforms. The 2020 Finance Bill, established a tax of 1.5 percent of the gross transaction value of income accrued through a digital market place and is payable when transferring payment to the service provider, effective January 1, 2021. In August 2020, the Kenya Revenue Authority (KRA) published the Income Tax (Digital Service Tax) Regulations to provide guidance on the implementation of this digital services tax also which will have negative impact of IT exports including from Pakistan.

The VAT Act, adopted in 2013, reduced the number of VAT-exempt items from 400 to 27, to simplify tax administration, enhance tax compliance and eradicate a backlog of refunds. The 2013 Act went into effect with few specific guidelines, resulting in uncertainty surrounding the application of VAT rules. Amendments to Kenya's VAT Act clarified some items that are VAT exempted including: aircraft engines, aircraft parts, plastic bag biogas digesters, parts for the assembly of primary school laptop tablets, and goods for use by the Kenya Film Commission or in the construction of industrial and recreational parks subject to specified conditions. These amendments also made clear that VAT refund claims must be submitted within 12 months of purchase. VAT Regulations issued in 2017 further clarified the implementation of the 2013 VAT Act, reduced the number of VAT refund claims. However, the number of VAT refund claims that are pending or were processed during the 2019 and 2020 fiscal years remains unclear of most of the importers from Pakistan also. VAT-exempt companies, including importers still experience lengthy wait times in receiving their VAT refunds.

The KRA also imposed the VAT on raw material imported for the manufacture of garments and leather specifically related to Export Processing

Zones, to protect local livestock keepers and producers of raw materials used in tanneries. In 2018, the KRA also imposed an eight percent VAT on fuel products including petrol, diesel, jet fuel, and kerosene. In 2019, the KRA exempted additional goods from the VAT, including machinery and equipment used for the construction of plastic recycling plants. In 2020, the KRA reversed this VAT exemption. Also, in 2020, the KRA rescinded VAT exemptions on helicopters and certain aircraft parts, as well as the hiring, leasing, and chartering of helicopters although, taxation changes on such goods have not impacted Pakistan because currently these are not imported from Pakistan.

Currently, Kenya requires all importers to pay an import declaration fee of 3.5 % (up from 2.25 % in 2018) based on the customs value of imports and to meet certain document requirements. The 2020 Finance Bill increased the import declaration fee on goods imported under the EAC's Duty Remission Scheme from US$ 1000.00per shipment to 1.5 % of the customs value.

Disputes over tariffs and taxation are resolved through the judicial system, which is subject to delays and uncertainty. Since June 2015, the KRA has offered an alternative dispute resolution mechanism to provide taxpayers/importers with an alternative, fast-track avenue for resolving some tax disputes.

Custom Duties/Tariff Structure

- Applied tariff rate for agricultural products is 20.3 % and for non-agricultural products is 13.4 %
- zero % duty for raw materials and inputs
- 10 % duty for processed or manufactured inputs
- 25 % duty for finished products

Border Taxes

- Value Added Tax 16%
- Railway Development Levy 2%/1.5%
- Import Declaration Fee 3.5%/2.25%
- MSS 0.64%
- Digital Services Tax-1.5%
- Excise Duty-varies

Current Freight Charges

- 20 ft Container freight from Karachi to Mombasa……average $1900
- 20 ft Container freight from Mombasa to Karachi……average $900
- (From Pakistan the freight is high because mostly containers are of rice. Every 20/ft container has around 26 tons of rice which are heavy in weight. While 20/ft tea container has around 15 tons weight=220 bags each of 68 Kg)

3.1.3 Requirements for Import of Fresh Fruits:

Plot Water Dip Treatment for fresh Mangoes and Citrus exports from Pakistan into Kenya will be required as per KEPHIS instructions issued in January, 2022. Detail is as below:

Fruits destined for Kenya shall must comply with the signed agreement between Kenya and Pakistan and shall be sourced and treated in facilities accredited by the Department of Plant Protection, Ministry of National Food Security and Research/ National Plant Protection Organization of Pakistan, in line with the standards stipulated in the Guidance for Accreditation of Hot Water Dip Treatment Facility for fresh produce.

i) The Fruits must be subjected to hot water treatment in an approved facility in accordance with following treatment schedule.

Fruit Weight (Grams)	Water Temperature	Dip Time (Minutes)
Up to 500	48 °C or above	60
501-700	48 °C or above	75
701-900	48 °C or above	90

ii) The entire treatment shall be under general monitoring of DPP, and may be further governed by a signed workplan between the DPP and facility owner.

iii) The temperature and duration of each hot water dip shall be recorded with an automatic temperature recording system.

iv) Number of sensors and their placement:

a. For continuous flow systems, minimum 10 temperature sensor shall be installed per tank which must be spaced throughout the length of the conveyor.

b. For batch systems, at least 2 sensors shall be placed per tank. However, in tanks that treat multiple baskets (cages) of fruit, there must be at least 1 sensor per basket position. (A tank with 4 basket positions, for example, would require at least 4 sensors).

c. In both the batch and continuous flow systems, sensors shall be installed in the lower third of the tank

v) There shall be at least one high-accuracy, water-immersible, certified mercury, non-mercury, or digital thermometer on the premises at all times; (accurate to 0.1°C and will cover the range between 45 °C to 48.1 °C. This thermometer shall be used as the standard against which all sensors are calibrated.

vi) A facility shall have an automatic temperature recorder (strip chart or data logger) to record the time and temperature during each treatment and the model used shall be the one approved by the Plant Protection Adviser (PPADG).

vii) Once the treatment is complete, the treated fruits should be promptly moved to an insect-free designated enclosure/ screened room/quarantine area, immediately after treatment, and must remain there until loading into insect proof shipping containers. Packing line equipment, hydro cooling equipment, and a cold storage room (if any), should be located in this designated quarantine area. Effective procedures shall be enforced to prevent the movement of untreated fruit (accidentally or intentionally) into the insect-free quarantine area. The flow pattern of the fruits moving through the hot water bath process shall be such that the fruit waiting to be loaded into the hot water dip tank cannot be mixed with fruit that has already completed treatment.

viii) All boxes of hot water-treated fruit, shall be stamped/labeled "Treated w/I// Hot Water, DPP," together with the numerical production code the DPP has assigned to the particular treatment facility.

ix) Insect-proof containers, screened or enclosed rooms, doors with air curtains, or some combination to maintain the treated fruits insect free, shall be used throughout the shipping process.

x) The facility shall maintain treatment records serially numbered and duly signed by a qualified technical operator. The record should be preserved in the appropriate folder along with prints of data loggers for future reference and necessary verification during audit checks by DPP inspector. KEPHIS may periodically request for such records.

xi) An inspector or authorized officer of the Department or (designated representative) shall carry out periodic audits of the facility, when to facility is operational, to verify that the accreditations requirements stipulated in the DPP standards for hot water treatment systems are met.

3.2 Relevant Trade Departments/Organizations:

The following departments and trade bodies are mandated for trade policy formulation and implementation, collection of customs/border duties, inland taxes, executions of various import standardizations, registrations, certifications and regulations of sanitary and phyto-sanitary measures as well as registration/memberships of traders for coordinated efforts.

Department for International Trade

Ministry of Industrialization, Trade and Enterprise Development
Social Security House, Block A, 17th, 23rd Floor
P.O. Box 30418-00100, Nairobi, Kenya
Telephone: +254 20-2731531, Fax: +254 20-2731511
Email: ps@industrialization.go.ke cs@industrialization.go.ke

The Department is responsible for trade policy, export/import regulations, management of international trade relations and promotion and protection of its interests overseas to contribute to the country's development plans including vision 2030. It is responsible for formulation, implementation, coordination, monitoring and reviewing of international trade policies, export strategy, promotion of bilateral, regional and multilateral trade relations, coordinate trade related negotiations and enforcement of the trade laws/regulations and agreements as well as coordination of regional trade matters with EAC, COMESA, EAC-EU, AGOA, ACP-EU.

Kenya Revenue Authority (KRA)

Ministry of National Treasury and Finance
Times Tower Building
Haile Selassie Avenue
P. O. Box 48240 - 00100
Tel +254 20 281 0000
Email: callcentre@kra.go.ke

The Kenya Revenue Authority effective since 1st July 1995 is charged to assess, collect and account for all revenues of the state. The Customs and Border Control Department (CBCD) is the main wing/department responsible for collection and executing of import duties and taxes. The department administers the East African Custom Management Act (EACMA) 2004, EAC-Common External Tariff-2017 and other Revenue Acts that impose taxes or levies on imports and exports.

Kenya Ports Authority

Mombasa, Kenya
Tel: +254 41 2113558
customerfeedback@kpa.co.ke; ca@kpa.co.ke

The Kenya Ports Authority's mandate is to maintain, operate, improve and regulate all sea and inland waterway ports in Kenya. Other ports include Lamu, Malindi, Kilifi, Mtwapa, Kiunga, Shimoni, Funzi and Vanga. It is only the port of Mombasa which is fully developed with modern equipment hence making it the principal port in the region. At the port of Mombasa, the Kenya Ports Authority's core business is to provide services and regulation to all incoming and out-going cargo ships. The Port of Mombasa has two container terminals namely the Mombasa Container Terminal and the newly built Kipevu Container Terminal with an annual total capacity of 1.65 million TEUs. Container operations at the Port of Mombasa entail discharging and loading of vessels, stacking and unstacking of containers in the yard and delivery/receipt of import and export containers.

Kenya Bureau of Standards (KEBS)

Popo Road, Nairobi
Tel : + 254 (20) 694 8000

Kenya Bureau of Standards (KEBS) is the premier government agency for quality inspection of imports. It has mandate for provision of Standards, Metrology and Conformity Assessment (SMCA), harmonization of standards, measurements examination and testing of commodities, provision of the country's quality infrastructure for facilitation of trade use of standardization marks and distinctive mark and serves as National Enquiry Point on Technical Barriers to Trade (TBT).

Pre-shipment inspection of the manufactured products is done by KEBS either on arrival of goods or through its designated agencies in the source/exporting country. In Pakistan, these inspections are carried out by Intertake and SGS. Imports that are tested by Kenya Bureau of Standards and found not complying with the requirements of the relevant Kenya Standard(s) will not be allowed to be sold in the Kenyan market. The importer will have to return them to the country of origin at his own cost.

Kenya Plant Health Inspectorate Services (KEPHIS)

Main Keran Road, Nairobi
Email: kephisinfo@kephis.org,
director@kephis.org

Kenya Plant Health Inspectorate Service (KEPHIS) is the government parastatal whose responsibility is to ensure the quality of agricultural inputs, produce and imports to prevent adverse impact on the economy, environment and human health. It provides a science based regulatory service by assuring plant health, quality of agricultural inputs and produce/import for food security, globally competitive agriculture and sustainable development.

KEPHIS has mandate for International exchange of germplasm and trade/movement of plants and plant products, crucial in the quest for adequate food production and supply. There being need to ensure that foreign injurious pests, diseases and noxious weeds which do not exist in Kenya are not introduced in the country, Kenya has a very stringent plant introduction and certification procedures. Through the activities of KEPHIS, the introduction of plant pests, diseases and noxious weed into Kenya is prevented or delayed. KEPHIS has introduced Automated Support System for the Importation of Phytosanitary Consignments (ASSIP), which is a revolutionary e-commerce platform that regulates the importation of plants, plant products and regulated articles into Kenya.

Importation of consignments with Phytosanitary concern follow an arduous manual process of physical risk determination, verification and inspection, clearing at points of entry. Importers are required to provide information necessary for risk assessment by filling in the provided application form(s). KEPHIS registration officer evaluate the completeness and acceptability of the application form details thereby accepting or rejecting application via online.

Pharmacy & Poisons Board

Ministry of Health
Lenana Road, Nairobi
+254 709 770 100
Email: info@pharmacyboardkenya.org

The Pharmacy and Poisons Board is the Drug Regulatory Authority regulates the practice of pharmacy, manufacture and import/trade in drugs and poisons. It aims to implement the appropriate regulatory measures to achieve the highest standards of safety, efficacy and quality for all drugs, chemical substances and medical devices, locally manufactured, imported, exported, distributed, sold, or used to ensure the protection of the consumer as envisaged by the laws regulating drugs in force in Kenya. All the products being imported must be verified, registered and certified before importation through designated three laboratories of the Board.

Kenya National Chamber of Commerce and Industry (KNCCI)

Heritan House, Nairobi, Kenya
Phone: +254 782 392 700
Email: info@kenyachamber.or.ke

The Kenya National Chamber of Commerce and Industry (KNCCI) was established in 1965 after the amalgamation of the three existing Chambers of Commerce at the time. It is a dependable intermediary between government, business and the general public. There is only one chamber at national level in Kenya and it has presence in all the 47 counties through its county chapters and has signed a memorandum of understanding with the Council of Governors to help promote greater trade and investment at county level. Internationally, KNCCI works with other trade support institutions and chambers of commerce through the International Chamber of Commerce (ICC).

Kenya Association of Manufacturers (KAM)

5 Mwanzi Road, Opp West Gate Mall, Westlands, Nairobi, Kenya
Email: info@kam.co.ke, Website: https://kam.co.ke
T: +254 (020) 232481

KAM is the representative organization for manufacturing value-add industries in Kenya. It provides an essential link for co-operation, dialogue and understanding with the Government by representing the views and concerns of its members to the relevant authorities. In pursuit of its core mandate of policy advocacy, KAM promotes trade and investment, upholds standards, encourages the formulation, enactment and administration of sound policies that facilitate a competitive business environment and reduce the cost of doing business.

East African Grain Council (EAGC)

Mbaazi Avenue, Off Kingara Road
Nairobi, Kenya
Tel: +254 733 444 035/+254 710 607 313
Email: grains@eagc.org

EAGC is a regional private sector membership and not for profit organization founded in 2006 and registered as a company limited by guarantee. The organization's operation spans over 10 countries in Eastern Africa region including Kenya, Uganda, Tanzania, Rwanda, Burundi, DR Congo, Zambia, Malawi, Ethiopia and South Sudan. Its core mandate lies to improve the policy and trading environment in the regional grain trade, strengthen market linkages and reduce constraints along the grain value chain. To develop, promote, and influence structured grain trading system in the Eastern Africa region with defined rules and regulations. It is to improve investment in market infrastructure and support institutions, access to market information, value chain stakeholders' capacity, improved policy and regulatory environment and strengthening EAGC's institutional capacity to deliver on her mandate.

Kenya Private Sector Alliance (KEPSA)

Shelter Afrique Building, Mamlaka Rd, Nairobi
+254 202730371|2|2727936|883
info@kepsa.or.ke

KEPSA is a limited liability membership organisation registered in 2003 as the apex body of private sector in Kenya and umbrella body to bring together business community in a single voice to engage and influence public policy for an enabling business environment. With current membership of over 500,000 direct and indirect members organized through Business Membership Organizations and Corporate members, KEPSA is a key player in championing the interests of the Kenyan business community in trade, investment and industrial relations. KEPSA's has played critical roles in business, economic and political reforms.

Further detail could be accessed through the following important links of relevant public and private organizations:

Ministry of Industrialization, Trade and Enterprise Development
https://www.industrilization.go.ke

Kenya Ministry of Agriculture, Livestock and Fisheries,
https://www.kilimo.go.ke

Ministry of Finance and National Treasury,
https://www.treasury.go.ke

Central Bank of Kenya,

https://www.centralbank.go.ke

Kenya Bureau of Standards,
https://www.kebs.org

Kenya Plant Health Inspectorate Services,
https://www.kephis.org
kephisinfo@kephis.org
director@kephis.org

Kenya National Bureau of Statistics,
https://www.knbs.or.ke

Kenya Pharmacy and Poisons Board,
https://www.pharmacyboardkenya.org

Kenya Revenue Authority,
https://www.kra.go.ke/en/helping-tax-payers/faqs/customs-and-border-control
https://www.kra.go.ke/en/helping-tax-payers/faqs/more-about-vat
https://kenyatradenet.go.ke/keswsoga/TraderLogin.do

Kenya National Chamber of Commerce and Industry (KNCCI),
https://www.kenyachamber.or.ke

Kenya Medical Supplies Authority,
http://www.kemsa.co.ke/

Kenya Association of Manufacturers (KAM),
https://kam.co.ke

East African Grain Council (EAGC),
www.http://eagc.org/

Kenya Port Authority,
https://www.kpa.co.ke

Kenya Private Sector Alliance (KEPSA),
https://www.kepsa.or.ke

4 Non – Tariff Barriers

Kenya has an open economy along with other EAC countries. Importation of goods and services are not restricted except specifically defined in the Trade Policy-2017 however, in view of development of domestic industry and providing space to nascent and underdeveloped sectors, various Non-Tariff and Technical barriers are in place to discourage importation into Kenya. Under the recently envisaged slogan of 'Buy Kenya, Build Kenya' has come into play to rely mostly on domestic production rather using of foreign goods. The nature of non-tariff barriers in Kenya are similar as that of whole African continent and are mostly associated with the regulatory requirements and slow implementation of trade facilitation measures.

Such barriers result in weak trade facilitation regime leading to lack of transparency, trust and less access to information. The often changing and inconsistent government policies serves as stumbling blocks which devoid predictability in the system. The most notable NTBs include multiple customs documentation requirements, lengthy registration and certification of goods processes prior to importation, existence of multiple agencies at the port, cumbersome formalities and procedures, limited testing capacity, lengthy pre and post inspections and sampling methods, un-standardized weighbridges, lack of recognition of individual country's standards and the existence of several un-harmonized sanitary and phyto-sanitary measures and standards.

- Registration, certifications, standardization marks, ISM stickers, Diamond mark
- Certificate of conformity from SGS/Intertake/Bureau of Varitas/COTECNA
- Local certificate of compliance
- Pre-Export Verification of Conformity to Standards (PVOC) Program is a conformity assessment program applied to products at the respective exporting countries, to ensure their compliance with the applicable Kenyan Technical Regulations and Mandatory Standards or approved specifications.
- Pharmaceuticals and Surgical Instruments: Prior registration with Pharmacy and Poisons Board (PPB)
- Electrical appliances: …. Energy and Petroleum Regulatory Authority (EPRA)
- Leather and products: …. Directorate of Veterinary Services (DVS)
- Fruits and vegetables: …. Horticultural Crops Directorate (HCD) and Agriculture and Food Authority
- PRA for importation of horticulture products and NOC from KEPHIS
- Used textiles and shoes to register with KEBS and identify the country of origin of the bales to enable their traceability
- clearance of used textiles and shoes shall only be undertaken through the Kilindini port and the Inland Container Depot Nairobi (ICDN).

- Cleaning and fumigation of used textiles and shoes at the country of origin before baling

Kenya's import regime is extremely complex, with numerous duties, taxes, and non-tariff barriers. The majority of specific data on NTBs is unavailable, and trade figures from various state agencies lack clarity and consistency. However, the current regime is taking various corrective measures under the current 'Big Four' economic transformation Plan 2018-22, and as a trade facilitation measure, it has reduced the number of operating agencies from 25 to only 4 at the main and port of Mombasa.

a The following categories of trade barriers frequently restrict, prevent, or impede the free flow of imports of goods and services in Kenya and the rest of East Africa as a result of government-imposed measures and policies. In this regard, before exporting any products, the exporter must be aware of any impediments and follow procedures to avoid delays and goods rejection. Some of the key elements that the exporter must be aware of are technical trade barriers (e.g. unnecessary trade restrictive standards, conformity assessment procedures, labeling or technical regulations, including unnecessary or discriminatory technical regulations or standards for products).

b Import regulations (e.g. tariffs and other import charges, quantitative restrictions, import licensing, pre-shipment inspection, customs barriers and shortcomings in trade facilitation or in valuation practices and other market access barriers)

c Sanitary and phytosanitary precautions (e.g. trade restrictions implemented through unwarranted measures not based on scientific evidence)

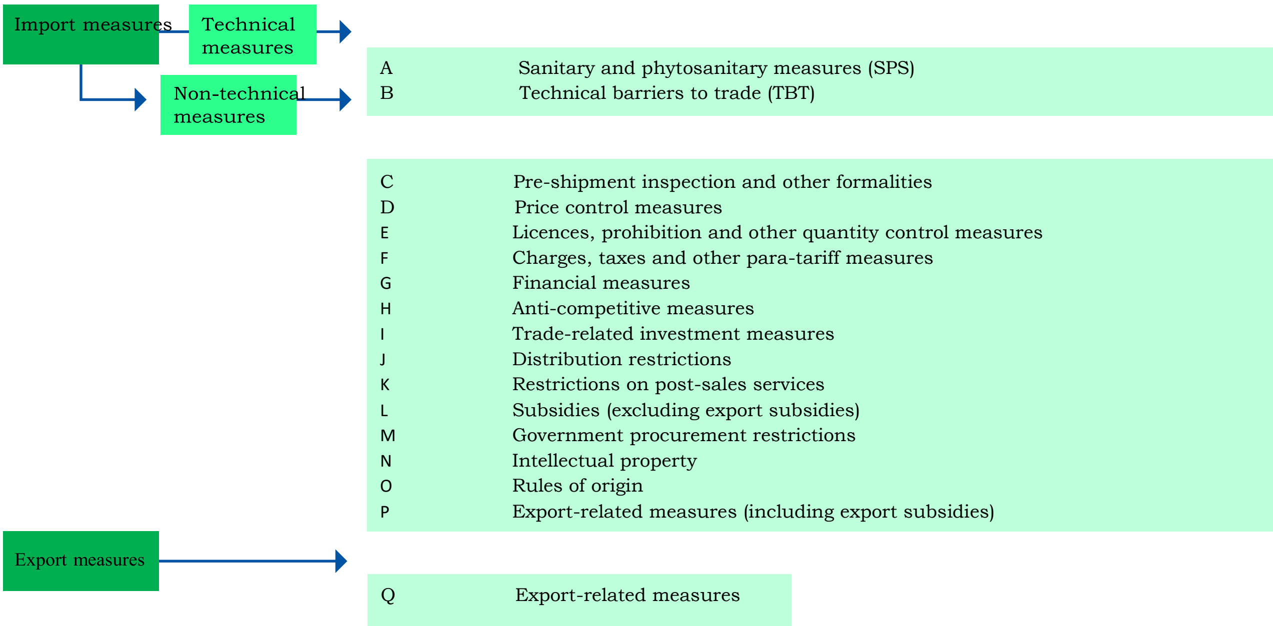
d Subsidies, particularly export subsidies (e.g., export performance subsidies and agricultural export subsidies that displace exports) and local content subsidies (e.g. subsidies contingent on the purchase or use of domestic rather than imported goods) Government procurement (e.g. closed bidding and bidding processes that lack transparency or unduly delayed)

e Protection of intellectual property (e.g. inadequate patents, copyright, and trademark regimes and inadequate enforcement of intellectual property rights)

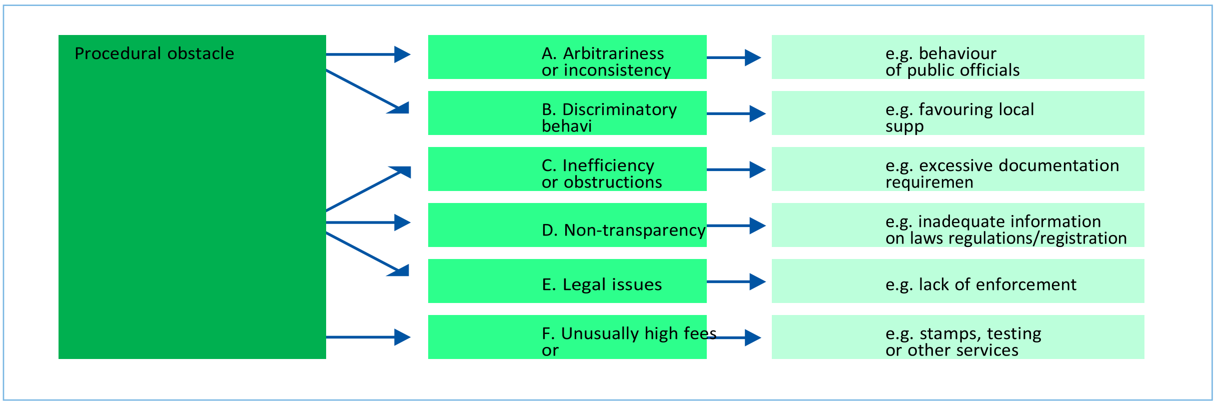
f Investment stumbling blocks (e.g. limitations on foreign equity participation and on access to foreign government-funded research and development programs, local content requirements, technology transfer requirements, export performance requirements and restrictions on repatriation of earnings, capital, fees and royalties)

g The rivalry (e.g. government-tolerated anticompetitive conduct of state-owned or private firms that restricts the sale or purchase of goods or services or abuse of competition laws to inhibit trade) h Other impediments (e.g. barriers that encompass more than one category such as bribery and corruption)

Classification of NTMs:



Procedural Obstacles:



Moreover, in 2017, the EAC has introduced the EAC Elimination of Non-Tariff Barriers Act, which is currently under review by Kenya and other EAC partner states.

Quantitative Restrictions

In the energy sector, the Energy and Petroleum Regulatory Authority sets downstream prices on gasoline, kerosene and diesel fuel. Quantitative import restrictions appear limited to products for which environment, health, or safety concerns exist.

Import Bans

In April 2020, the Kenya Bureau of Standards (KEBS) imposed an indefinite ban on the importation of used clothing and footwear, citing risks related to the COVID-19 pandemic which affected exports from Pakistan however, due to continued efforts by the affected stakeholders, this ban was lifted in August 2020 by KEBS.

Customs Barriers and Trade Facilitation

Kenya ratified the WTO Trade Facilitation Agreement in December 2015. Kenya is overdue in submitting a few transparency notifications related to import, export, and transit regulations (Article 1.4), the use of customs brokers (Article 10.6.2) and arrangements on the provision of technical assistance support (Article 22.3). Once these are done will further bring transparency into import regime.

Various companies from developed world have raised their concerns about the length of time it takes for Kenyan Customs to release shipments, as well as the use of excessive formalities. Many companies state that Kenya's single window does not operate as intended and that pre-arrival processing of electronic documents is ineffective. Other companies have raised concerns about the inconsistent application of classification and valuation decisions, as well as unnecessary transit inspections. Exporters has also expressed frustration with inadequate de minimis relief from customs duties and taxes for express shipments but still uncertainty exists. Kenya's customs law appears to reward customs officers for aiding in the seizure of goods up to the value of the imports that have been seized.

Technical Barriers to Trade / Sanitary and Phytosanitary Barriers

Technical Barriers to Trade

Kenya requires pre-shipment inspection of most imports under its Pre-Export Verification of Conformity (PVoC) program. PVoC is a conformity assessment program where goods are subject to inspection and testing prior to export to ensure compliance with applicable Kenyan standards and regulations. Under the PVoC program, prior to shipment an importer must obtain a Certificate of Conformity (CoC) from a PVoC inspection agent designated by KEBS. The PVoC agent assesses what, if any, testing is required to meet Kenyan standards and regulations. Kenya asserts that the program is necessary to address health, environmental, and security concerns, but that too includes low risk goods and imposes additional testing and certification costs and labelling requirements.

In December 2019, the Kenyan Government issued as final, without an opportunity for exporters/importers, the Standards (Verification of Conformity to Standards and other Applicable Regulations of Imports) Regulations, 2019, which subjects all imports to the PVoC program, except those meeting certain criteria for exemption. Certain products regulated under specific Kenyan laws, such as human and veterinary pharmaceutical products, aircraft, marine craft, pesticides, plants, seeds and planting materials and live animals, are also exempted from the PVoC program.

Goods arriving at the port of entry without having undergone a PVoC to obtain a CoC, are subject to inspection by KEBS. The cost of verification is 5 percent of the customs value of the shipment and goods may be rejected. After obtaining a PVoC or undergoing inspection at the port of entry, the importer must also receive an Import Standardization Mark, a stick-on label affixed to each imported article or its retail packaging, from KEBS for a fee.

In December 2020, KEBS indicated that amendments to Regulations 7 (Verification of Conformity) and 9 (Destination Inspection) of the Standards (Verification of Conformity to Standards and other Applicable Regulations of Imports) Regulations had been proposed.

Sanitary and Phytosanitary Barriers

Agricultural Biotechnology

Kenya has maintained a ban of genetically engineered (GE) food and feed imports since November 2012. Kenya's GE ban has blocked agricultural imports derived from agricultural biotechnology. The restriction affects exports of processed and unprocessed foods and feed ingredients, such as soy, corn, and distiller dried grains with solubles. The GE import ban also affects trans-shipment.

Kenya is in the process of commercializing Bt cotton, and research continues on other GE crops. In September 2017, Kenya approved open field trials for GE cotton (MON 15985) and derived varieties, and for GE corn developed for drought tolerance and insect resistance under the Water Efficient Maize for Africa project. While political bottlenecks have slowed the process for dissemination and use of GE corn, the national performance trials for GE cotton are complete. In December 2019, Kenya approved the first commercial cultivation of Bt cotton beginning in March 2020. In August 2020, the Bt cotton open field trials commenced in western Kenya. Kenya's commercialization of GE Gypsophila flower (baby's breath) intended for export, including to Pakistan, is stalled due to concerns that it could potentially jeopardize Kenya's market access to other countries.

Animal Genetics

In January 2020, Kenya's Office of the Director of Veterinary Services (DVS) agreed to veterinary requirements and certificate attestations for the importation of bovine embryos from the world. However, in May 2020, DVS proposed additional requirements, beyond those previously agreed on the plea that still technical work is ongoing.

Meat, Milk, and Poultry Products

Although Kenya accepts standardized sanitary certifications for meat, dairy and poultry products, Kenya maintains complex, non-transparent, and costly requirements for importation of all meat, dairy and poultry products including a "Letter of No Objection to Import Permit" (no-objection letter) from DVS under the Ministry of Agriculture, Livestock, and Fisheries. Before issuing a no-objection letter, DVS requires an importer to explain the reason for importation through a "Letter of Application to Import" and to specifically address the market need the import would meet. DVS issues the no-objection letter for meat, dairy, and poultry products at its discretion on a case-by-case basis. One of the critical issues is that, DVS at times provide the exporters with non-sanitary grounds for denying permits, such as the local availability of a certain like-product. DVS does not provide written rationale for not issuing the letter.

Plants and Plant Products

Kenya subjects imported and domestically produced corn to a total aflatoxin limit of 10 parts per billion (ppb) and a 13.5 percent maximum moisture content. As a result, most importers are denied permits for importation. Under special circumstances, such as food shortages, Kenya has allowed higher moisture content for imported corn, which must then be dried and milled immediately upon arrival to reduce the risk of aflatoxin contamination. Moreover, for corn exports that are permitted under special circumstances, the costs associated with the additional processing requirements make corn exports largely uncompetitive. Kenya also restricts popcorn imports to a six percent maximum moisture requirement.

Kenya does not permit whole pea imports due to concerns about the Pseudomonas pisi fungus, but permits the import of split peas. Kenya also prohibits bean imports due to the occurrence of Corynebacterium flaccumfasciens bacteria in some parts of the Asia. Lentils are prohibited due to the threat of darnel weed; however, darnel weed already exists in Kenya.

Government Procurement

Since May 2015, an initiative dubbed "Buy Kenyan Build Kenya" has required Kenyan state ministries, departments and agencies to procure at least 40 percent of their supplies locally. For example, government entities are required to give an exclusive procurement preference to motor vehicles and motorcycles produced by companies that have assembly plants in Kenya.

The Public Procurement and Asset Disposal Act (PPADA) of 2016 reserves procurement preferences for Kenyan-owned firms and goods manufactured or mined in Kenya. For tenders funded entirely by the government with a value of less than US $ 500,000), the preference for Kenyan firms and goods is exclusive. Where the procuring entity seeks to contract with non-Kenyan firms or procure foreign goods, the PPADA requires a report detailing evidence of an inability to procure locally. The PPADA calls for at least 30 percent of government procurement contracts to go to firms owned by women, youth, and persons with disabilities. The PPADA further reserves 20 percent of procurement contracts tendered at the county level for residents of that county. In April 2020, the National Treasury issued implementing regulations for the PPADA, which mandate skills and knowledge transfer to Kenyan citizens, a 75 % set-aside of employment opportunities for Kenyans and the inclusion of a local content plan for tender proposals.

Pakistani firms have limited success for bidding on government tenders in Kenya. There are widespread reports that corruption often influences the outcome of public tenders and many of these tenders are challenged in the courts. Foreign firms, some without proven track records, have won government contracts when partnered with well-connected Kenyan firms. All Kenyan tenders and procurements are required to be undertaken through the Integrated Financial Management Information System (IFMIS), an electronic procurement system, as of January 2019. Since the IFMIS was launched in 2014, there have been complaints about insufficient connectivity and technical capacity in county government offices, apathy from county government officials and central control shutdowns. Moreover, IFMIS has security gaps that make it vulnerable to manipulation, including the duplication of authorized users' identities and non-users ability to remotely access IFMIS. Moreover, Kenya is neither a Party to the WTO Agreement on Government Procurement nor an observer to the WTO Committee on Government Procurement.

Intellectual Property Protection

Kenya's Statute Law (Miscellaneous Amendments) Act of 2018, which entered into force in January 2019, includes amendments that improve the protection and enforcement of intellectual property (IP) by updating Kenya's copyright and trademark legislation, including by enabling the recordation of trademarks with customs authorities. However, concerns related to the widespread availability of counterfeit and pirated goods remain there. Stakeholders also have raised concerns regarding the widespread distribution of infringing content online and have identified opportunities for increased collaboration with internet service providers to expeditiously remove or disable access to infringing material residing on their networks.

Services Barriers:

Insurance Services

Kenya requires that a minimum of one-third of the equity of an insurance company be held by Kenyan persons or citizens of one of the other EAC countries. In addition, Kenya requires that local insurers offer at least 20 % of their treaty reinsurance contracts to state-owned Kenya Reinsurance Corporation (Kenya Re). These restrictions prevent Pakistani insurers from fully accessing the Kenyan market. Although regulatory approval can be sought, Kenya generally prohibits cross-border Difference-in-Conditions and Difference-in-Limits insurance trade, which is an important type of insurance for facilitating investment in countries such as Kenya because it covers unique risks faced by firms.

Telecommunications Services

Licensed telecommunications service providers are required to maintain 20 % ownership and control by Kenyan persons within four years from the issuance of a license. Additionally, participants in the telecommunications services market report long delays in the licensing process, creating an unpredictable regulatory environment for foreign investors.

Other Services

The 2016 Private Security Regulations Act restricts foreign participation in the private security sector by requiring that at least 25 % of shares in private security firms be held by Kenyans.

Barriers to Digital Trade

Data Localization Requirements

Kenya's November 2019 Data Protection Act (DPA) includes unclear and potentially restrictive provisions governing the cross-border transfer of personal information. The DPA requires that data controllers provide "proof" that personal data will be secure as a condition for transferring the data outside Kenya but does not describe what would constitute proof. The DPA also requires consent of the data subject as a condition for the cross-border transfer of any "sensitive personal data," a broad category of information. Such conditions may prove burdensome for firms that supply services on a cross-border basis or depend on data processing systems located abroad. Additionally, the Act empowers a political official to prohibit the cross-border transfer of certain categories of data, creating uncertainty for businesses operating in Kenya that depend on cross-border data flows. Regulations implementing these provisions have yet to be released, nor has a political official, who would need to be confirmed by Kenya's National Assembly, been selected in this regard.

Internet Services

The Computer Misuse and Cybercrimes Act (the Act) was signed in May 2018, though certain key provisions of the Act were initially suspended by Kenya's judiciary, pending review of a petition challenging the constitutionality and legality of those provisions. Some of the initially suspended provisions of the Act could limit online access to information and curtail the creation of user-generated content, potentially limiting the ability of some service providers to operate profitably in Kenya. In February 2020, Kenya's High Court dismissed the challenges, ruling that the Act complied with Kenya's constitution and lifted the suspension. While implementing regulations have yet to be issued, companies are required to comply with the Act's cybersecurity measures and can be held liable for the publication of content deemed to be factually incorrect.

In August 2020, Kenya published the November 2019 National Information, Communications, and Technology (ICT) Policy, which updates a 2006 policy. While this ICT Policy is intended to facilitate universal access to ICT infrastructure and services, some provisions establish potential barriers to digital trade, including a local equity requirement that mandates that firms providing ICT services must have at least 30 % Kenyan ownership as well as preferences and incentives for Kenyan-owned ICT manufacturers.

In July 2019, Kenya introduced the Kenya Information and Communication (Amendment) Bill-2019, which proposes to create a licensing process and regulatory obligations for social media service suppliers, as well as a set of "responsibilities" for social media users. While the bill has not been passed into law, if implemented in its current form, it would impose burdens on the supply of certain Internet-based services.

The 2015 EAC Electronic Transactions Act (ETA) provides some protection of intermediaries from liability for non-IP-protected content created by third parties, however it fails to include any counter-notice procedures for a third party to challenge a content takedown request and removes legal protections if the intermediary profits from the content. Lack of a counter-notice provision exposes internet intermediaries to business process disruptions from potentially frivolous takedown notices. Removing legal protection for intermediaries that profit from the content could remove an entire class of intermediaries from the scope of liability protections and could result in a general obligation on these intermediaries to monitor internet traffic. The ETA could serve as a barrier for Internet platforms seeking companies from Pakistan to supply services in Kenya.

Investment Barriers

Limitations on Foreign Equity Participation

Kenya imposes foreign ownership limitations in several sectors, often in combination with local content requirements. For example, the Communications Authority, Kenya's telecommunications regulator, requires 30 percent Kenyan shareholding within three years of receiving a license. The 2016 Private Security Regulation Act restricts foreign participation in the private security sector by requiring that Kenyans hold at least 25 percent of shares in private security firms. The 2010 Kenya Insurance Act restricts foreign capital investment to two thirds, with no single person controlling more than 25 percent of an insurer's capital. Additionally, since 2015, Kenya has imposed regulations requiring that Kenyans own at least 15 percent of the share capital of derivatives exchanges. The Nairobi Securities Exchange does not have foreign ownership restrictions and listed companies can be 100 percent foreign owned.

The 2016 Mining Act imposes a variety of restrictions on foreign participation in the mining sector. Among other restrictions, the Mining Act reserves acquisition of mineral rights for Kenyan companies; requires 60 percent Kenyan ownership of both mineral dealerships and artisanal mining companies; and requires largescale mining operations to offer 20 percent equity on the Nairobi Securities Exchange within three years of commencing operations, while also offering 10 percent "free-carried interest" (free equity stake in capital operations) to the Kenyan Government.

The 2011 National Construction Authority Act (NCAA) imposes local content restrictions on "foreign contractors," defined as companies incorporated outside Kenya or with more than 50 percent ownership by non-Kenyan citizens. The NCAA also contains provisions requiring foreign contractors to hire from the local labour market, unless the National Construction Authority determines the necessary technical skills are unavailable locally. In addition, the NCAA requires foreign contractors to enter into subcontracts or joint ventures assuring that at least 30 percent of the contract work is done by local firms.

Local Content Requirements

A Pakistani company was interested for IT setup in Kenya and there was a requirement that when making initial investments, foreign investors with foreign staff are required to submit plans for the gradual phasing out of non-Kenyan employees. In considering an application for investment, the Kenya Investment Authority reviews the extent to which such investment or activity will contribute to employment creation, acquisition of new skills or technology and government revenues.

In November 2018, the Kenyan Senate passed the Local Content Bill. The bill, which has been forwarded to the National Assembly for final approval, would require enterprises applying for licenses and project permits to submit a "local content plan" that sets forth specific actions the enterprise will take to give "first priority" to locally produced goods and services, employ the local workforce, and develop local employment skills. The plan also includes a local research and development plan, a plan for transferring technology to Kenyan firms, and a plan for replacing non-Kenyan employees with Kenyan employees over time. The bill further requires the Kenyan Government to "encourage" joint ventures with local firms. The proposed bill gives the Cabinet Secretaries responsible for the extractive sectors a mandate to review and reject applicants' local content plans and to prescribe regulations specifying minimum levels of local content. U.S. business associations have raised concerns over the bill, pointing to its lack of clarity, its overlap with the 2016 Mining Act, and whether it is consistent with regard to Kenya's WTO obligations. As of now in 2021, the National Assembly had not yet addressed the bill because of an error in the procedure by which it was introduced, but the bill is subject to re-introduction at any time.

A directive issued in 2015 makes it more difficult for non-Kenyans to obtain work permits. Since 2018, the Kenyan Ministry of Interior and Coordination began applying additional administrative and policy changes to the work permit process for foreigners wishing to work in Kenya. Foreigners are required to have an approved work permit before arrival in Kenya and renewal of work permits must now be submitted at least four months prior to the expiry of their current permits. Using a valid tourist visa while processing a work permit application is not allowed. Under the rules, foreign nationals must apply for alien registration before a work permit can be formally endorsed. These rules have led to long delays in the processing of work permits for foreigners.

State Enterprises

According to Kenya's most recent notification to the WTO in 2006, Kenya does not have any state-trading enterprises. However, as of 2013 (latest data available), there were approximately 262 state corporations operating in various sectors of the economy. According to the WTO Secretariat, each state corporation is under oversight of a line ministry, which is responsible for ensuring its proper management.

Kenya has been slow to open public infrastructure to competition because the Government considers state owned companies that control infrastructure to be "strategic" enterprises. As a result, reform and partial privatization of the telecommunications, power, and rail sectors are progressing slowly. For example, the Government of Kenya wholly owns the National Oil Corporation and the Kenya

Pipeline Corporation, and limits competition with these companies. Other state enterprises, including Kenya

Electricity Generating Company, Kenya Electricity Transmission Company, Kenya Power and Lighting Company (KPLC), and the Geothermal Development Company, dominate the electricity generation, transmission, and distribution segments of the energy sector. KPLC's internal procurement rules require that 80 percent of supplies be sourced from Kenyan-registered companies to encourage foreign suppliers to establish manufacturing facilities in the country.

Certain state parastatals have enjoyed preferential access to markets. Examples include Kenya Re, which enjoys a guaranteed market share; Kenya Seed Company, which has fewer marketing barriers than its foreign competitors do; and the National Oil Corporation, which benefits from retail market outlets developed with government funds. Some state enterprises have also benefitted from easier access to government guarantees, subsidies, or credit at favourable interest rates.

Land Acquisition

The 2010 Kenyan Constitution prohibits foreigners from holding freehold land title anywhere in the country, permitting only leasehold titles of up to 99 years. The cumbersome and opaque process required to acquire land raises concerns about security of title particularly given past abuses relating to the distribution and redistribution of public land.

Complicated land transactions procedures, lack of adequate urban planning and under-investment in land demarcation expose investors to the risk of receiving fake title deeds or finding a plot with multiple titles and unauthorized sales. Clear titles are unavailable for an estimated two-thirds of Kenyan land. The 2016 Community Land Bill made it easier for communities to claim title over their ancestral land and receive documentation.

The 2019 Land Index (amendment) bill guides compensation for land compulsorily acquired for use in government projects. The value of compensation is based on market rates and tax returns for the land in question, data that is often non-existent for most community land. This could present problems in the pastoralist-dominated regions of northern Kenya where large projects, including the Lamu Port South Sudan and Ethiopia Transport Corridor, would need to be built on community land that may lack the necessary data to determine the value of compensation.

Other Barriers

Bribery and Corruption

Corruption remains a substantial barrier to doing business in Kenya. Independent firms continue to report they find it difficult to succeed against competitors willing to ignore legal standards or engage in bribery and other forms of corruption. Corruption is widely reported to affect government procurement tender processes at both the national and county level. The Government has not implemented anticorruption laws effectively however, some improvement is being made in 2020. In January 2020, Kenya began an anticorruption campaign using the Ethics and Anticorruption Commission (EACC) and Office of the Director of Public Prosecution to open cases against high profile offenders. While some cases have brought to light by the EACC have resulted in convictions, no high-profile cases have resulted in conviction.

Despite efforts to increase efficiency and public confidence in the judiciary, a backlog of cases and continuing corruption reduce the credibility and effectiveness of Kenya's judicial system. While judicial reforms are moving forward, bribes, extortion, and political considerations continue to influence outcomes in court cases. An Employment and Labor Relations Court exists in Kenya, but it is plagued by long delays in rendering judgments. As such, foreign and local investors risk lengthy and costly legal procedures.

Import Barriers

Under the 2014 Scrap Metal Act, Kenya restricts the import of any form of scrap metal absent authorization by the Ministry of Industry, Trade, and Cooperatives (MoITC) in order to discourage vandalism of infrastructure and to encourage domestic manufacturing that uses scrap metal as an input. An import levy of 20 % on the approved export of copper waste and scrap metal encourages local smelting, enhances the value of local copper waste and discourages black market export of copper cables and wires. The 2013 Agriculture, Fisheries and Food Authority Act prohibits import of raw agricultural produce such as macadamia nuts, bixa orellana, cashew nuts, and pyrethrum without express authorization from the Kenyan Cabinet Secretary for Industry, Trade, and Cooperatives.

4.1 Import Licenses:

Registration with Kenya National Chamber of Commerce and Industry is required for all importers and a pre-requisite for international business. Membership of the respective and specific trade bodies is also necessary to be importer in a particular sector. Moreover, import licensing regime in practice requires different types of preliminary registration, obtaining of certified quality marks, labelling and packaging, standards and certifications from different designated government departments. It implies that multiple non-tariff measures exist for importing into Kenya and EAC region.

The Kenya Bureau of Standards (KEBS) regulates issuance of all standardization marks and ISM stickers for quality assurance of all manufactured products. The Import Standardization Mark (ISM) is a mandatory requirement for all imported and locally manufactured products intended for sale in the local market. Importers apply for the ISM sticker prior to importation or once the goods arrive and the customs entry is verified by Kenya Revenue Authority (KRA). Some important requirements for different products are stated below:

Pharmaceutical Products (Drugs, Medicine, Tablets, Capsules, Dosage Etc.)

Prior registration with Pharmacy and Poisons Board (PPB) for importation of pharmaceutical products, herbal medicines, food supplements is required. As a regulator, PPB issues a product registration certificate upon successful product evaluation. Prior to issuance of the certificate, traders/importers are also required to obtain a certificate of analysis and good manufacturing practices certification from a recognized laboratory. As a regulator, PPB also carry out inspection on the premises prior to issuance of the wholesale dealer's license. The license issued expires on 31st December in the year of issuance which needs to be renewed. In Kenya there are three main laboratories that perform product analysis which include:

- Mission for essential Drugs and Supplies (MEDS)
- Drug Analysis and Research unit (DARU)
- National Quality Control Laboratory (NQCL)

Medical Devices (Surgical)

Medical professionals dealing with medical devices, surgical instruments, food supplements, cosmetics and development partners products are required to register with PPB. All medical device, instruments, apparatus, implement, machine, appliances, In-Vitro Diagnostics (IVDs), implant, reagent for intro use, software material or other similar or related articles, intended by the manufacturer/importer to be used alone or in combination for human beings for one or more of the following purposes need to be verified and certified through PPB:

- Diagnosis, prevention, monitoring, treatment or alleviation of disease.
- Diagnosis, monitoring, treatment, alleviation of or compensation for an injury.
- Investigation, replacement, modification, or support of the anatomy or of a physiological process.

- Supporting or sustaining life.
- Control of conception.
- Disinfection of medical devices.

Registration of medical devices is regulated by PPB who issues a medical device registration certificate. The registration certificate is valid for 5 years from the date of issue, and traders are required to apply for renewal at least 90 calendar days before the expiry date.

Solar panels (Solar, Panels, Energy)

Import of solar panels is regulated by the Energy & Petroleum Regulatory Authority (EPRA), who issue a photo-voltaic licence to persons engaged in the business of manufacture and distribution of solar photo-voltaic systems and its components. The licence is valid for one calendar year from the date of issue.

Import Permit for Electrical Appliances

Importers of electrical appliances are required to obtain an import permit issued by the Energy and Petroleum Regulatory Authority (EPRA) and are processed through the Kenya National Trade Net System.

4.2 Sanitary and Phyto-Sanitary Requirements

Kenya Plant Health Inspectorate Service (KEPHIS) is the counterpart of the Department of Plant Protection, Pakistan. It is the national enquiry point, notifying body and regulatory authority for all sanitary and photy-sanitary measures necessary for the protection and preservation of human, animal and plants health. Through these measures, it assures quality of processed food, agricultural inputs, produce and imports to prevent adverse impact on the economy and human health. It conducts Pest Risk Analysis (PRA) which is consistent with IPPC Framework and Kenyan Import regulations. Kenya has very stringent sanitary and phyto-sanitary regime in terms of pre-clearance and offshore phto-sanitary treatment. The measures are aimed to minimize the risks associated with the importation of food products, plants, plants products, seeds and regulated articles. Following are some of the measures necessary for sale prior to importing.

Pesticides (Pesticides, Sprays etc.)

Import of pesticides is regulated by Pest Control Products Board (PCPB). All pesticides manufacturers outside Kenya are required to appoint an authorized representative (agent) in Kenya. The agent is then required to obtain an agency license issued by PCPB. The license is valid for a calendar year from the date of issue.

As the competent authority, PCPB issues a product registration certificate after evaluation of the product(s) has been done. The product registration certificate is valid for three calendar years from the date of issue. All premises handling pesticides in Kenya require a premise license of the Board. After inspection of the premises ascertaining that the premise complies with the Pest Control Products (Licensing of Premises) Regulations.

Veterinary Medicines (Medicine, Pills, Tablets, Powder, Drops Etc.)

Import of veterinary medicines is regulated by Veterinary Medicines Directorate ((VMD). All premises handling veterinary medicines for the purpose of manufacturing, formulating, packaging, selling or storing must be registered with VMD, who issue a premise permit after inspection of the premises to ascertain compliance with the veterinary medicine regulations. The permit issued is a one-off, however, annual audits is carried out on the premises for compliance.

Individuals who intend to import veterinary medicines in bulk, require to obtain a wholesale dealer permit from VMD upon application and compliance with the veterinary medicine regulations. The permit is valid for one calendar year, 1st January to 31st December.

Leather and Leather Products, Hides and Skins (Animal Skin, Hair, Coat etc.)

Registration of the importing product is required. As the competent authority in Kenya, the Directorate of Veterinary Services (DVS) inspects the premises to ensure compliance with the set standards prior to issuance of a registration of premises certificate. The certificate is valid for one calendar year.

Fruits (Matunda, Bananas, Oranges, Lemons, Pineapples, Watermelon, Guava, Apples, Grapes, Passion Fruit, Strawberries etc.)

The AFA Horticultural Crops Directorate (HCD) is charged with the mandate of regulation of horticultural nurseries, production, post-harvest handling and marketing of horticultural crops and produce in compliance with local and international standards. Traders/importer must therefore be registered with AFA Horticultural Crops Directorate (HCD) who issue an import license that is valid for one financial year.

Fruits and Vegetables

Importation of fruits and vegetables is not allowed into Kenya unless PRA about the specific product is not conducted by KEPHIS. Generally, PRA takes around two years. Fresh and dry produce is regulated by KEPHIS, who issue a plant import permit for each consignment for import even after PRA.

Beans-Red, Kidney beans, Green, Cow and Chick Peas etc.

The AFA Horticultural Crops Directorate (HCD) is charged with the mandate of regulation of the above beans, their importation, production, post-harvest handling and marketing in compliance with local and international standards. Traders must therefore register with AFA who issue an import license that is valid for one financial year.

4.3 Management of Quotas/Restrictions

Restriction on imports and defining of import quotas are regulated through National Trade Policy. Mostly agriculture produce like wheat, meslin, maize, sugar, tobacco and articles of tobacco are imported under quota scheme prescribed every year. Poultry and products, milk, cream and yogurt are regulated through executive orders. Primary cells and primary batteries are restricted for importation. Used and worn clothes and shoes have also been restricted since 25 March, 2020 to avoid spread of Covid 19 pandemic for preservation of human health.

Below is an updated list of banned brands of dry cell batteries. This follows consistent surveillance monitoring of the performance of the brands of dry cell batteries. KEBS Inspection Agencies have been instructed not to inspect the below mentioned items and any import of such dry cell batteries will be destroyed at the importer's cost.

1. Bongo (PVC Jacket)
2. Cara
3. Ever Power
4. Every Day
5. Dura Power
6. Duke Cell
7. Durabatt
8. Golden Bell
9. K. Power
10. Swan
11. Long Life
12. Longottie
13. Sonic
14. Lion Brand
15. Eco Energy
16. Ever Top
17. Chimpanzee
18. 777
19. Charm
20. Duraking
21. Dole
22. Mega Power
23. Yarico
24. Pair Dear
25. Double Cat
26. Sogo
27. Golden Power
28. Green Energy
29. Sun Watt
30. Royal
31. Volt Supar
32. Double Lion
33. MW Super Qualiaty
34. Bellcell
35. ST
36. Domex
37. Moon Rabit
38. Hiwatt
39. Brade Power

4.4 Preferential Treatment to Partner Countries regarding NTBs

Kenya has a number of trade related understandings with African countries through regional trading platforms. It has a customs union with five East Africa community (EAC) members whereby flow of good beyond the respective borders are without tariff and duties governed through East Africa Common External Tariff-2017. Most of their technical standards are also recognized and accepted by each other. The free trade area under Common Market for Eastern and Southern Africa (COMESA) has also preferential and free flow of goods to the respective member's markets. Especially, Kenya's sanitary and phyto-sanitary measures are discriminatory to Asian countries while there are no such requirements for importation from African neighbors however, technical standards and certification for manufactured products are equally applicable to domestic manufacturing and import from all countries.

4.5 Paying VAT on Imports

The Value-Added Act of 2013 provides for the imposition of value added tax on supplies made in or imported into Kenya. All goods imported are subject to 14% VAT except the following as mentioned in the Act of Parliament. Cabinet Secretary for national treasury is authorized for granting exemption of VAT under special circumstances on any number of goods. Commissioner General of KRA is responsible for collection of VAT on imported goods upon release from the port.

Goods mentioned in the Part-1 of the First Schedule, Section 7 of the Second Schedule, some tariff Lines of Chapter 84 and 85 (mentioned in the Act) of the Value Added Tax Act, 2013 beside the following goods are exempted from VAT.

Live animals of chapter 1, fertilizers of chapter 31, rice, wheat, maize, milk, food preparations especially made for infants, vaccines for human and veterinary medicines, dental cements and other dental fillings, bone reconstruction cements, exportation of goods or taxable services, supply of goods or taxable services to an EPZ business as specified in the EPZ Act, ship stores supplied to international sea or air carriers on international voyage or flight, supply of coffee and tea for export to coffee or tea auction centers, transportation of passengers by air carriers on international flight, supply of taxable services to international sea or air carriers on international voyage or flight, transfer of a business as a going concern by a registered person to another registered person, supply of natural water excluding bottled water. Moreover, goods of the following nature and purpose are also exempted from paying VAT.

1. Commonwealth and other Governments
2. Diplomat or First Arrival Persons
3. Donor Agencies with Bilateral or Multilateral Agreements
4. International and Regional Organizations
5. The War Graves Commission

6. Passengers' Baggage and personal effects
7. Relief goods supplied or imported for emergency use
8. National Red Cross Society and St. John Ambulance
9. Protective Apparel, Clothing Accessories and Equipment

5 Import Procedure and Tariffs

The Customs and Border Control Department (CBCD) of the Kenya Revenue Authority (KRA) is the main wing/department responsible for collection and executing of import duties and taxes. The department administers the East African Custom Management Act (EACMA) 2004, EAC-Common External Tariff-2017 and other Revenue Acts that impose taxes or levies on imports. For customs clearance of any imported goods such as manufactured goods, machinery, agro food, perishable products or general merchandise requires the engagement of a licensed customs clearing agent. When engaging with preferred clearing agent ensure to provide following importation documents including but not limited to:

- A Certificate of Conformity (CoC) from the PVoC agent for regulated products
- An import-standards mark (ISM) when applicable
- Valid Commercial Invoice from the exporting firm
- Valid Pro forma invoices from the exporting firm.
- Bill of Lading (sea cargo)/Airway Bill (air cargo)
- Certificate of Origin
- Freight invoice for sea cargo
- Logbook and its translation if it is not in English (motor vehicle)
- Certificate of Roadworthiness in case of motor vehicles
- Permit/License for restricted goods
- Personal or Taxpayer Identification Number (PIN certificate)
- Exemption letter (in case goods are exempted)
- Delivery note from the shipping line
- Purchase Orders/Contracts
- Packing List
- Letter of Credit
- Certificate of verification (sample testing) is obtained from KEBS and KEPHIS for relevant goods
- Upon presentation of these documents, taxes/duties payment receipts id also presented to Port authorities
- The importer or customs clearing agent is then allowed to declare the goods being imported on the customs portal known as SIMBA. Customs clearance has to be done by following the below mentioned formalities and processes:
- Registration of entries is done through Electronic Declaration Form (C17B) which generates DPC pass for further processing and verification/release of goods if found in order. The above documents are required for supporting the declaration and clearance

- Processing of registered entries under new customs systems (iCMS) are done automatically once payment is done without the intervention of DPC.
- Verification and release of cargo is done by Customs Verification Officers at the releasing points receive the customs entries online after they are passed at the DPC. Verification of cargo is conducted as: Goods on red channel are verified 100%, Goods on yellow channel go through the cargo scanner and full document verification, Goods on green channel are given direct release, Goods released on the green channel will be subjected to Post Clearance Audit (PCA) procedure on a risk-based approach.

Consignment Clearance Procedure at Mombasa Port:

In accordance with the provisions of the Section 34 of the East African Community Customs Management Act (EACCMA)-2004, goods for importation shall be entered (declared) within twenty-one days after the commencement of discharge or in the case of vehicles, on arrival. The importer or clearing agent shall capture all the mandatory details required when declaring an import in the customs system. The port and border handling charges at Mombasa shall be cleared by the importer or agent at the earliest after arrival of the consignment to avoid unnecessary delays.

Goods Clearance Process

Step_I: IDF Lodgement & Processing

The importer on obtaining the pro-forma invoice shall engage a licensed clearing agent to lodge an import declaration form. The importer should then send the IDF to the Supplier for Pre-shipment inspection.

Step-II: Entry Declaration, Payment of Taxes and Processing

The appointed clearing agent should make a customs declaration and provide the importer with a payment slip. The importer makes the payment to the bank and issues the agent with the official bank slip. Customs shall process all compliant declarations.

Step-III: Verification and other Enforcement Measures

The agent should present the physical file at the customs station where the goods are domiciled where physical verification is conducted.

Step-IV: Clearance and Release

Upon verification, all compliant declarations are cleared and released.

5.1 Taxes and Duties on Imports:

Taxes are payable depending on the value and type of the importing products/items. In general, customs duty is levied at rates between 0% and 100%, with an average rate of 25% with exception of vehicles, luxury goods, non-essential consumer goods which are liable for higher duty rates of above 120% while goods destined for special economic zones have lower or no tariffs. Imports into Kenya are subject to the following applicable taxes outlined under different legal documents.

5.1.1 Import Declaration Fees (IDF)

An Import Declaration Fees (IDF) rate was harmonized in the Finance Bill for 2020-21 at 1.5% for all imports including those under EAC Duty Remission Scheme.

5.1.2 Railway Development Levy (RDL)

Railway Development Levy (RDL) of 2% is levied on value of imports as provided by the Miscellaneous Fees and Levies Act of 2016.

5.1.3 Concession Fee

In case of some goods, Concession Fee of US$ 250 per unit is also charged.

5.1.4 Maritime SS

Some manufactured goods are also liable for 0.64% MSS fee of their value.

5.1.5 Personal and Corporate Income Tax:

Personal and Corporate Income tax was reduced in the FY Budget 2020-21 from 30% to 25%.

5.1.6 Turnover Tax:

The ratio of Turnover Tax over Micro, Small and Medium Enterprises was also reduced from 3% to 1% during this Financial Year.

5.1.7 Digital Service Tax:

Financial Bill 2020-21 also introduces a new service transaction tax at the rate of 1.5% of the gross value of all services transactions.

5.1.8 Excise Duties

The Excise duty rates are prescribed under the Excise Duty Act 2015. The excisable value of excisable goods manufactured in Kenya is the ex-factory selling price. This is defined to exclude the cost of returnable containers. For services, the excisable value is the fee, commission or charge payable for the services in an arm's length transaction. In any other case, the value is the open market value of the services. Complete list and types of excisable goods and services are listed in the 5th Schedule as read together with Section 117 (1) (d) of the Customs and Excise Act, CAP 472 Laws of Kenya. The excise duty varies from product to product e.g. 35% is charged on metal products and 25% on plastic material.

The supplies include:

a Manufacture of excisable goods in Kenya
b Importation of excisable goods that are specified in the 1st schedule and require an excise stamp
c Supply of excisable services
d The use of spirits to manufacture goods in Kenya that are not excisable goods
e Carrying out of any other activity in Kenya for which the commissioner by notice in the Gazette may impose a requirement for a license
f Mineral water, juices, soft drinks, cosmetics and preparations for use on hair, other beer made from malt, opaque beer, mobile cellular phone services and fees charged for money transfer among others

5.2 Value Added Tax (VAT)

Value Added Tax is charged on supply of taxable goods or services made or provided in Kenya and on importation of taxable goods or services into Kenya. While companies & partnerships can voluntarily register for VAT they must register if their annual revenue exceeds US$ 50,000 to facilitate compliance, KRA appoints agents to withhold and pay VAT on supplies made. These agents can be verified via the agent checker on iTax.

The normal rate of VAT was 16% and due to COVID-19 pandemic, it has been reduced to 14% levied on the sum of the CIF value. However, the items exempted from VAT as provided by the VAT Act of 2013 attract a rate of 0%.

5.3 Import Duty:

Depending on the item being imported, the import tax rates vary between 0% to 100% however average applied tariff is 25% as detailed in the East Africa Community Common External Tariff (EAC-CET)-2017. Sensitive items attract duty higher than 100%. The sensitive items are listed in the schedule-II of the EAC Common External Tariff Act-2017.

Detail of import duties/tariff on the focused sectors/products of Pakistan to East African countries is attached at Annex-I.

5.3.1 Types of Local Taxes in Kenya:

1. Income Tax

   Income tax is a tax charged for each year of income, upon all the income of a person whether resident or non-resident, which is accrued in or was derived from Kenya. Income Tax is imposed on:

   - Business income from any trade or profession
   - Employment income
   - Rent income
   - Dividend and Interests
   - Pension income
   - Income from a Digital Marketplace
   - Natural resource income among others

There are different methods of collecting income tax from companies & partnerships, based on their sources of income. These methods include:

a. *Corporation Tax*

   This is a form of Income Tax that is levied on corporate bodies such as Limited companies, Trusts, and Co-operatives, on their annual income. Companies that are based outside Kenya but operate in Kenya or have a branch in Kenya pay Corporation Tax on income accrued within Kenya only.

b. *Pay as You Earn (PAYE)*

   This tax is collected at source from individuals in gainful employment. Companies and Partnerships with employees are required to deduct tax according to the prevailing tax rates from their employees' salaries or wages on each payday for a month and remit the same to KRA on or before the 9th of the following month.

c. *Withholding Tax (WHT)*

This is a tax that is deductible from certain classes of income at the point of making a payment, to non-employees. WHT is deducted at source from the following sources of income:

- Interest
- Dividends
- Royalties
- Management or professional fees (including consultancy, agency or contractual fees)
- Commissions
- Pensions
- Rent received by non-residents
- Other payments specified

Companies and partnerships making the payment, are responsible for deducting and remitting the tax to the Commissioner of Domestic Taxes.

d. *Advance Tax*
This is a tax paid in advance before a public service vehicle or a commercial vehicle goes for the annual inspection.

e. *Installment Tax*
Installment tax is paid by persons who have tax payable for any year that amounts to US$ 400 and above.

2. <u>Rental Income Tax</u>

This is a tax charged on rental income received from renting out property. Taxation of rental income depends on how the rented property was used for residential or commercial purposes. Companies and Partnerships that rent out property to other persons for either residential or commercial use are required to pay income tax on rent received. To facilitate compliance, KRA appoints agents to withhold and pay, a percentage of the gross rent as tax. These agents can be verified via the agent checker on iTax.

3. <u>Capital Gains Tax (CGT)</u>

This is a tax chargeable on the whole of a gain which accrues to a company or an individual upon transfer of property situated in Kenya, whether or not the property was acquired before 1st January, 2015.

4. <u>Agency Revenue</u>

This is a type of payment that KRA collects on behalf of various revenue collection agencies in Kenya. The two types of Agency Revenue include;

a. Stamp Duty
   Stamp duty is a tax charged on transfer of properties, shares and stock. It is collected by the Ministry of Lands, which has seconded the function to Kenya Revenue Authority (KRA).
b. Betting and Pool Tax
   Betting Tax is chargeable on the gross gaming revenue (GGR) of a bookmaker at the rate of 15% as provided by Section 29A of the Betting, Lotteries and Gaming Act, 1966. Betting, gaming and Lottery businesses are required to withhold as tax and remit to KRA 20% of the winnings being paid out to winners. Excise Duty on Betting is chargeable at the rate of 20% of the amount wagered or staked, commencing 7th November, 2019.

5.4 Defer or Delay Import Charges:

There are three types of charges levied by different organizations at Mombasa Port.

- Kenya Revenue Authority (KRA) at Mombasa Port grants 21 days for free storage of goods in customs warehouse bonded area and after that, certain charges are levied.
- Kenya Port Authority as per their regulations have its own port demurrage charges schedule. Currently the due period for clearance of local consignment is 4 days and for transit consignment, the time period is 9 days.
- Kenya Maritime Authority has also issued guidelines for shipping lines for their line detention charges. Their storage charges vary from product to product and depends on duration of storage (7, 9, 14 and 21 days) while demurrage charges determination is up-to shipping lines and KMA guidelines are seldom complied with however, generally charges ranges between US$20-US$110 depending.

Moreover, as per Section 249 of the East African Community-Customs Management Act, 2004, an amount of duty or other sum of money which is due under this Act remains unpaid after the date upon which it is payable, an interest of 2 % per month or part of the month, of the unpaid amount shall be charged.

5.5 Reliefs on Imports for Exports or Re-exports:

Good can be stored in the customs warehouse for specific period of time but generally the duration of permission is very short however, prohibited goods are not allowed for storage. Section 115 of the East African Community Customs Management Act, 2004, provides exemption from import duty of goods entered for exportation provided the goods are re-exported un-altered and will remain in the control of customs authorities until final disposal.

5.6 Temporary Admissions:

Section 117 prescribe conditions for temporary importation and admission of goods. Subject to the provisions of the Customs laws, goods imported for a temporary use shall be exempt from liability to import duties. Temporary imports can only be exempted to import duties if responsible and designated customs/proper officer has given permission for such importation and the proper officer shall not give such permission— unless he or she is satisfied that the goods are imported for temporary use or purpose only and unless the owner thereof has deposited, or given security for, the amount of the import duty to which the goods would otherwise be liable. If the conditions of the importation of the goods have been contravened, then the goods shall become liable to duty, as from the date of their importation and the owner shall be required to pay duty.

5.7 Processing and Re-exporting:

As per Part XIV, Section 167 of the East African Community-Customs Management Act, 2004, good imported to Special Economic Zones or free port for processing and re-exporting are not liable for import duty. The Commissioner Customs, KRA may, subject to the Customs laws and to such conditions as the Commissioner may impose and on payment of the duties due, permit removal of goods from an export processing zone or a free port, including waste from the manufacturing process, to be entered for home consumption. If a person who removes goods from a special economic zone or a freeport for home use without the authority of the Commissioner, commits an offence and shall be liable on conviction to a fine of US$ 5,000 or 50% of the value of the goods, whichever is higher, or to imprisonment for a term not exceeding three years or both, and the goods in respect of which the offence has been committed shall be liable to forfeiture.

5.8 Reclaiming Taxes on Rejected Imports:

Sections 143 and 144 of the East African Community-Customs Management Act, 2004, prescribes for re-payment of customs duty when goods are returned or rejected. If the goods were imported in pursuance of a contract of sale and the description, quality, state or condition of the goods was not in accordance with the contract or that the goods were damaged before the goods were delivered out to Customs control and returned the goods unused to the seller or destroyed the goods unused, the Commissioner shall refund customs duty paid on the importation of the goods. Repayment of duty shall not be granted unless the person claiming the repayment presents a claim within a period of twelve months from the date of the payments of the duty. The Commissioner shall refund any import duty paid on goods in respect of which an order remitting such duty has been made under the relevant Act.

5.9 Labelling and Packaging Requirements:

The National Biosafety Authority, Kenya is mandated to ensure proper and adequate labelling and packaging of all manufactured, produced and imported material for use and consumption of human beings as per laws in vogue. It must be durable, appropriate and cost-effective protective packaging materials and methods be used so that the products are delivered to end users intact and at the lowest possible cost. The labelling must be in English and Kswahili languages. It must mention the nature of the goods-perishable, fragile, heavy, or hazardous, mode of transport- suitable for transportation by road, rail, sea, air, or multi-model, customers' specific requirements, prevailing regulations, duration of storage of product. Inter-alia, the packing (protective packing) label must:

- show the physical address of the exporter/Shipper and contact details,
- show the physical address of the importer/consignee and contact details,
- include cautionary and handling marks (do not drop, fragile, keep dry, etc.) – pictorial symbols are best,
- indicate weight and dimensions of the package; and
- show the order, letter of credit, import license numbers.

5.10 Technical Standards:

Kenya Bureau of Standards is the primary government body for setting of technical standards for all manufactured and imported products. It provides for common and repeated use, rules, guidelines or characteristics for products and services and related processes or production methods, aimed at the achievement of the optimum degree of order in a given context. It includes symbols, packaging, marking or labelling requirements as they apply to a product, process or production method. Standards, therefore, help to make sure that products and services are fit for their purpose and are comparable and compatible.

All Imports into Kenya must meet the requirements of Kenya Standards or any other standards approved by KEBS. The Notification issued by the Republic of Kenya declares that all imports into Kenya which do not meet the requirements of Kenya Standards or any other standards approved by KEBS are not allowed for importation.

The purpose of standards and Quality Inspection of Imports is to ensure that imports into Kenya comply with the requirements of Kenya Standards to which locally manufactured goods are also tested. This is done to eliminate the dumping of substandard goods in the local market.

Imports that are tested by Kenya Bureau of Standards and found not to comply with the requirements of the relevant Kenya Standard(s) will not be allowed to be sold in the Kenyan market. The importer will have to return them to the country of origin at his own cost. Kenyan Standards notified by KEBS are not freely available and need to be purchased at the Kenya Bureau of Standards Head Office in Nairobi or at the KEBS Regional Offices for every product separately.

The Government of Kenya has made pre-shipment inspection of products coming into the country as a mandatory equipment. Moreover, when goods arrive at the Port of Entry the importer is required to inform KEBS staff on site who will:

- o Inspect the goods, the entry form and the packing list;
- o Take samples for testing;
- o Release the goods into the country, if found to be complying with relevant Kenyan Standard(s).

Following are the products wise different departments for fixation of technical standards at KEBS.

5.10.1 Process of acquiring the Diamond Mark (DM)

The Diamond Mark is a voluntary Quality Mark issued to products that have demonstrated compliance with KEBS Product Certification Mark Scheme rules that includes; Compliance to the requirements stipulated in respective Kenya Standards and the manufacturer have demonstrated to have in-place a Quality Management System that guarantee safe and quality products over a period of not less than three months.

For imported/ foreign firm, there must be a demonstration that respective products imported over time i.e., at-least three consecutive consignments imported within three (3) to nine (9) months must have been tested and demonstrated compliance to the requirements of the standards (KS EAS 128: Specification for Milled Rice).

The process of getting the KEBS Diamond Mark of Quality includes:

i. The applicant shall submit the request for certification by completing required forms i.e., STA/1 and STA/ Forms. These are submitted to KEBS online.
ii. Applicant shall pay permit fee of USD 12,000 per product per brand. In addition, the applicant shall pay for the DSA/Per diem allowance and meet any fee for visa application and travel including air ticket.
iii. KEBS shall appoint two assessors to undertake the assessment.
iv. The assessors shall submit a report with recommendations which is discussed/ considered and approved by the KEBS Permit Approval Committee of the Board of Management.
v. Once approved by the Board a permit is granted which the applicant shall incorporated on the product labels. The permit is valid for three (3) years.

vi. Surveillance sampling for testing is done within the validity period at the importer's warehouses or the market.
vii. The renewal process includes application and payments plus the assessments.

NOTE: For further details, follow this link:
https://www.kebs.org/index.php?option=com_content&view=article&id=32&Itemid=339

5.10.2 Product Registration Process

Pursuant to the amendments of legal Notice 78 of 28th April 2020 through Legal Notice 212 of 18th December 2020, introducing product registration aspect, KEBS has developed an administrative structure to implement the provisions of the regulations.

Importers interested in having their products registered are required to notify KEBS before importing any such product into Kenya and provide proof that the products meet requirements of relevant Kenya standards, approved specifications and other applicable regulations as provided for under Legal Notice No. 78 of 28th April 2020 clause 5(2).

Under the Framework, registered products will not be subjected to PVOC requirements, but instead will undergo Destination Inspection (DI) and/or testing before being allowed on the Kenya market. Continuous quality monitoring of registered products already placed on the market shall be conducted by the KEBS' Market Surveillance Directorate. Importers shall be responsible for the quality of registered products placed on the market.

Surveillance Directorate. Importers shall be responsible for the quality of registered products placed on the market.

The Product Registration Process applies to all Regulated Products as per Legal Notice No. 78 of 28th April 2020. However, products listed in Appendix A are not eligible for Registration.

5.10.3 Framework for Product Registration

KEBS shall register products based on the following certifications:

a. Certification issued under internationally recognized conformity assessment schemes.
b. Certification issued based on test reports from laboratories accredited to ISO/IEC 17025.
c. Certification issued by National Standards Body in the country of origin in line with the

All Regulated Products as per Legal Notice No. 78 of 28th April 2020. However, products listed in Appendix A are not eligible for Registration.

Applicant shall register and apply for product registration via the link: www.productreqistration.kebs.org. and submit the following documents:

i. Business registration certificate
ii. KRA pin certificate.
iii. Test Certificates for IECEE Scheme for electrical and electronic products as listed in Appendix G.
iv. Test Report(s) issued against applicable Kenya or equivalent International standard by a recognized laboratory.
v. Valid Manufacturer's QMS certificates and/or valid manufacturer's food safety management system certificate (FSSC/FSMS) for food products and/or valid product certification issued by national standardization body of the respective country of manufacture.
vi. Colored photographs to cover all product information and demonstrate compliance with the labelling requirements.
vii. Product samples (where applicable).
viii. Material Safety Data sheets for products, where applicable. Operation/Instruction Manual for appliances and machines, where applicable. Distributorship/Dealership agreements if applicant is not the brand owner Manufacturer's warranty, where applicable
ix. Product type approval, where applicable
x. Regulatory permits, where applicable
xi. Declaration of conformity containing information as detailed in Appendix H (mandatory) Product Recall procedure
xii. Proof of payment of the application fee (MPESA Transaction code)-mandatory. Payment to be made via Mpesa pay bill No.804700 A/C No. 10165.

5.10.4 Preliminary Evaluation

The following criteria shall be applied during preliminary evaluation:

i. Eligibility of the product for registration
ii. Verification of submitted documents
iii. Test reports and test certificate shall be validated as per Appendix F
iv. Proof of payment

5.10.5 Registration Fees

An applicant whose product(s) meet the criteria for registration as outlined in 6.4 above shall be required to pay the registration fee at the rate of Ksh 7500 per product.

5.10.6 Certificate of Registration

A certificate of registration shall be issued in respect of all applications that meet the evaluation criteria. The Certificate shall contain:

i. A schedule of products for which the registration is applicable
ii. Terms and conditions for use of the registration
iii. The validity period of the certificate, subject to compliance with the set terms and conditions

The registration certificate shall be valid for a period of one year.

5.10.7 Clearance of Registered Goods

Notification of importation - An importer of a registered product shall notify KEBS by submitting a KEBS CD and attach the registration certificate through the Kenya National Electronic Single Window System, before arrival of the registered products.

The importer of the registered goods shall pay destination inspection fee at a rate of 0.6% of the approved customs value subject to a minimum of USD 265 and a maximum of USD 2,700 excluding sampling and testing fees. Sampling and testing fees shall be charged on a case-by-case basis.

Issuance of Local CoC for clearance of registered products shall be based on a valid registration status and compliance with destination inspection surveillance plan.

5.10.8 Monitoring of Registered Products

KEBS shall establish a surveillance plan and risk profiling criteria for registered products which shall be implemented al the port of entry and in the market

Monitoring shall involve physical inspection and/or testing

The results of monitoring shall be communicated to the importer and shall be used to determine the status of the registration.

KEBS may also undertake factory audits where applicable

5.10.9 Renewal of Registration

Applications for renewal should be received at least two (2) months before expiry of registration.

KEBS shall not be responsible for any consequences of submitting the application late.

Renewal of registration shall be done by submitting the documents in accordance with clause 6.2. & 6.3

Renewal of application will be based on results of monitoring.

Responsibilities of the Registration holders (Importers) and handling of non-compliant products

5.10.9.1 Importer's responsibilities

The registered importer shall have full responsibility for quality of registered products.

The importer of the registered products shall provide guidance to the retailers of the supply chain on handling requirements for registered products to ensure preservation of quality. The importer shall maintain records of (first customer) sales records for registered products with clear mechanism of batch and lot identification and the same shall be provided for verification to KEBS inspectors on demand

The importer of the registered products shall have a documented procedure for removal from market of non-compliant registered products (Product Recall procedure). The importer shall undertake product recall if demanded by KEBS at his/her cost.

5.10.10 Handling of non-compliant registered products

Where a registered product in the market has been established to be non-compliant with standard requirements, the importer shall ensure that immediate actions are undertaken to isolate the product to prevent exposure to consumers.

Institute the withdrawal of the non-compliant products for corrective action or destruction as may be required in view of health, safety and environmental consideration.

All recalls and market withdrawals shall be notified to KEBS in a format prescribed in Appendix C on the KEBS website - Product Recall Notification Form.

This provision does not prevent KEBS from undertaking any legal measures it deems necessary to protect the consumers or the public from harmful products.

5.10.11 Consumer Complaints Register

Importers shall maintain a register of complaint s received related to the Registered Product on KEBS website (Appendix D). Complaints shall be investigated and where valid, addressed and resolved.

5.10.12 Suspension of Registrations

1. Registered products shall be suspended due to failure to adhere to terms and conditions of registration.
2. The suspended product shall be withdrawn from the certificate of registration.
3. The Registered Importer shall be informed about the suspension.
4. The suspended product can be reinstated only if the Applicant provides satisfactory evidence(s) of corrective action(s) done within the agreed period between KEBS and Applicant.

5. No charges shall be applied for suspension and reinstating suspended registered products.
6. Cancellation/Termination of registrations
7. Registration can be terminated due to the following reasons
8. Upon Inspection, testing or compliance review, the registered products are found not to comply and the registered importer declines to lake corrective actions.
9. The registered importer misuses or makes any unauthorized changes in the Registration document so as to receive the benefits of Registration.
10. Registered product has been subjected to recalls from the market.
11. The registered importer shall be informed about the termination of the Registration.
12. If the Registered importer satisfactorily completes the required corrective action and would like to register the product(s) again then in such cases the importer shall submit a new Registration application.
13. Withdrawal of Registration Certificate
14. Registration can be withdrawn by the Registered importer for various reasons but not limited to the following:
15. No shipments lo the country.
16. Applicant shutting down their business.
17. If the ownership of the company is taken over by another entity.
18. Has committed any offence relating to importation of substandard or counterfeit goods.
19. Upon receipt of such information and upon verification, KEBS shall proceed with the withdrawal of the registration.
20. If the importer intends to reinstate their withdrawn registration, then KEBS shall consider it as a new application.
21. Complaints and Appeals
22. Complaints shall be handled as per KEBS QMP-08.

Any importer aggrieved by a decision on registration, may appeal to the Standards Tribunal against the decision.

5.10.13 Technical Evaluation

The following criteria shall be applied during technical evaluation:

Food and Agriculture Department: This Department is responsible for the development of standards covering food technologies, food safety, fertilizers, agricultural produce, livestock and livestock products, poultry and poultry products, etc.

Chemical Department: This Department is responsible for the development of standards covering soaps, detergents, paints, pesticides, stationery and related equipment and all products based on chemical formulations.

Service Standards Department: This Department is charged with the development of standards in the service industry such as tourism, hotels, transport, education, social activities, etc. These standards are aimed at addressing the evolving needs in the service sector and represent a growth area.

Engineering Department: This Department develops standards covering civil engineering, electro-technology, information technology, renewable energy, textile engineering and mechanical engineering

Standards Information and Resource Section: This section is responsible for the maintenance and availability of standards information, library, WTO NEP and sales of standards.

Publishing Section: This section is responsible for the editing and publishing of all Kenya Standards and related documents.

Furthermore, the following standards and certifications are also mandatory requirements for goods finding its way to import market of Kenya for sale.

5.10.14 Pre-Export Verification of Conformity to Standards:

KEBS have introduced Pre-Export Verification of Conformity to Standards (PVoC). All imports must fulfill the standard requirements set in the PVoC Manual Version 9.1 dated 19th November, 2019 and have designated partners for inspection of standards in all partner countries. In Pakistan such inspection is carried by M/s Intertek, SGS, Bureau Veritas on behalf of KEBS. As per these requirements:

Importers in Kenya should ensure their suppliers are conversant with import quality requirements specified in relevant Kenya Standards or approved specifications and that their consignments are accompanied with a Certificate of Conformity (CoC) from the appointed PVoC Partners. Also ensure that goods that are imported meet Kenya Standards or approved specifications and regulatory requirements while exporters in partner countries should ensure their products or goods meet the regulations and quality requirements of Kenya before shipment by carrying out tests based on relevant Kenya Standards or approved specifications and/or obtaining the necessary Certificate of Conformity (CoC) from the appointed PVoC Partners for all products subject to the PVoC program.

5.10.15 Local Certificate of Compliance:

A certificate of compliance is a certified document by Kenya Bureau of Standards (KEBS), which assures that commodities have met required standards and specifications. When a consignment arrives in Kenya without a certificate of conformity, indicating that the consignment was inspected at the country of origin, an importer will have to obtain a certificate of compliance. The certificate is only issued after successful inspection and verification of the consignment is carried out by KEBS.

Pre-Export Verification of Conformity to Standards (PVOC) Program is a conformity assessment program applied to products at the respective exporting countries, to ensure their compliance with the applicable Kenyan Technical Regulations and Mandatory Standards or approved specifications. KEBS has also mandatory requirements for issuance of the following certificates and standard marks.

5.10.16 Standardization Mark:

The Import Standardization Mark (ISM) is a mandatory requirement for all imported products intended for sale in the local market. The Kenya Bureau of Standards (KEBS) is the competent authority that regulates issuance of the ISM stickers. Traders are advised to apply for the ISM sticker once the goods have arrived and the customs entry has been verified and passed by Kenya Revenue Authority (KRA). This is a mandatory product certification scheme for all manufactured. To acquire the mark, manufactured goods are expected to meet quality requirements as specified in the various Kenya/Approved Standards. A permit to use a Standardization Mark is issued to a firm to certify that a particular product conforms to requirements in a Standard.

5.10.17 Diamond Mark of Quality:

The Diamond Mark of Quality (also referred to as D-Mark) is a product certification scheme operated by Kenya Bureau of Standards (KEBS). It is a mark of excellence awarded to manufacturers (either based locally or imported/abroad) which has demonstrated high degree of excellence in product manufacturing and quality. D-Mark permit holders thus qualify automatically for the standardization mark (SM) without any additional payments. The permit to use the mark is valid for period of three years' subject to satisfactory quality performance and full compliance to other contractual obligations signed between KEBS and the permit holder.

5.10.18 Import Standardization Mark of Quality:

KEBS developed and implemented secure Quality Marks/ stickers complete with track and trace software since 1st August 2015. The objective was to deal with rampant faking of KEBS Quality Marks and provide a platform through which KEBS will be able to carry out on-field real-time validation and verification of goods bearing its Quality Marks. The system also provides an online platform for consumers to directly authentic the validity of certification of goods before purchase.

5.10.19 Fortification mark of Quality:

Food fortification is the addition of one or more vitamin and/or mineral to a food (usually referred to as food vehicle) to correct or prevent a demonstrated micronutrient deficiency. It is one of the four key cost-effective strategies recommended by WHO in curbing micronutrient deficiency. The price of acquiring this mark is Ksh. 10,000 per product per brand. Obtaining of this mark is mandatory for the products like wheat flour – with Zinc and Iron, dry milled maize products- with Zinc and Iron, salt- with iodine and vegetable fats and oils- with vitamin A.

5.11 Special Requirements for Import of food products and pharmaceuticals:

As per National Biosafety Authority and Pharmacy and Poison Board, Kenya, the food for human consumption and drugs for use must be properly packed at point of sale and should contain, quantity, validity, or best before dates, date of manufacture, factory name, bar code, specifications i.e. ingredients and nutritional facts, how to use instructions, storage conditions, certification marks such as the Kenya Bureau of Standards' Diamond Mark, copyright, name and address of manufacturer and boldly display the name of the product.

The nutritional labelling service is mandatory for food products to meet the appropriate legal requirements and industry-agreed quality standards. Accurately labelled nutritional packaging has to include measurements for calories, fat and vitamin levels, protein and carbohydrates. Pharma products should indicate the country of origin, departure and arrival point and indicate any transit point also. It should indicate the box's number within a shipment of multiple boxes – (for example: 38/100 boxes, indicating that this is box 38 of a shipment of 100 boxes).

Moreover, importation of fresh fruits and vegetables are not allowed without Pest Risk Analysis conducted by KEPHIS however, there is no bar on processed food and juices provided labelling requirements described above are fulfilled.

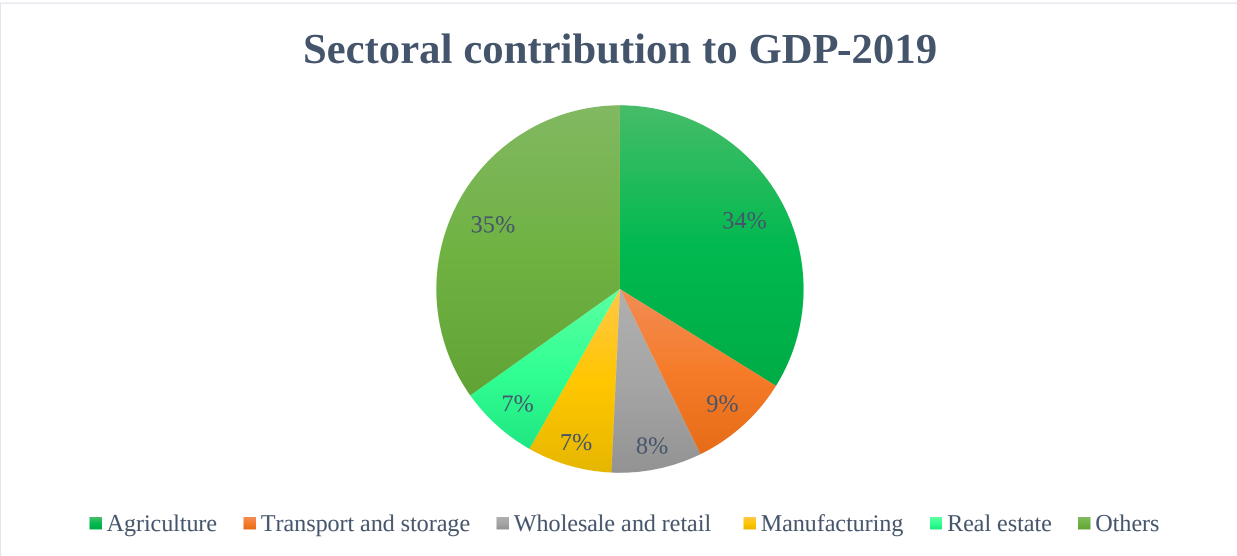
6 Competitors analysis in the top ten export categories from Pakistan to Kenya

6.1 Trade Landscape of Kenya

Increasing trends in export market of Kenya has been witnessed over the years but its overall trade balance remains in negative. The total import of Kenya increased from US$ 17.6 bn in 2018 to US$ 18 bn in 2019 while total export decreased from US$ 6.1 bn in 2018 to US$ 5.9 bn in 2019 as per Economic Survey of Kenya-2020 and there is a negative trade balance of US$ 12 bn. This indicates a decline of 2.9 % in value of exports and an increase of 2.4 % in the value of imports. Composition of import and export by Broad Economic Category (BEC) wise in 2019 is as follow.

Category	Export	Share	Import	Share
Raw material	1.2 bn	20%	998 ml	5.7%
Intermediate goods	649 ml	10.7%	4.9 bn	28.5%
Consumer goods	3.9 bn	65%	7.3 bn	42%
Capital goods	264 ml	4.3%	3.9 bn	23%

As of 2019, Kenya had a GDP of US$ 89 billion with the following sector wise contribution.



6.2 Major Import/Export Products:

The following product groups represent the highest dollar value and percentage share in Kenya's import purchases during 2019 as per Economic Survey of Kenya (2020). Petroleum products, industrial machineries, iron and steel, road motor vehicles, plastics in primary and non-primary form, agriculture products, chemicals, worn clothes, medical and pharmaceutical products and paper and paper products collectively accounted for 49.5 % of the total import bill.

Kenya Key trade partners in Africa-2021 (Million US$)

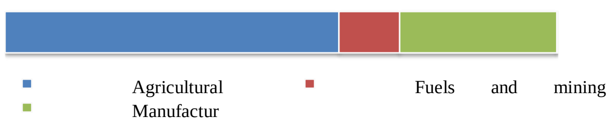
Exports destinations		**Imports origins**	
Countries	**US Million $**	**Countries**	**US Million $**
Uganda	588	SA	680
Tanzania	310	Egypt	390
Rwanda	212	Uganda	353
Egypt	173	Tanzania	254
South Sudan	115	Swaziland	115
Pakistan	507	Pakistan	250

In this regard, major exporting products collectively accounts for 59% of the total value of domestic exports and include horticulture (cut flower, fruits and vegetables), tea, coffee, tobacco, articles of apparel and clothing accessories, metals, essential oils, medicinal products and iron and steel.

Major Imports		**Major Exports**	
Products	**Value US ($)**	**Products**	**Value US ($)**
All Commodities	**18 billion**	**All commodities**	**5.9 billion**
Petroleum Products	3.0 bn	Horticulture Products (Cut Flowers)	1.2 bn
Industrial Machinery	2.5 bn	Tea	1.1 bn
Road Motor vehicles	920 ml	Articles of Apparel and Clothing	347 ml
Sugar	330 ml	Coffee	200 ml
Wheat	510 ml	Iron and Steel	157 ml
Iron and Steel	1.0 bn	Essential Oils	130 ml
Maize	62 ml	Pharmaceutical Products	100 ml
Rice	250 ml	Metals/Titanium Ore	140 ml
Paper and Paper Products	347 ml	Leather	30 ml
Chemicals	264 ml	Iron and Steel	157 ml
Fertilizers	270 ml	Furniture and parts	12 ml
Used Clothes	177 ml	Cement	07 ml
Animal/Vegetable Fats	598 ml	Tobacco	130 ml
Medical/Pharmaceuticals	657 ml	Fish and Fish Preparation	34 ml
Essential oils/Perfumes	242 ml	Salt	38 ml
Chemical Fertilizers	270 ml	Paper and Paper Products	47 ml
Plastic Primary/Non primary	660 ml	Textile Made-up Articles	21 ml
Telecom Equipment	260 ml	Footwear	38 ml
Motorcycles	132 ml	Articles of Plastic	70 ml
Agri Machinery/Tractors	70 ml	Electrical machinery	21 ml
Cotton and Textile	112 ml	Household base metals	10 ml

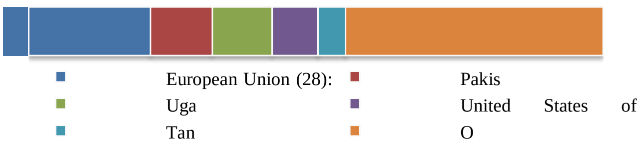
Sector, destination and origin wise share of exports and imports of Kenya during 2019 are graphed below.

Breakdown of the Kenya Exports-2019 (%)



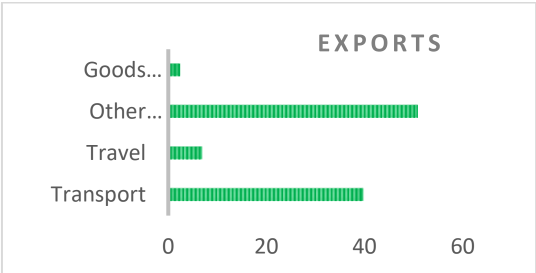
Breakdown of the Kenya Imports-2019 (%)

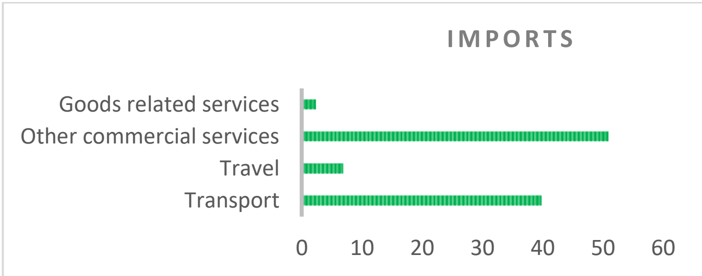
Exports to main destination, % (2019)



Imports from main origin, % (2019)

Percentage Breakdown of Services Exports and Imports -2019





Transport-45.4, Travel-24.2, Other commercial services-29.9, Goods related services-0.5 Transport-39.8, Travel-6.9, Other commercial services-50.9, Goods related services-2.4

6.3 Kenya Global Trade Partners:

6.3.1 Top Ten Export Products of Pakistan to Kenya

Product code	Product label	Pakistan's exports to Kenya		
		Value in 2019	Value in 2020	Value in 2021
TOTAL	All products	278,819	267,277	273,281
10	Cereals	189,635	188,094	159,663
63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	15,763	16,203	51,794
52	Cotton	21,024	15,540	12,639
84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	646	1,643	9,764
30	Pharmaceutical products	6,239	7,549	6,503
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	2,230	3,226	6,166
17	Sugars and sugar confectionery	2,267	3,998	4,451
38	Miscellaneous chemical products	4,325	4,039	4,203
60	Knitted or crocheted fabrics	1,133	3,353	4,053
62	Articles of apparel and clothing accessories, not knitted or crocheted	1,327	881	2,114

(Value in US$ thousands)

6.3.2 Major products imported by Kenya

Code	Product label	Imported value in 2016	Imported value in 2017	Imported value in 2018	Imported value in 2019	Imported value in 2020
TOTAL	All products	14,112,089	16,691,228	17,380,309	17,220,379	15,415,397
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . .	2,112,178	2,741,353	3,390,680	3,323,546	2,185,871
84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	1,586,765	1,827,966	1,665,389	1,641,144	1,433,813
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television . . .	1,431,301	1,121,414	1,205,747	1,267,776	1,199,434
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	1,139,066	1,114,067	1,232,271	1,209,441	1,120,807
72	Iron and steel	604,418	734,482	860,321	916,691	932,156
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal . . .	520,450	656,914	567,596	561,223	864,850
10	Cereals	494,589	1,111,324	843,038	857,990	797,296
39	Plastics and articles thereof	662,375	673,901	769,302	734,449	727,024
30	Pharmaceutical products	574,606	518,383	558,493	557,246	690,518
38	Miscellaneous chemical products	289,566	317,204	353,269	285,740	382,786
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	305,465	328,210	424,656	388,836	321,688
73	Articles of iron or steel	465,090	317,954	398,667	308,700	295,332
31	Fertilisers	228,212	283,433	233,063	258,172	259,312
17	Sugars and sugar confectionery	216,083	594,827	221,304	325,070	252,198

(Value in US$ thousands)

6.3.3 Major Importing Countries into Kenya

Exporters	Imported value in 2016	Imported value in 2017	Imported value in 2018	Imported value in 2019	Imported value in 2020
World	14,112,089	16,691,228	17,380,309	17,220,379	15,415,397
China	3,326,077	3,778,326	3,660,351	3,590,419	3,396,181
India	2,025,500	1,648,307	1,829,654	1,706,151	1,772,394
United Arab Emirates	901,692	1,338,292	1,455,200	1,632,761	867,276
Japan	812,271	789,891	987,844	947,059	823,296
Saudi Arabia	682,652	1,108,545	1,704,607	1,246,951	648,485
Indonesia	447,214	550,001	455,194	482,592	589,186
United States of America	473,369	556,690	528,126	591,263	531,527
South Africa	491,417	598,536	639,847	688,095	430,236
Malaysia	121,438	172,826	212,040	250,051	428,205
Egypt	296,116	342,241	358,671	416,756	421,533

Netherlands	162,735	188,997	191,128	309,128	393,634
Germany	427,312	415,813	459,961	435,371	377,850
Russian Federation	239,122	349,943	313,173	313,354	357,090
United Kingdom	330,066	290,663	311,554	327,504	274,338
Tanzania, United Republic of	126,223	166,171	175,863	269,784	258,331
Uganda	189,991	406,648	487,938	336,142	229,299

(Value in US$ thousands)

Pakistan's competitors exporting economies of the top and focused exports to Kenya are as follows.

Product 1006: Rice

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	139,963	259,050	252,576
Pakistan	205,821	116,809	121,258
Thailand	16,677	65,407	76,861
China	211	27,809	18,445
India	3,033	7,256	13,763
Korea, Republic of	0	0	6,106

(Value in US$ thousands)

Product: 63 textile articles; sets; worn clothing and worn textile articles; rags

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	188,038	215,540	234,927
China	41,520	61,690	86,331
Pakistan	26,433	41,067	27,939
India	14,565	22,538	20,756
Canada	13,194	13,597	15,575
United Kingdom	16,044	13,356	12,059

(Value in US$ thousands)

Product: 52 Textile and Cotton

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	66,553	61,124	80,934
China	32,319	31,963	37,422
Pakistan	10,569	12,815	19,644
Sri Lanka	27	13	5,534
India	5,056	2,459	5,057
Uganda	2,270	2,732	5,015

(Value in US$ thousands)

Product: 30 Pharmaceutical Products

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	574,606	518,383	558,493
India	308,822	234,207	257,924
Belgium	32,670	33,903	38,914
China	24,844	18,823	32,129
United States of America	12,450	20,413	30,612
United Kingdom	30,471	32,912	29,727
France	23,526	23,850	26,729
Germany	17,759	31,896	22,938
Pakistan	7,378	9,662	9,346
Bangladesh	4,753	5,208	6,386

(Value in US$ thousands)

Product: 56 Wadding, felt and nonwovens; special yarns; twine, ropes and cables and articles

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	11,778	14,881	18,607
China	4,471	5,901	8,869
Hong Kong, China	738	2,680	1,690
India	760	746	1,520
United Kingdom	779	1,240	1,299
Korea, Republic of	626	683	950
Pakistan	35	35	19
Greece	72	39	18

(Value in US$ thousands)

Product 11: Products of the milling industry; malt; starches; inulin; wheat gluten

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	18,025	22,217	15,133
Pakistan	3,067	3,489	4,207
Egypt	356	2,492	3,002
Tanzania, United Republic of	6,268	8,431	2,461
India	5,288	5,039	1,773
Belgium	356	194	903
Turkey	30	178	624
United Kingdom	268	362	262

(Value in US$ thousands)

Product 38: Miscellaneous chemical products

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	317,204	353,269	285,740
China	42,566	57,773	49,716
France	33,267	43,243	33,739
Germany	35,920	35,444	21,001
United States of America	25,420	24,349	20,604
India	20,521	25,855	20,113
South Africa	13,143	12,926	11,125
Saudi Arabia	3,793	8,256	10,980
Pakistan	6,886	4,406	4,563

(Value in US$ thousands)

8………. Product: 17 Sugar and sugar confectionery

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	216,083	594,827	221,304
Mauritius	16,387	51,623	36,863
Uganda	29,108	21,736	34,562
Egypt	81,663	65,757	30,349
Brazil	1,214	221,168	23,526
India	36,995	33,696	22,560
Pakistan	125	0	741
Germany	1,033	592	684

(Value in US$ thousands)

Product: 60 Knitted or crocheted fabrics

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	66,647	78,458	85,347
China	25,365	28,485	56,374
Taipei, Chinese	30,603	35,316	14,442
Tanzania, United Republic of	4,141	4,182	4,422
Viet Nam	1,462	296	2,604
India	1,471	1,531	1,847
Sri Lanka	251	6,134	1,720
Pakistan	694	91	1,061
Egypt	0	92	837

(Value in US$ thousands)

Product: 87 Tractors

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	142,384	110,756	133,103
Brazil	2,321	7,908	28,689
Germany	42,160	24,103	25,480
China	17,273	21,952	24,515
United Kingdom	27,936	20,018	17,130
India	19,879	15,135	16,352
Japan	2,146	3,211	3,374
Pakistan	1,710	2,026	4,959

(Value in US$ thousands)

Product: 90 Surgical and Medical Instruments, Optical, photographic, cinematographic, measuring, checking and for precision

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	249,667	261,999	291,452
China	80,164	115,669	140,559
United States of America	49,489	39,049	34,175
Germany	21,852	17,569	25,498
India	17,468	13,157	16,291
Japan	3,901	6,860	7,981
Pakistan	691	616	771

(Value in US$ thousands)

Product: 84 Machinery, mechanical appliances, nuclear reactors, boilers and parts

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	1,586,765	1,827,966	1,665,389
China	567,869	757,607	539,890
India	181,319	191,199	227,222
Japan	72,780	50,601	134,726
Germany	102,060	129,366	118,879
United States of America	110,843	143,275	85,991
Italy	83,879	64,890	76,617
United Kingdom	64,779	46,970	50,240
Pakistan	568	545	694
Sri Lanka	703	565	612

(Value in US$ thousands)

Product: 41 Leather, Raw hides and skins

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	6,111	5,772	4,813
Rwanda	5,014	5,001	4,079
Tanzania, United Republic of	146	165	339
Uganda	649	406	272
China	8	12	37
Italy	0	0	37
Pakistan	0	37	0

(Value in US$ thousands)

Product: 42 Articles of Leather

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	18,325	19,683	25,745
China	14,235	16,090	22,819
India	530	611	601
Canada	159	212	286
South Africa	295	248	276
Pakistan	67	164	59
Germany	35	55	53

(Value in US$ thousands)

Product: 95 Sports Goods, toys, games and parts and accessories

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	14,910	12,838	16,767
China	6,620	6,141	10,408
United Kingdom	1,228	1,259	1,398
India	819	563	692
Italy	955	485	599
United States of America	1,127	611	522
Pakistan	321	352	418
Thailand	361	186	308

(Value in US$ thousands)

Product: 82 Agriculture tools, implements, cutlery, spoons and forks, of base metal

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	33,106	31,115	34,369
China	14,403	14,038	15,756
India	4,546	4,338	5,008

Germany	1,209	1,304	1,329
United States of America	1,527	2,167	1,291
Poland	978	1,202	1,202
United Kingdom	1,721	1,113	1,086
Pakistan	37	33	6
Sri Lanka	50	6	5

(Value in US$ thousands)

Product: 8432 Agricultural, horticultural or forestry machinery and implements

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	9,926	9,418	10,427
India	2,689	2,879	3,180
China	1,234	1,050	2,714
Brazil	839	1,177	904
Italy	1,300	1,056	741
Turkey	240	650	704
United Kingdom	811	367	500
Pakistan	112	121	119

(Value in US$ thousands)

Product: 53 textile fibres; paper yarn and woven fabrics of paper yarn

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	1,271	634	835
China	207	214	414
India	804	274	320
Netherlands	109	77	34
Malaysia	0	0	24
Japan	0	0	19

(Value in US$ thousands)

Product: 54 Man-made filaments; strip and the like of man-made textile materials

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	43,621	48,093	79,552
China	20,926	27,656	50,486
India	8,795	8,131	11,457
Taipei, Chinese	4,043	2,240	4,901
Thailand	4,158	4,601	3,785
United Arab Emirates	1,353	449	1,802
Egypt	1,231	1,286	1,800

Pakistan	164	0	31

(Value in US$ thousands)

Product: 55 Man-made staple fibres

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	131,729	123,703	156,817
China	43,510	49,326	63,522
India	18,789	18,590	22,086
Korea, Republic of	11,830	16,767	19,388
Indonesia	9,069	6,773	12,474
Japan	16,819	9,178	10,075
Pakistan	638	369	574

(Value in US$ thousands)

Product: 57 Carpets and other textile floor coverings

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	6,803	7,872	9,989
Turkey	1,541	1,832	2,737
Egypt	623	1,172	2,118
China	826	916	1,881
Indonesia	734	693	871
United Arab Emirates	918	685	825
Pakistan	21	20	5
Switzerland	150	39	5

(Value in US$ thousands)

Product: 58 Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	8,777	10,585	11,866
China	1,875	3,288	4,577
India	1,088	1,154	1,730
Hong Kong, China	2,478	1,927	1,654
Sri Lanka	68	509	780
Pakistan	110	50	199
Turkey	125	266	112

(Value in US$ thousands)

Product: 59 Impregnated, coated, covered or laminated textile fabrics; textile articles

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	10,490	9,470	12,557
China	5,373	5,269	6,406
India	1,693	1,594	2,005
South Africa	621	460	938
Taipei, Chinese	140	265	732
Spain	198	125	364
Pakistan	13	19	15
Hong Kong, China	79	28	14

(Value in US$ thousands)

Product: 61 Articles of apparel and clothing accessories, knitted or crocheted

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	21,366	28,933	47,878
China	10,879	16,677	30,315
South Africa	2,325	2,228	3,667
India	1,669	1,449	3,155
Pakistan	122	82	93
Germany	132	121	90
Italy	27	32	54

(Value in US$ thousands)

Product: 62 Articles of apparel and clothing accessories, not knitted or crocheted

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	34,907	82,931	94,083
China	22,296	47,240	68,573
Jordan	10	19,961	7,012
India	2,036	2,367	4,116
South Africa	5,088	4,104	3,955
Turkey	448	1,812	3,855
Bangladesh	154	513	1,319
Pakistan	191	69	190
France	25	110	160

(Value in US$ thousands)

Product: 6309 Worn clothing and clothing accessories, blankets and travelling rugs, household linen and articles

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	126,654	126,284	167,119
China	29,263	38,135	68,239
Pakistan	11,600	13,251	17,433
Canada	13,183	13,590	15,575
United Kingdom	15,549	12,990	11,854
United States of America	10,655	7,785	8,790

(Value in US$ thousands)

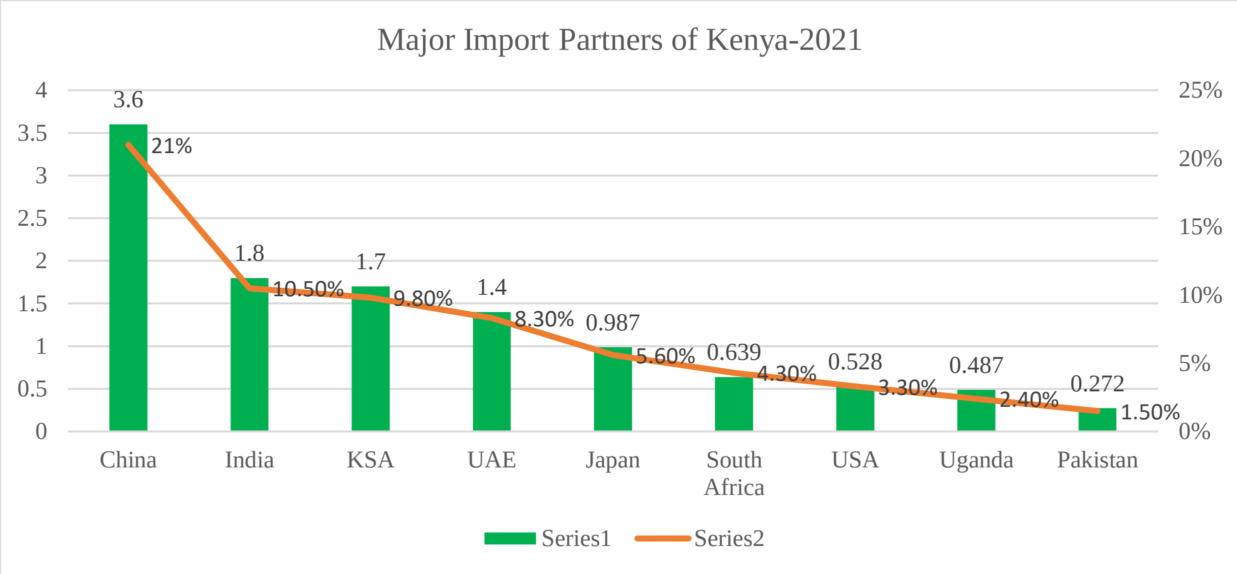
Product: 33 Cosmetics; Essential oils and resinoids; perfumery, or toilet preparations

Exporters	Imported value in 2019	Imported value in 2020	Imported value in 2021
World	125,918	139,679	158,076
Eswatini	52,086	67,202	71,481
Ireland	13,259	10,948	11,929
South Africa	7,010	7,666	9,632
India	5,536	6,388	8,020
China	2,743	3,740	7,165
France	7,842	4,691	6,375
Germany	7,721	6,918	6,250
Pakistan	293	274	191
Hong Kong, China	2	82	166
Singapore	102	5	162

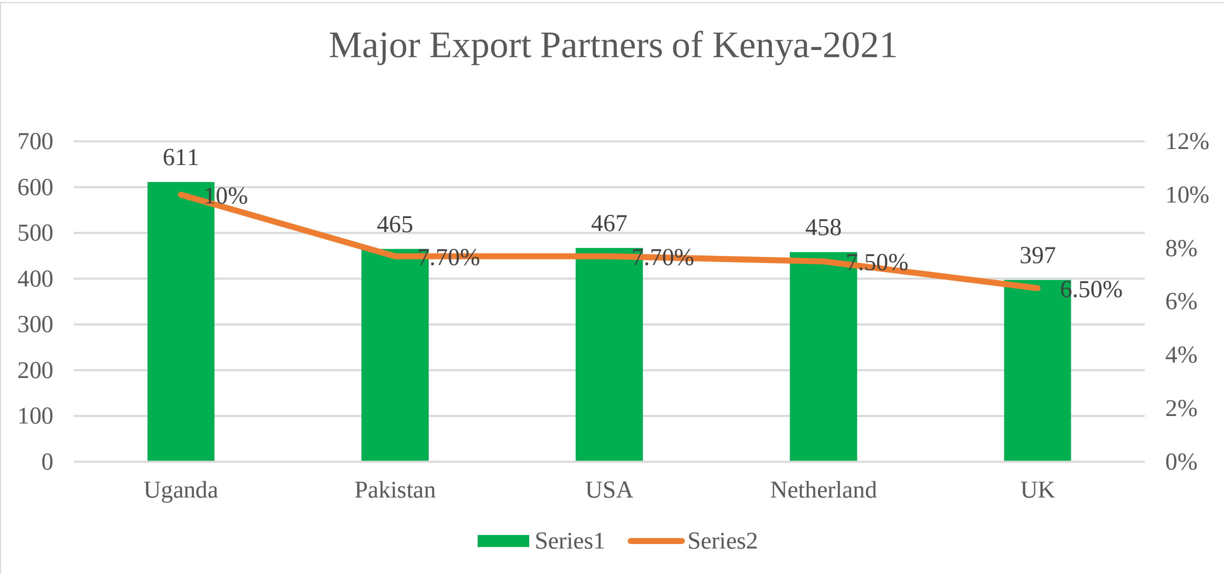
(Value in US$ thousands)

6.3.4 Export/Import Products and Partners:

Top suppliers accounting for about two-thirds (67%) of Kenya's international imports. China ($3.6 bn-21%), India ($1.8 bn-10.5%), Saudi Arabia ($1.7 bn-9.8%), United Arab Emirates ($1.4 bn-8.3%), Japan ($ 0.987 bn-5.6%), South Africa ($0.639 bn-4.3%), United States ($0.528 bn-3.3%), Uganda ($0.487 bn-2.4%) and Pakistan ($0.272 bn-1.5%). From a continental perspective, 65 % of Kenya's total imports by value are purchased from Asian countries. European trade partners supplied 15% of import to Kenya while 12% worth of goods are originated from fellow African nations.



On the other hand, Kenyan export has witnessed increasing trends and its major export destinations are Uganda, Pakistan, United States of America, European Union with the following detailed break-up.



6.4 Pak Kenya Bilateral Trade:

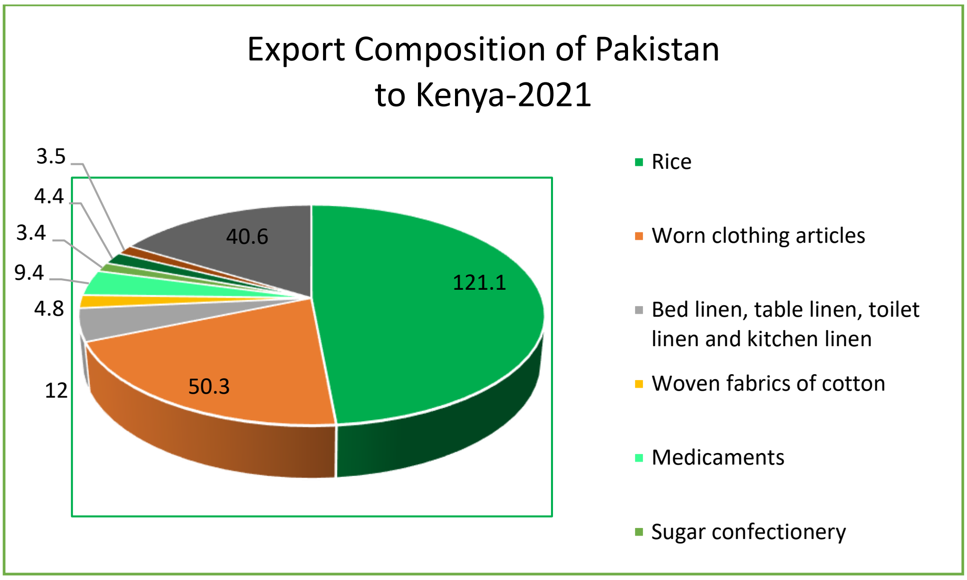
Comparison of the total imports of Kenya and Pakistan's share in imported products in 2021:

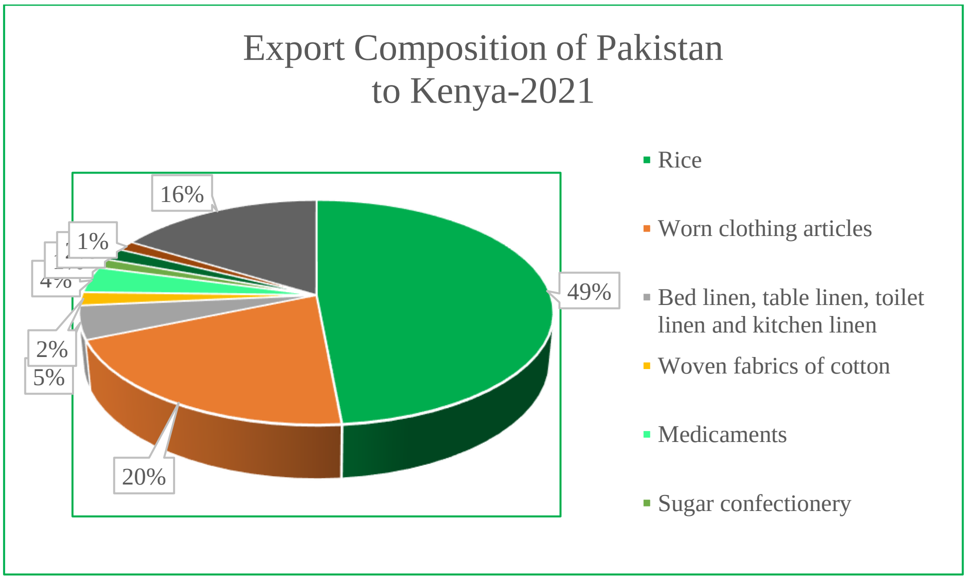
Products	Kenya's Total Import (US$)	Pakistan's export to Kenya	Pakistan's share in total import of Kenya
Rice	235 ml	121 ml	51 %
Textile and apparel	95 ml	14 ml	15 %
Worn clothes	113 ml	39 ml	35 %
Pharmaceutical products	102 ml	5.8 ml	5.68 %
Sugar and confectionary	249 ml	4.4 ml	1.8 %
Tractors	85 ml	3.9 ml	4.6 %
Chemical products	423 ml	3.9 ml	0.9 %

Cement and clinkers	06 ml	0.34 ml	5.7 %
Plastic and material	715 ml	1.2 ml	0.17 %
Motorcycles and parts	132 ml	0.032 ml	0.02
Furniture	67 ml	0.021 ml	0.03
Others	10.4 bl	17 ml	0.3 %
Total	**15.2 bl**	**250 ml**	**1.6 %**

6.4.1 Pakistan's export composition to Kenya:

From the above, Pakistan's major exports products to Kenya include cereals dominated by rice followed by textile, apparel and clothing, used and worn clothes and shoes, pharmaceutical products, miscellaneous items and others. Major products, value of exports and percentage contribution to total export in 2019-20 is graphed below.





Fastest growing imports are petroleum and products, paper and items made from paper, iron or steel, articles made from iron or steel, palm oil, wheat, mobile phones, rice, cars and trucks.

6.4.2 Comparison of Kenya's and Pakistan's Trade:

Year	2021	2020	2019	2018
Pakistan's exports to Kenya in million US$ (millions)	250	289	259	291
Pakistan's export to world in billion US$ (billions)	25.3	21.4	23.1	23.2
Year	**2021**	**2020**	**2019**	**2018**
Pakistan's import from Kenya in million US$ (millions)	507	442	466	465
Kenya's import from world in billion US$ (billions)	15.2	18	17.6	17.3

6.4.3 Bilateral Trade (2020)

Pakistan's Export to Kenya		Total: $263,775,298.35
Code	**Name**	**Exports (US $)**
1006	Rice.	160,687,017.67
6309	Worn clothing and other worn articles	38,636,351.98
6302	Bed linen, table linen, toilet linen and kitchen l…	8,371,572.81
5208	Woven fabrics of cotton, containing 85 % or more b…	6,548,846.29
3004	Medicaments (excluding goods of heading 30. 02, 30…	5,888,828.75
1704	Sugar confectionery (including white chocolate), n…	4,454,517.13
6006	Other knitted or crocheted fabrics.	4,086,535.96
3824	Prepared binders for foundry moulds or cores; chem…	3,979,579.50
8701	Tractors (other than tractors of heading 87.09)	3,914,280.25
5209	Woven fabrics of cotton, containing 85 % or more b…	2,947,546.96
-	Other	24,260,221.05

Pakistan's Import from Kenya		**Total: $507,844,802.37**
Code	**Name**	**Imports (US $)**
0902	Tea, whether or not flavoured	485,815,180.99
0713	Dried leguminous vegetables, shelled, whether or n…	16,483,705.13
8908	Vessels And Other Floating Structures For Breaking…	1,931,802.67
2836	Carbonates; peroxocarbonates (percarbonates); comm…	1,212,014.14
4105	Tanned or crust skins of sheep or lambs, without w…	810,045.87
4106	Tanned or crust hides and skins of other animals, …	686,964.94
0603	Cut flowers and flower buds of a kind suitable for…	309,189.13
3005	Wadding, gauze, bandages and similar articles (for…	141,446.59
4707	Recovered (waste and scrap) paper or paperboard.	135,471.63
1301	Lac; natural gums, resins, gum-resins and oleoresi…	112,540.90
-	Other	206,440.37

6.4.4 Bilateral Trade (2021)

Pakistan's Export to Kenya		Total: $250,114,758.80
Code	**Name**	**Exports (US $)**
1006	Rice.	121,171,693.57
6309	Worn clothing and other worn articles	50,394,347.52
6302	Bed linen, table linen, toilet linen and kitchen l…	12,045,471.22
3004	Medicaments (excluding goods of heading 30. 02, 30…	9,480,415.95
5208	Woven fabrics of cotton, containing 85 % or more b…	4,854,091.36
6306	Tarpaulins, awnings and sunblinds; tents; sails fo…	4,772,971.93
3824	Prepared binders for foundry moulds or cores; chem…	4,504,493.19
1108	Starches; inulin.	3,646,967.35
8701	Tractors (other than tractors of heading 87.09)	3,537,159.90
1704	Sugar confectionery (including white chocolate), n…	3,468,128.27
-	Other	32,239,018.54

Pakistan's Import from Kenya		Total: $507,858,068.93
Code	**Name**	**Imports (US $)**
0902	Tea, whether or not flavoured	493,004,251.43
0713	Dried leguminous vegetables, shelled, whether or n…	8,676,100.96
2836	Carbonates; peroxocarbonates (percarbonates); comm…	3,039,262.21
4106	Tanned or crust hides and skins of other animals, …	902,423.39
4105	Tanned or crust skins of sheep or lambs, without w…	601,547.48
0603	Cut flowers and flower buds of a kind suitable for…	451,491.81
0813	Fruit, dried, other than that of headings 08.01 to…	310,130.56
4707	Recovered (waste and scrap) paper or paperboard.	237,339.51
3915	Waste, parings and scrap, of plastics	186,709.99
9507	Fishing rods, fish-hooks and other line fishing ta…	99,594.40
-	Other	349,217.18

Major products of exports and imports between Pakistan and Kenya are tabulated below.

Pakistan's Exports Potential to Kenya and Competitors of the Products:

As per research study of the Ministry of Commerce, potential exports to Kenya includes medicaments, instruments and appliances used in medical/surgical sciences and telephones for cellular networks, semi-milled or wholly-milled rice, sugar and sugar confectionary including:

- Cane or beat sugar and chemically pure sucrose (170199)
- Glucose in solid form and glucose syrup 9170230)
- Sugar confectionary (179490)

Pakistan's next largest exports sector with potential exports to Kenya is other made–up textile articles. Top line includes: Worn clothing and clothing accessories, tarpaulins, awnings and sunblind of textile materials, blankets and travelling rugs of synthetic fibres, pharmaceutical products, machinery and mechanical appliances, mineral fuels and articles of iron and steel etc. Detail of Pakistan's sectoral exports potentials to Kenya is depicted in the below table.

China and India are the main competitors of supplying top exports to Africa. To compete with goods coming from China and India, there is need to shift the exports base towards value-added goods from primary commodities. Our exporters should learn from the experience of Asian economies and start with based commodities and then gradually shift to capital - intensive production of electronics and other light and heavy engineering goods.

Top Exports Sectors with potentials exports of Pakistan to Kenya (US $ million) -2020

HS 2	Sectoral	Pak Global Exports	Kenya Global Imports	Pakistan Exports to Kenya	Kenya Tariff _ Pakistan	Competitors Economies	Share in Kenya Imports
10	Cereals	1702.65	1011.15	221.98	39	Mexico	17 %
						Russia	12 %
						Argentina	7%
17	Sugars and sugar confectionery	510.38	500.13	1.11	44	Brazil	37%
						Egypt	11%
						Mauritius	9%
63	Other made-up textile articles; sets; worn clothing	3869.99	213.87	18.15	27	China	29%
						India	10%
						Canada	6%
30	Pharmaceutical products	184.92	441.35	6.35	0	India	45%
						Belgium	7%
						UK	6%
84	Machinery, mechanical appliances, …	178.31	1087.22	0.50	4	China	41%
						India	10%
						USA	8%
27	Mineral fuels, mineral oils and products of their distillation;	143.92	1846.62	0.00	8	UAE	39%
						S. Arabia	30%
						India	15%
73	Articles of iron or steel	114.75	182.01	0.02	18	China	58%
						India	14%
						Spain	3%
90	Optical, photographic, cinematographic, ..	407.52	114.43	0.73	0	China	44%
						USA	15%
						Germany	7%
39	Plastics and articles thereof	95.44	306.23	0.81	16	S. Arabia	21%
						China	17%
						UAE	10%
62	Articles of apparel and clothing accessories, …	1021.39	73.69	0.68	25	China	57%
						Jordan	24%
						S. Africa	5%

Moreover, market information and intelligence has revealed that, the following sectors has export potential to Kenya.

- Pharmaceuticals
- Surgical instruments
- Light Engineering and Electronics (motors, pumps, generators, fire-arms, wires and cables, electric fans, domestic appliances, insulators and cutlery etc.)
- Sports Goods
- Textile and Apparel
- Worn/used clothes and shoes
- Agro Food (rice)
- Agriculture machinery and appliances and tractors
- Services (IT, software development, marketing, designing, logistic, security, identity registration, e-passport, security solutions etc.)
- Joint venture in blue Economy

7 Suggested Future Engagement Strategy

Pillar-I: G2G Contacts

Strengthening contacts with trade related ministries and departments

Pillar-II: G2B interventions

Interaction with trade houses/chambers and companies

Pillar-III: Facilitation and Management of Importers

Meetings with prospective traders, importers and business houses and their hosting, visiting, social media and interaction

Pillar-IV: Exchange of Real time information

Sharing of information about upcoming exhibitions, tariffs and NTBs/TBs, market intelligence

Preparation of delegation for participation in Expos arranged by MoC/TDAP

8 Challenges and Problems:

- African market is heavily dominated by India, China, EU and now USA is going to expand its trade ties through proposed FTA with Kenya. They have made deep roots in the market through decade long presence by political engagements, development interventions, capacity building/training and presence of diaspora as well as tourism.
- African countries are getting closer through trade blocs i.e EAC, COMESA, SADC and now AfCFTA etc.
- The slow and non-existence of adequate and fast banking channels results in multiplicity of documents, limited and frustrated transaction which repel our exporters from doing business.
- Public and private sectors interaction and engagement (G2G and G2B) is almost not existent.
- Almost all African countries have multiple Non-Tariff and Technical barriers which serves as stumbling blocks for enhanced flow of trade.
- Trading arrangements and understandings between Pakistan and African countries through EHP/PTA and FTA is not available. As most of the African countries have been tightened into regional trading arrangements among themselves therefore, it becomes difficult to enter into trade understanding with third country without approval/consent of the regional blocs' HQs especially in East African region.
- Marketing of Pakistani products and availability of adequate information about Pakistani exporters to African is very weak.
- Absence of the mechanism of trade dispute resolution on either side serves as a big hurdle for free and enhanced flow of trade transactions.
- Business environment is not friendly. African are very slow and least responsive.
- Tariff structure is very high.
- The issue of image and confidence has also created a trust deficit between the two sides.
- Some of the Pakistani traders has created very bad image (through non-delivery of requisite goods, not responding after receiving of money etc) so it has made the importers frightened and scare about dealing with Pakistanis.
- The existing multiple non-tariff and technical barriers as well as sanitary and phytosanitary measures have negative impact on bilateral trade. slow implementation process of trade facilitation multiplied by regulatory requirements, lack of recognition of individual country's standards, preliminary registration, labelling and packaging, lengthy customs procedures, multiple and delayed testing, sampling and inspections, lack of standardization and renewal certificates serves as stumbling blocks for enhanced importation.
- Business culture is not supportive. Public and private sector organizations are least responsive. Red tapes and slow responses vitiate the initiatives.

The long pending two MRAs and no progress on JTC and JMC are clear depiction of sluggishness.

- Due to corona virus pandemic, the world is turning towards online and virtual interaction but this concept of adaptation of technology and virtual interaction is quite alien and a big hurdle.
- Availability and sharing of authentic data and information about trade and required standards also serves as a challenge.
- Beside unjustified trade restrictions and hurdles, East Africa Community-Common External Tariff rates are comparatively very high.
- Pakistan has allowed importation of Kenya agriculture products for long but unfortunately exportation of Pakistani horticulture products except rice are subject to tough phyto-sanitary conditions, high standards and Pest Risk Analysis and currently not allowed.
- Perception and image of Pakistan and exporters as a reliable trading partner need strengthening.

9 Conclusion:

The primary focus of the Booklet/Report is to analyse the import market, existing import regulations, bottlenecks and competitors of Pakistan as well as identify potential export products to untapped the potential of the Kenyan market in the time to come. The large portion of Kenya's global trade is consisted of intra Africa trade. However, during the recent years the volume of intra Africa trade is declining, while, the inter – regional trade is increasing, indicating that Kenya is becoming attractive for the outside regions. It is also found out that Kenya's global trade is diverting from traditional European market towards emerging economies.

The volume of Pakistan's export (trade) with Kenya is quite lower than the potential. This indicates that Kenya and EAC is still an untapped market for Pakistani exports. The primary reason of Pakistan's untapped potential exports to Kenya is the lack of focus, non-existent of higher level of political engagement and multiple trade barriers as well as absence of vibrant trading agreements necessary for trade expansion. In contrast, other competitors such as China, India, USA, European Union have widescale and deep presence and has cultivate decades long cordial trade relations through political engagements, aggressive marketing strategies, development interventions, trade understandings and capacity building programs therefore, it is very much necessary to focus on this fertile market through calculated and well throughout strategy with concerted efforts.

Outward oriented and market friendly policies to this region for expansion of export is the need of the time which may lead to increase in bilateral trade and win – win gains. Kenya and EAC region are one of the major destinations of certain Pakistani exports, such as cereals (rice) however, share of other Pakistan's top export products – cotton, apparels, sugars, pharmaceutical products, light engineering, surgical instruments, sports goods and plastic and articles of plastics have negligible share or non-existent. The existing bilateral trade in services between Pakistan and EAC region is also not impressive. Therefore, keeping in view Kenya/EAC global services demand structure and size, Pakistan's can avail the benefit of expanding trade with Africa by increasing services exports also.

10 Market Information and Intelligence:

- The government has exempted locally assembled passenger cars from VAT and excise taxes in this year budget, a move that could see prices of the automobiles fall by hundreds of thousands of shillings. This will see the cars exempt from the entire major taxes that are applicable on fully-built units imported from overseas markets like Japan, the UK, and South Africa. Cars manufactured abroad are charged an import duty of 25 percent, excise duty of 20 percent, and VAT of 16 percent, payable cumulatively and in that order.

- Kenya’s decision to restrict milk imports from Uganda has locked the two countries in a trade dispute since December 2019. This dispute does not augur well with the recently established African Continental Free Trade Area. Kenya wants to find out if Uganda has been adhering to the East African Community rules of origin on milk exports before resuming normal trade.
- KEBS has introduced new regulations stating that it shall register products based on test reports from laboratories accredited to ISO/IEC 17025, product certification by the National Standards Body and/or under the IECEE scheme. This means that importers are to submit, a business registration certificate, Kenya Revenue Authority pin Certificate, test certificates for the IECEE scheme for electrical and electronic products, test report(s) issued against applicable Kenya or equivalent international standard by a recognized laboratory and other applicable regulations. Further, the importers must have a valid manufacturer’s QMS certificates and/or valid manufacturer’s food safety management system certificate (FSSC/FSMS) for food products and/or valid product certification issued by the national standardization body of the respective country of the manufacturer and coloured photographs to cover all product information in demonstrating compliance with the labelling requirements. In addition to that, the applicants where applicable should also have product samples, material safety data sheets for products, operation/ instruction manual for appliances and machines, distributorship/dealership agreements if the applicant is not the brand owner, manufacturer’s warranty and a product type approval. Finally, and yet importantly the applicants should have regulatory permits, declaration of conformity, product recall procedure, and proof of payment of the application fee.
- The introduction of a single currency for the East Africa region has been met by headwinds and the 2024 target may not be met. The region’s monetary union seeks to unite the fiscal and trade policies of Kenya, Tanzania, Uganda, Rwanda, Burundi and South Sudan allowing citizens to trade and interact freely.
- The technology sector is one of the fastest-growing business sectors in Kenya, and internet access rates are some of the highest in sub-Saharan Africa. The rise of 4G and 4G LTE services and the growth in smartphone usage is influencing growth in e-commerce and other e-based services and innovation.
- The East African Community is considering a policy tweak to raise the production of leather. East Africa’s leather sector sits on a rich raw material base, playing host to three percent of the world's total bovine herd, five percent of the goats, and two percent of the sheep. The Leather Apex Consortium of East Africa has identified several obstacles, key of which is

the absence of defined production standards among others that have been earmarked to be streamlined.

- Still, Agriculture remains the backbone of Kenya's economy and is central to Kenya's development strategy. It accounts for more than 35% of GDP and is the largest employer with more than 70% of Kenyans earning at least part of their income in the sector.
- There are upcoming exhibitions on 23rd of March 2022 dedicated to Food, Drink, and Hospitality, and another one for Commercial, Homeland, and Cyber Security, Fire Protection, and Safety.
- 1.5% tax on leather shoes and 1% tax on sports shoes was revoked by the Government.
- The tariff and NTB disputes between Kenya, Tanzania, and Uganda persist.
- Business activities after the corona pandemic are resuming slowly.

11 Potential and Background of Rice in Kenyan Market:

- Rice is produced both in upland terrains under irrigation areas in Kenya and East African countries and its production has been focused since 1961 through various initiatives. From 2008 and 2021, the total rice production has been increased by 7-fold from 21,800 tons to 150,000 tons. The overall increase in production is largely attributed to the increase of total area under rice cultivation and introduction of new technologies through various development programmes. According to the National Rice Development Strategy-II- 2019-2030: the annual consumption of the third most staple food/rice in Kenya is increasing at a rate of 12 % annually.
- National rice consumption in Kenya is 600,000 metric tons annually while domestic production is 150,000 metric tons. The remaining 75% of the rice was imported from the Asian markets till July 2020. Out of this, 71% from Pakistan, 10% from India, 9% from Vietnam, 4% from Thailand, 4% from Egypt and 2% from Tanzania on average.
- Rice is the 3rd most staple food in Kenya after maize and wheat and their national consumption is increasing at the annual rate of 12%, 1% and 4% respectively.
- Kenya import 2/3rd of rice from the world (Produces (150,000 tonnes)/0.15 ml tonnes and imports (600,000 tonnes)/0.6 ml tonnes). Kisumu, Homa Bay and Bussia counties produces 40% rice of Kenya
- It is worth noting that custom duty on rice in Kenya is lower than the other EAC countries i.e., Kenya- 35% or US$ 200/M tons (whichever is higher), Uganda and Tanzania-75% and Rwanda-45% of the CIF value. Moreover, imported rice is also exempted from 16% value Added tax in Kenya also.
- Kenyan 13% GDP-Tourism- badly affected due to pandemic-closure of hotels, schools and colleges

- Kenya trade has also suffered during 2020 as its total export was US$ 5.9 bn-8% decrease while import was US$ 15.2 bn-9% decrease, Trade imbalance-was US$ 9.3 bn.
- With a growing population at 2.7 % and as per National Rice Development Strategy-II, 2019-2030, increase in per capita rice consumption of over 12% annually due to change in eating habit and urbanization, its national consumption is expected upto 1.3 million tonnes by 2030.
- The largest rice irrigation scheme in the country is the Mwea Rice Scheme which was started in 1956 when a seed variety from India called the Basmati was planted in the scheme and hence the birth of what is famously known as the Kenyan Pishori rice. Currently, Mwea I scheme accounts for 80 percent of Kenya's rice production.
- Mwea Scheme has a gazetted area of 60,000 acres have been developed for paddy rice production. The other rice schemes across the country are the West Kano and Ahero (in Nyanza) and Bunyala
- The farmers have no channels of marketing their product adequately and were exploited and hoodwinked by brokers and Kenya National Trading Corporation (KNTC) by purchasing Ksh 85/Kg.
- The rice sector has always been overseen by the National Irrigation Board (NIB) which falls under the Ministry of Water. This is because of the provision of water under irrigation.
- Freight Charges:
- 20 ft Container freight from Karachi to Mombasa……average $1900
- 20 ft Container freight from Mombasa to Karachi……average $900
- (From Pakistan the freight is high because mostly containers are of rice. Every 20/ft container has around 26 tons of rice which are heavy in weight. While 20/ft tea container has around 15 tons weight=220 bags each of 68 Kg)

11.1 Pakistan-Kenya Bilateral Trade in Rice (US$ Millions)

Year Wise	**FY 2019-20**	**FY 2020-21**	**Increase/ Decrease**
Pakistan's Exports	289	240	-17
Pakistan's Imports	442	501	+13
Product Wise			
Rice	160	121	-24%

11.1.1 Reasons for Decline of Rice Export from Pakistan to Kenya:

Export, especially rice was drastically declined as compared to the corresponding months of the previous years to Kenya and East African countries after July, 2020. Major causes/reasons contributed to this decline (still continues) are as follow.

1. Rice import from Pakistan has a lion share in the import market of EAC and Kenya. Pakistan's share in Kenyan rice markets counts for 82% on year-on-year average. This year, Tanzania had a bumper crop due to timely rains

and introduction of agriculture technologies. The aromatic and short grain Tanzanian rice found its way to Kenyan and EAC region with no import duty and porous borders which hampered importers from buying Pakistani and imported rice. Moreover, due to various initiatives and interventions of the Governments of Kenya and Uganda, rice crop is gaining momentum and dependence on imported rice is decreasing.

2. The Covid-19 Corona pandemic took its toll in the East African countries from mid-June, 2020 onward and still persists on upward trajectory. To avoid fast spread of the pandemic, precautionary and restrictive measures including intra cities movement and intra countries border closures, delayed port operations, prolonged curfew hours and lockdown were further re-enforced and tightened, resultantly affected businesses operations and cargo movement in the whole market.
3. Due to closure of the intra EAC borders, movement of cargo from Mombasa Port to landlocked countries has become very restrictive, costly and time consuming which affected cargos from point of aggregation/port to destination points and hence delivery of goods was affected and import orders decreased.
4. Keeping in view, the fast prevalence of corona pandemic, importers had made increased orders of imports and had stocked rice/products from Pakistan and the world market while due to restricted movement, these could not be delivered to end consumers/markets therefore, further import orders were not made in July/August, 2020.
5. The Kenya Bureau of Standards (KEBS), Government of the Republic Kenya imposed ban on importation of used/worn clothes, articles and shoes to avoid prevalence of Covid-19 pandemic. The ban was recently lifted but with stringent measures making the importation difficult and thin.
6. GDP growth of Kenya was 5.4% in 2019 while in 2020 and 21 was 1.5 % as per the World Bank. This has strong effects on market forces and consumers' demands. Among multiple negative effects, 1.7 million workers were laid off in 2021 resulting in decreased market activities.
7. Disruption in the global supply chain has badly affected trade, and EAC/Kenya-Pakistan trade is not an exception to this.
8. Some of the exports to Kenya is re-exported to Uganda and other landlocked countries while Kenya has sealed all border points to the maximum extent therefore, no exports destined to other landlocked countries found its way through the borders.
9. Uncertainty was witnessed in supply and demand forces of the world market. Supply was affected due to closure of factories, production and restriction on movement of labour as well as air and sea cargos. Consumer demand got restricted only to food, pharma and other necessary items and non-consumer goods remained out of the market. Business travel remained

suspended to further explore the market and ensure the existing orders and cargos in transit.

11.1.2 Intra EAC Production:

Production of rice in Tanzania during 2020 was 2.1 million tonnes while its consumption was 0.9 million tonnes and 1.2 million tonnes was available for export and most of its surplus rice found its way to Kenyan market. The price per metric tonnes at Tanzania is US$ 400 and transportation cost to Kenya is US$ 100 (1200 Km Road) so the selling price of Tanzanian rice in Kenyan market ranges from US$ 520-550/MT.

Governments of Kenya, Uganda and Tanzania has incentivized this sector with soft loans, high yielding seeds, encouraging and facilitating of farmers, leasing and levelling of land, reduction of duties on rice related agricultural machinery with Chinese financial assistance.

The price of Pakistani rice at Karachi is US$ 440, cost per container from Karachi to Mombasa is $1200-1500, duty is US $250/MT. So, the total cost is $750 at Mombasa/CIF while the CIF cost of Indian rice is around US$ 550-600.

11.1.3 Rice Export Comparison-CY-2020

	2019	**2020**
Quantity of Rice imported by Kenya	608601 MT	605147 MT
Value of Rice	250 Ml $	244Ml$
Quantity of Rice imported from Pakistan	490630	220685 MT
Value of rice from Pakistan	205Ml $	160ml $
% of total import	82%	65%
Decrease	-22%	

11.1.4 Problems of the Rice Sector in Kenya:

- Lack of good seeds and hybrid seeds,
- Availability of water in the season
- Lack of skilled labour
- Lack of high yielding varieties
- Absence of modern machinery and mechanized techniques
- High cost of importing technologies
- Disconnect between market and farmers
- Lack of good agricultural practices
- Low investment in the sector

12 Registration of GI Products in Kenya

Kenya Industrial Property Institute (KIPI) is responsible for registration of GI products. Currently there is no enacted law/act in vogue for registration of GI products and the draft law for GI registration is in the Parliament of Kenya however, such products are currently registered under Trade Mark in Kenya. A coordination has been established with REAP for registration of Basmati Rice and individual brands under Trade Mark Law of Kenya. It has been confirmed by the

Legal Wing of the KIPI that Indian Basmati Rice has not been registered in Kenya till this time. The proposed procedure for registration is as follow:

1. Filling of TM Form-27
2. Application Fee -US$ 810.00
3. Examination/Evaluation of Form-27
4. Successful cases to be resubmitted with more detail on TM Form-II
5. Advertisement and publicity of the GI name for 60 days
6. Reception of complaints/objection, if any
7. Final approval of the GI name
8. Issuance of Certificate

13 Tea Landscape of Kenya:

Tea is the 373rd most traded product in the world. Kenya being the 8th biggest economy in Africa, is the largest tea producer and a leading exporter of black tea to around 50 destinations in the world. Out of 47 counties of Kenya, tea is produced in more than 20 counties and involve around 0.6 million small holding farmers organized into cooperatives and earn their livelihood through tea production. More than 95% of Kenyan tea is exported mostly in semi processed form due to low consumption of the bewarage in the country and serves as significant instrument of foreign exchange earnings for the country.

Tea contributes more than 23% to foreign exchange and accounts for more than 12 % of global tea production. As there were many mal practices in tea sector and as per reports of the national dailies, KTDA and EATTA were exploiting small farmers for many years therefore, President Uhuru Kenyatta issued executive order/directive for reforming tea trade on 14th January, 2020. Resultantly, Ministry of Agriculture, Livestock, Fisheries and Cooperatives, Kenya issued partial reforms through executive order with effect from 11th January, 2021.

13.1.1 Sri Lanka VS Kenya Tea

Sri Lanka and Kenya produces tea round the year. Sri Lanka produces 300 thousand tonnes of tea annually while Kenya produces 550 thousand tonnes. Kenya earn less amount while Sri Lanka produces less tea but earn more amount because its produces good quality of tea/orthodox tea. Its price per kg is US$ 3(+) while Kenya price per Kg is US$2(+). Most of its tea is CTC-Cut, Twist and Curl. Sri Lanka population of 65 ml and area is small. Most of the tea firms are on 99 years lease from colonial time.so no new crop and the existing crops have been saturated. Lot of investment is required and mostly lease is going to end so farmers don’t invest because of short time.

13.1.2 Export Destinations:

Pakistan, UK, Egypt and the Middle Eastern countries are procuring nearly all of the Kenya teas in Mombasa owing to higher prices in India and around the world. It is true that the price element could be a factor that is attracting many buyers to Kenyan tea, but that is not the only reason because Kenyan tea taste is super. The tea prices locally have been going up in the last four years, which is an indication of high demand.

13.1.3 Topmost Importers of Tea from the World in 2019-2020:

Pakistan	570 US$ ml
Russia	550 US$ ml
Egypt	520 US$ ml
US	500 US$ ml
UK	400 US$ ml
Iran	300 US$ ml

13.2 Kenya's Domestic Market Perspective:

Kenya have been occasioned by high volumes of the commodity but for quite some years the pattern has been changed. Orthodox tea, which comprises green, purple and black teas are premium varieties that fetch more money when compared with the traditional black CTC type. A kilogram of orthodox tea on average costs US$ 4 against US$ 2.5 for the black tea. In the past three years significant growth in the production of orthodox tea and prices have been increased when compared with the black CTC. Orthodox teas are mainly sold to overseas markets, but are also gaining popularity with Kenyans because of health benefits - being rich in antioxidants. Kenya has installed orthodox processing lines in 10 factories with nine of them currently processing these types of tea.

Kenyan-made orthodox teas are mainly sold in Germany, Russia and the United Arab Emirates. Rwanda's tea is selling at a premium at the Mombasa Tea Auction, overshadowing price offers on Kenyan produce as international buyers focus on quality. Rwanda has often led when it comes to the best tea, fetching a premium price compared with others from the region. The quality of Rwandan tea has always been high and this is the sole reason the beverage always attracts a premium price.

The Export Auction System was initiated in November 1956 in Nairobi on a very small scale. Gradually, more international buyers were attracted, spreading interest to markets so in 1969 it was decided by both Producer and Buyer members of the Association that, as tea was mainly warehoused, handled and shipped from Mombasa, the Auctions be moved from Nairobi to the Port of Mombasa.

The Auctions are held weekly, on Mondays and Tuesdays. The variety of quality has progressively increased and Mombasa the second largest black tea auction centre in the world after Colombo. Unlike India and Sri-Lanka, where tea is seasonal, production in this region is all year round. Mombasa has gained a reputation as a centre for some of the best and top grades in the world and an international blending floor with teas coming from within and outside Africa for blending. Every major tea producing and consuming country focuses on the weekly activities in this centre to gage the market trends and create benchmarks for their international prices of tea.

13.3 Pak-Kenya Bilateral Trade:

Tea and rice are major items of bilateral trade between Pakistan and Kenya. During 2019-20 Pakistan imported black tea worth of US$ 260 million while exported rice of US$ 205 million. Currently trade is dominated by tea and the balance of trade always used to be in favour of Kenya. Unfortunately, Kenya is not allowing import of any agro food product from Pakistan.

13.4 Export Destinations:

Pakistan, UK, Egypt and the Middle Eastern countries are procuring nearly all of the Kenya teas in Mombasa owing to higher prices in India and around the world and this year UK has exponentially increased volume of the purchase tea at around 66%. It is true that the price element could be a factor that is attracting many buyers to Kenyan tea, but that is not the only reason because Kenyan tea taste. The tea prices locally have been going up in the last four years, which is an indication of high demand. Major destinations of the Kenyan tea during 2019 were as under.

Importing Countries	Quantity (Million Kg)
Pakistan	176,387,270.00
Egypt	98,683,521.00
Uk	46,135,925.00
UAE	24,568,284.00
Sudan	22,059,022.00
Russia	17,912,901.00
Yemen	15,872,856.00
Afghanistan	11,398,177.00
Kazakstan	9,419,118.00
Saudi Arabia	6,584,424.00
Iran	6,330,394.00

13.5 Top Most Exporters in 2019-2020:

Kenya .... 1.4 US$ bn
Sri Lanka .... 1.3 US$ bn
China .... 1.3 US$ bn
India .... 786 US$ mil
Germany .... 221 US$ ml

13.6 Topmost Importers of Tea in 2019-2020:

Pakistan .... 605 US$ ml
Russia .... 550 US$ ml
Egypt .... 520 US$ ml

US .... 500 US$ ml
UK .... 400 US$ ml
Iran .... 300 US$ ml

13.7 Operational Aspect:

The tea trade is supervised and operated by Kenya Tea Development Agency which manages 69 factories and East African Tea Trade Association supported by Kenya Tea Growers Association and Kenya Plantation and Agricultural Workers Association in Kenya.

13.8 Domestic Market Perspective:

Kenyan Tea low prices of tea in Kenya have been occasioned by high volumes of the commodity but for quite some years the pattern has been changed. Orthodox tea, which comprises green, purple and black teas are premium varieties that fetch more money when compared with the traditional black CTC type. A kilogramme of orthodox tea on average costs US$ 4 against US$ 2.5 for the black tea. In the past three years significant growth in the production of orthodox tea and prices for the orthodox have been good when compared with the black CTC. Orthodox teas are mainly sold to overseas markets, but are also gaining popularity with Kenyans because of health benefits - being rich in antioxidants. Kenya has installed orthodox processing lines in 10 factories with nine of them currently processing these types of tea.

The roll out is continuing and more factories will be investing in more orthodox processing lines. Now the country is diversifying to other types of teas as it seeks to cut over-reliance on the black CTC that has over the years been its main source of income. "The growth in capacity by these expanded and new facilities will further accelerate a diversification programme by the Ministry of Agriculture aimed at opening new markets and diversifying earnings from the current black CTC tea whose prices have taken a dip at the Mombasa Tea Auction during this year. Orthodox teas are whole leaf teas processed using a delicate method of gradually rolling green leaf into sizes of different twists and styles. This is unlike black CTC tea where the leaf is cut into fine granules by a set of rollers.

Other specialty teas on focus include green, purple and white teas. Kenyan-made orthodox teas are mainly sold in Germany, Russia and the United Arab Emirates. Rwanda's tea is selling at a premium at the Mombasa Tea Auction, overshadowing price offers on Kenyan produce as international buyers focus on quality. Rwanda has often led when it comes to the best tea, fetching a premium price compared with others from the region. The quality of Rwandan tea has always been high and this is the sole reason the beverage always attracts a premium price. All the regional teas are marketed at the Mombasa auction by the East African Tea Traders Association before they are shipped out of the country. Kenya, which is the leading tea exporter in the world, leads the auction in terms of volumes with more than three quarter of the produce traded coming in from the country. Prices have remained low at the auction in recent months in what has been attributed to high volumes of the commodity.

13.9 Tea Auction at Mombasa:

The Export Auction System was initiated in November 1956 in Nairobi on a very small scale under the auspices of the East African Tea Trade Association (EATTA). Gradually, more international buyers were attracted, spreading interest to markets so 1969 it was decided by both Producer and Buyer members of the Association that, as tea was mainly warehoused, handled and shipped from Mombasa, the Auctions be moved from Nairobi to the Port of Mombasa.

The Auctions are held weekly, on Mondays and Tuesdays. There is presently, a main grades auction held on Tuesdays and secondary grades auction held on Mondays from 9.00 am.The variety of quality and progressively increased quantities offered have made Mombasa the second largest black tea auction centre in the world after Colombo in Sri-Lanka. Unlike India and Sri-Lanka where tea is seasonal, production in this region is all year round. Mombasa has gained a reputation as a centre for some of the best CTC top grades in the world and an international blending floor with teas coming from within and outside Africa for blending. Every major tea producing and consuming country focuses on the weekly activities in this center to gage the market trends and create benchmarks for their international prices of tea.

Presently there are offerings from Kenya, Uganda, Tanzania, Rwanda, Burundi, Democratic Republic of Congo, Malawi, Madagascar, Mozambique and Ethiopia. The auctions attract principal overseas interest from the major tea consuming countries in the world with the United Kingdom, Pakistan, Egypt, Afghanistan, Sudan, Iran, Yemen, United Arab Emirates, Ireland, Somalia, Canada and Singapore as the major players. The Buyer representation spreads over more than fifty countries internationally. The Buyer members, by way of obtaining supply contracts, effectively promote and market African tea abroad. With the closure of the London Auction in 1998 the volumes offered at the Mombasa Auctions have considerably grown with an expectant market expansion. Tea Exporters are required to register all Sale Contracts with the Tea Directorate within thirty days of being finalized in a Contract Registration Form together with the relevant export documents.

14 Business Visa Regime for Kenyan Visitors:

The Ministry of Interior, Government of Pakistan has issued revised visa policy regime vide letter No. 1/8/2013-Visa dated 18th October, 2019 circulated by the Ministry of Foreign Affairs vide letter No. DCP (A&F)-1/1/2019 dated 4 December, 2019 to all Pakistan’s Missions abroad.

The Government of Pakistan has included the Republic of Kenya in the 'Business Visa List' of 95 countries and has allowed the Mission to grant up to five years Multiple Entry Business Visa through online visa portal at https://visa.nadra.gov.pk/business-visa/.

Any of the following documents are required for Business Visa processing/issuance:

- Recommendation Letter from the Chamber of Commerce and Industry of the host country
- Invitation Letter from business organization duly recommended by the concerned trade organization
- Recommendation Letter by the Honorary Investment Counsellor of BoI or Commercial Attaché

Business Invitation Letter can also be obtained from the concerned Chambers of Commerce and Industries /Trade Bodies through "E-Business Invitation Letter System" at https://ebil.nadra.gov.pk/ of the Directorate General of Trade Organizations (DGTO) of the Ministry of Commerce, Pakistan.

Business Visa can also be obtained on arrival at Pakistan for 30 days on production of any of the above-mentioned documents.

15 Details of initiatives/achievements

The following major achievements and initiatives related to trade and investment promotion, trade diplomacy, Roshan Digital Account, field and market intelligence and business networking were made for advancement of economic diplomacy and export promotion in 2021:

Sr. #	Initiative	Brief details of initiative
1.	Conduction of the first ever inaugural virtual meeting of the Joint Trade Committee (JTC) on 7th April, 2021 under the BTA, 1983 between the Republic of Kenya and the Islamic Republic of Pakistan.	The following major decisions were made. Revision of the outdated Bilateral Trade Agreement (BTA) of 1983 Conduction of Mutual Recognition Agreement on pharmaceutical and health products MoU for closer cooperation and enhancement of trade and investment between trade promotion organizations of both the countries i.e. TDAP and KEPROBA Kenya agreed for supporting trade understanding i.e. PTA/FTA between Pakistan and EAC. Kenya agreed for supporting Pakistan at EAC HQ on downward revision of duty on rice Finalization of MRAs on scientific standards and phytosanitary measures JTC also agreed for cooperation in agricultural, engineering, services, leather, textile, EPZs, ICT, cooperatives, irrigation, industrial development, tourism, immigration, air transport, vocational and technical trainings for diversification of bilateral trade

2.	Finalization of two Mutual Recognition Agreements/MoUs regarding scientific standards and importation of citrus and mangoes from Pakistan	Two MRAs/MoUs were initiated in 2007 and 2016 for recognition of scientific standards and conformity assessment of manufactured products and importation of citrus and mangoes from Pakistan to Kenya respectively. The long awaited MRAs were finalized through six relevant Kenyan Departments in 2020. MRAs will be signed after approval from Cabinet. These two MRAs are major breakthrough since inception of bilateral trade and resulted in market access for mango and citrus
3.	Successful GMP inspection of four new pharma factories	Inspectors of the Pharmacy and Poison Board (PPB), Kenya, successfully conducted Goods Manufacturing Practices (GMP) inspection from 7-21 February, 2021 of M/s Vision Pharma, Islamabad, M/s Ferozsons, Noweshara, M/s Bioscience Ltd, Lahore and M/s Maxitech Pharma, Karachi. This inspection enabled these factories to export its product to Kenya after product registration
4.	Visit of Kenyan Pharma Delegation	A delegation of four importers of pharmaceutical and health products, M/s Alfajiri Pharmaceuticals Ltd, Kenya visited M/s Vision and Global Pharmaceutical Companies (Pvt) Ltd, Islamabad from 2-14 February, 2021. The delegation finalized regular import of pharma products and initiated importation of Rimdisvir Corona-19 Vial for the first time from Pakistan also
5.	Visit of the LPG Cylinders Delegation	A delegation of M/s City Gas, East Africa Ltd visited M/s Burhan Gas Company Ltd, Gujranwala for importation of LPG Cylinders from 6-9 March, 2021. The delegation finalized importation of LPG cylinder from Pakistan to Kenya on regular basis and till date 6360 LPG cylinders were imported
6.	Visit of the Agro product delegation	A two-member delegation visited Karachi from 26-28 February, 2021 for discussion on export and import of agro products. The visit was very successful and import of agro products will be initiated by the Kenyan Company after signing of MoUs
7.	Establishment of collaboration between Chambers	Virtual inaugural meeting between Kenya National Chamber of Commerce and industry (KNCCI) and six Pakistani Chambers of Islamabad, Sialkot, Rawalpindi, Gujrat, Lahore, Peshawar on 14th October, 2021 was conducted and thereby established coordination among the Chambers on both sides for further collaboration in future
8.	Resolution of trade disputes	Five trade disputes involving US$ 5.4 million between imports and exporters of Kenya and Pakistan were resolved in 2021
9.	Export of ICT Services	M/s Azeemi Technologies (Pvt) Ltd, an ICT Company from Pakistan was established in Nairobi. The Firm has procured seven significant contracts from major Kenyan clients till date
10.	Participation of 34 Kenyan Companies in virtual TEXPO-2021	Ensured registration and participation in of 34 Kenyan Companies in Virtual TEXPO from 1-5 February, 2021
11.	Presentations to major trading communities about potential sectors of Pakistan	Meeting with around 40 traders and importers on 10.02.2021. Effective relations were cultivated with various businessmen, members of KNCCI and government functionaries. Meeting with 140 members of Kenya Chamber of Commerce and Industry on 02.02.2021. Productive discussion was held and around 20 members agreed for visit to Pakistan for more fruitful discussion and factories visit after peak of corona.

		Briefing and meeting with 27 members Kenyan Alumni from Pakistan on 11.04.201. They were briefed about Pakistani export sectors. Link was established. Meeting with 36 traders of Bohra community on 04.10.2020. They were briefed about potential sectors of Pakistan. A meeting to educate diaspora about Roshan Digital account was conducted on 28.01.2021.the briefing was participated by 84 individuals.
12.	Arrangements of B2B meetings	Since January, 2021 around 47 B2B meetings has been arranged between Kenya importers and Pakistani manufacturers. 31 B2B meetings has resulted in successful completion of transactions also and others are underway
13.	Webinars	Pakistani manufacturers and exporters of sports goods, readymade garments, cutlery and cookware, electrical machinery, fans and home appliances, rice, auto parts, agricultural appliances and tractors has been briefed about the import regime and regulatory requirements of Kenyan markets successfully
14.	RDA Webinars	Two successful webinars have been conducted participated by MCB, Bank Al-Habib, SBP and around 172 Pakistani diaspora in Kenya, Uganda and Rwanda. Participants were briefed accordingly.

16 Results of Actions:

Following actions has been taken for market diversification and enhancement of exports since January, 2021.

Actions Taken	Results
Results of the conduction of 1st ever Pakistan Africa Trade Development Conference (PATDC) at Nairobi	Main aim was to improve our presence, make good projection of potential export sectors, introduce our exporter to African market and thereby explore potential opportunities. Sufficient projection was made that helped in developing soft image, branding of the country and increased interaction between exporters and importers. Organized entry into less explored and less prioritized market was initiated. A hype was created through the Conference and now the businessmen has started looking towards Pakistan which were erstwhile obsessed with India, China and EU. Number of trade enquiries has significantly been increased. Diversification of product is underway. PATDC has also provided impetus for interaction with Government functionaries thereby helped in realization of the importance of Pakistan as an importance trade partner beside facilitation in removal of NTBs.
Conduction of inaugural meeting of the Joint Trade Committee (JTC) under the Bilateral Trade Agreement (BTA), 1983 between Kenya and Pakistan on 7th April, 2021	Both the sides agreed on enhancement and diversification of bilateral trade and resulted in: Revision of outdated BTA of 1983 Conduction of regular JTC for enhanced interaction Deadlines were fixed for removal of NTBs/TBs through conclusion of MoUs/MRAs in the field of scientific standards, SPS measures, pharmaceutical, air service and cooperation in other relevant areas

Finalization of the three MoUs/MRAs on exportation of fresh fruits (mango and citrus/Kinnow) and recognition of industrial standards between Kenya and Pakistan	The three pending MoUs since 2007 and 2016 were processed and finalized during 2020-21 and would be signed after approval of the Parliament. Such MoUs will remove NTBs/TBs to Pakistani export products and will enhance exports to Kenya
Conduction of Goods Manufacturing Practices (GMP) inspection of five pharmaceuticals factories in Pakistan by Pharmacy and Poison Board (PPB), Kenya in February, 2021	Successful GMP inspection of pharma factories added five more firms into the list of eligible factories for export from Pakistan to Kenya. 20 pharma products were also registered and export is underway
Initiated request/ process for inclusion of Pakistan in Trade Review List of East African Community (EAC), HQ, Arusha for trade understanding/EHP/PTA /FTA for increased trade with EAC members	As per requirement of the EAC HQ for initiation and conclusion of trade understanding with third country; a request was made for trade understanding between Pakistan and EAC
Visit of three Kenyan delegations to Pakistan for physical verification of the factories/ products and finalization of trade deals	The visit of the three major trading houses/ delegations has resulted in importation of nontraditional products i.e. LPG Cylinders, pharmaceuticals and beauty products/ cosmetics
Conduction of 8 webinars, 5 major information/marketing sessions and 62 B2B meetings, resolved 5 trade disputes, Created a database of 1672 traders/importers	8 webinars were conducted to brief and guide Pakistani exporters about market potential, requirements and NTBs. 5 information sessions for Kenyan importers, trade associations and chambers were organized as marketing strategy for sharing of information about potential products of Pakistan. 62 B2B meetings were successfully conducted and 19 also resulted in initiation of trade transactions. 5 trade disputes were resolved and thereby trust on Pakistan was improved A database of 1672 traders has initially been established subject to verification and updating of record of the traders/importers
Diversification of export products	As export of non-basmati rice from Pakistan to Kenya has been adversely affected by quantum production of rice in Tanzania, lower prices of Indian rice, corona virus pandemic restrictions and closure of tourism industry during 2020-21 therefore, product diversification strategy was opted and significant achievement has been made as depicted in below table

17 Delegations to and from Kenya:

The following seven delegations visited Pakistan and three Kenya during 2021 in different sector predominantly in pharmaceutical sector. The GMP inspection by Pharmacy and Poison Board Kenya enabled 12 more pharma factories to export to Kenya.

SNo	Business Delegation	Visit Date	Major Outcome of the Visit
Delegations to Pakistan			
1.	A Delegation of four importers including Dr. Maurice Khisa Lyambila, Dr. John Ngaruro Mugo, Dr. Frasia Wangari Karua and Ms. Sharon Nyakio Nyaga of M/s Alfajiri Pharmaceuticals Ltd, Kenya visited Islamabad, Pakistan	2-14 February, 2021	Productive physical visit was conducted and import of pharma products was finalized on regular basis from Pakistan to Kenya.

	for discussion, physical visit of the Vision and Global Pharmacies factories for comprehensive deal for importation of pharma and surgical products from Pakistan.		
2.	Dr. Ronald Inyangala (Head of Evaluation and Registration) and Mr. Edna Chenangata Menach (GMP Inspector) of Pharmacy and Poison Board, Kenya (PPB).	7-21 February, 2021	The inspectors of PPB successfully conducted GMP inspection of M/s Vision Pharma, Islamabad, M/s Ferozsons, Noweshara, M/s Bioscience Ltd, Lahore and M/s Maxitech Pharma, Karachi. This inspection enabled these factories to export its product to Kenya after product registration.
3.	Two delegates Mr. John Bett and Ms. Grace Nduta Mogambi visited Karachi.	26-28 February, 2021	Discussion on export and import of agro products was held with Pakistani exporters. The visit was very successful and trade of agro products have been initiated by the Kenyan Companies between Kenya and Pakistan.
4.	A delegation led by Mr. Hassan, M/s City Gas visited M/s Burhan Gas Ltd, Gujranwala for importation of LPG Cylinders.	6-9 March, 2021	The delegation finalized importation of LPG cylinder from Pakistan to Kenya and till date 4360 LPG cylinders were imported and another two consignments are en-route from Karachi to Mombasa on 25th June, 2021
5.	A delegation led by Mr. Muhd Khaleed Rafiq visited Karachi for importation of used clothes from Pakistan	21-24 March, 2021	The visit was successful and importation will be started soon after resumption of business activities.
6.	Mr. Ali Abdo Saif, (Head of Delegate inspectors), Mr. Ameen AbdulKarem (Member), Mr. Hashem Mohammed (Member), Ministry of Health Yemen and Mr. Mahmoud Ahmed (Buyer/Distributor) General Manager, M/s Alomana pharma, Sanaa, Yemen GMP Inspection of various companies in Islamabad, Lahore and Karachi beside import deals were held	2-30 October, 2021	Global, Vision, Shaigaan, Amson, Alza, Olive, Pharmaceutical Companies in Islamabad and James Laboratories and Phramasol Pharmaceutical Companies in Lahore and Sami Pharmaceutical Company, Karachi were visited

7.	Coordinated a Delegation from Tanzania Horticultural Association (TAHA) Dr. Jacqueline Mkindi, CEO, TAHA Companies, Mr. Anthony Chamanga, CDM, Mr. Amani Temu, GM-TahaFresh Handling Ltd, Mr. Kelvin Remen, BEM and Mr. Gilliard Mollel, Production Leader	9-14 November, 2021- Karachi and Lahore	Visiting agriculture technology companies especially related to farming, harvesting, processing, irrigation and packaging technologies Visiting and interaction with agricultural technologies companies specializing in cooling facilities Visiting of horticulture farms and firms
Delegations to Kenya			
1.	Mr. Muhammad Khalid Mughal, Global and Vision Pharmaceutical Ltd, Islamabad visited Nairobi	11-18 August, 2021	Held fruitful B2B meetings with M/s Alfajiri, M/s Mac Pharma, M/s Sadik Pharma, M/s Dawahub and Veternary
2.	Mr. Owais Mir, CEo, Dynamic Engineering and Automation, Gastech International, 0301-8207528, owais.mir@dea.com.pk	20-27 August, 2021	B2B with energy and power sectors
3.	Mr. Fiaz Malik, Chancellor Overseas	28 Sep- 7 Oct, 2021	Textile, Apparel, Pink Salt and Rice

18 Major Activities During 2021:

The following initiatives/efforts related to trade and investment promotion, trade diplomacy, field and market intelligence and business networking activities were undertaken in 2021.

SNo.	Activities
1.	Pahic Nairobi arranged virtual B2B meeting between Dr. Jane Kiama, BVM, Kenya and Mr Zeeshan Mukhtar, Manager exports, Selmore Pharmaceuticals (Pvt) Ltd and Star Laboratories, Lahore on 21.01.2021. Importation of veterinary medicines, GMP certification and product registration was discussed. Further follow-up for availability of required products and GMP certification is being made.
2.	Meeting with Dr. John Ngaruro and Dr. Maurice Khisa Lyambila, M/s Alfajiri Pharmaceuticals, Kenya on 16.01.2021. Importation of medicines from Pakistan and GMP certification of 4 Pharma factories was discussed.
3.	Meeting with Mr. Mungai Mushiri, M/s Beyond ltd, Kenya on 16.01.2021. Importation of CKD/motorcycles parts from Pakistan was discussed. Further meeting will be held for arranging B2B with Pakistani auto manufacturers
4.	B2B meeting between Mr. Mr. Muhammad Gilgilo and Mr.Nuh Hassan of M/s Biluka Enterprizes Ltd and Mr. Jan Sher, M/s texfab, Karachi on 15.01.2021 Issue of rice importation and payment was discussed.
5.	B2B Meeting with I & K Enterprizes and Ms. Frida, Kenya on 24.01.2021. Cosmetics importation was discussed. KEBS to be consulted for procedure of samples and other formalities.
6.	Meeting with Mr. Agha Aslam, Pakistan Association, Uganda on 21.01.2021. Pak import increase into Uganda was discussed. He will arrange meetings with few buyers from Uganda.
7.	Visit to the Office of Mr. Cyrus Wambari, Regional Manager, Mr Emmanuel Nguzo and Ms. Rose Uzer, KEBS Coastal region Mombasa on

	13.01.2021. Establishing liaison with KEBS-Certification office at the port of Mombasa. Issue of stucked 10 container was discussed. Asked for cooperation with Pakistani exporters and effective coordination.
8.	Visit to the Office of Mr. Thomas Kosiom, Regional Manager, KEPHIS, Mombasa Port on 13.01.2021. Establishing liaison with KEPHIS-Certification office at the port of Mombasa. Issue of 8 stucked rice containers was discussed. Asked for cooperation with Pakistani exporters and effective coordination in future.
9.	Visit to meet with Capt William k. Ruto, GM Operations and harbor Master, Kenya Ports Authority, Mombasa on 13.01.2021. Cultivation of relations and liaison with KPA-Mombasa and briefing about port operations. Discussed various dynamics of port activities and cooperation between Pakistan and Kenya in future.
10.	Meeting with Mr. Abdi Malik Hussain, Chief manager, Port Operations, and Mr. Julius, Deputy Manager, KRA, Mombasa port on 13.01.2021. Developing close liaison with KRA offices at Mombasa port for coordination in future. Discussion over two stuck polymer containers. The issue of two stucked polymer container was resolved by avoiding their auction. Effective communication to be established.
11.	Visit and meeting with Mr. Ananga, Mr. Rogers and Mr. Mikesh, M/s Aditya Birla Group, SOE (Kenya) ltd, Tea Processing Factory, Mombasa on 14.01.2021. Export of quality tea was discussed. Importation from Pakistan was also re-iterated.
12.	Vist to the Office of M/s Fadoon Pulses and Commodities (K) Ltd, Mombasa and meeting with Mr. Fahim Ahmed, Mr. Peter Kimanga and Mr. Faisal, MD, Kerich Gold Beverages, Kenya chapter on 14.01.2021. Detailed visit of the factory and tea related issues were discussed. Importation from Pakistan was also re-iterated. Response was positive and will be followed up in future.
13.	Meeting with Mr. Kelvin kai Ndago, Tea executive, M/s Gokal, Kenya on 14.01.2021. Issues of shipping lines were discussed and importation from Pakistan was explained. Further meeting with the Group will be held in coming weeks.
14.	Meeting with Chairmen of Vihaga and Kakamega Counties of KNCCI on 05.02.2021. Issues of mutual interest and cooperation as well as preparation of delegation to Pakistan was discussed.
15.	Meetings with (around 80) various textile importers, traders and individuals on 04, 07, 11, 15, 19, 22, 25, 27-30 February, 2021. Imitated them for registration and participation in TEXPO-2021. Followe up was made to ensure registration and participation in Virtual TEXPO from 1-5 February, 2021.
16.	Visited Mr. Murtaza Abdullabhai, M/s computerpride at CBD on 26.02.2021. Discussion for partnership with Pakistani ICT firms and sourcing of IT related from Pakistan was held. ICT Firms and relevant HR in Pakistan will be contacted and meetings will be arranged to facilitate their market entry into Kenya.
17.	Meeting with around 40 traders and importers at business networking breakfast arranged by KNCCI on 10.02.2021. Effective liaison was cultivated with various businessmen, members of KNCCI and government functionaries. Will follow individual meetings/ interactions for productive transactions with Pakistan in future.
18.	Meeting with Mr. Sheikh Nazir M/s Atlantic Lubes Towels on 02.02.2021. Discussion about importation of towel was held. The importers will be connected with potential manufacturers.
19.	Meeting with M/s Maisha Mart, Kakamega on 06.02.2021. Importation of rice from Pakistan was discussed and B2B virtual meeting was also organized. The exporters will share quotation of rice with importers for evaluation.
20.	Meeting with Mr. Hassan Rwanda on 08.02.2021. Importation of rice to Rwanda was discussed. B2B with three Pakistani Rice exporters was arranged and discussion in process and will be executed after normalcy of the situation.
21.	Meeting with Mr. Mungai Mushiri, M/s Beyond ltd, Kenya on 26.02.2021. The trade regarding mung beans and kidney beans was discussed. Traders in Pakistan has been contacted and as soon as their reply is received, B2B meeting will be conducted.
22.	Meeting with Ms. Isabella, Livestock farmers on 18.02.2021. Trade query for importation of live animals was discussed. She was informed of complete ban on exportation of live animals from Pakistan.
23.	Meeting with Mr. Amin Darsi, Tanzania of Agha Khan Hospital on 22.02.2021. The veteran pharmacist was asked to support efforts for identification of reliable importers of pharma, surgical

	and medical equipment. A list of 6 importers was provided and they are being contacted for meeting at their convenience.
24.	Meeting with Dr Jane Kiama, Vet Med Surgeon-BVM, M/s Amram Vets Suppliers and Veternary Association of Kenya on 20.02.2021. The upcoming Veternary Association exhibition in April, 2021 at Malindi was discussed. Detail of the Exhibition was shared with veterinary medicines and instruments manufacturers in Pakistan for participation in the expo.
25.	Meeting with Mr. Alisha, Chairman, KNCCI, Baringo County on 24.03.2021. Issues of mutual interest and visit to Pakistan was discussed and Governor, Baringo County was invited for dinner at Pakistan's House, Nairobi and invitation will be extended to lead a delegation from the county to Pakistan after peak of corona.
26.	Meeting with Mr. James Shiganga and Ms. Jibek Baihodjoeva, M/s StratLink, Kenya on 25.02.2021. The Company was visited before attestation of their documents. Issue of company registration and opening of branch office for provision of financial services was discussed. The Company is being facelifted for opening of Branch office in Karachi for attracting investment and startup of business in Pakistan.
27.	A meeting to educate diaspora about Roshan Digital account was participated 28.01.2021. DTB and HBL as well as SBP briefed the participants. They were asked to open RDA accounts and send remittances and make investment in gazette instruments.
28.	Meeting with 6 Pakistani origin businessmen and traders on 15.01.2021. Importation and distribution of motorcycle and tractors was discussed. B2B with Pakistani manufacturers will be arranged at their convenience.
29.	Meeting with Mr. Faisal, M/s Al Noor & Co Ltd on 26.01.2021. Tried best to remove his grievances against import from Pakistan and ensured authenticity of firms and products. The Firm is more interested as a local marketer and distributors. Matchmaking with desiring Companies in Pakistan will be done upon their request.
30.	Virtual meeting between Mr. Rashad, Manager Exports, M/s I&K enterprizes, Lahore Ms. Frida Mwihaki, Cosmetics dealer on 27.01.2021. Samples to be shared. B2B was arranged. Samples are being shared.
31.	Meeting with Mr. Patrick, CPO, Mr. John, Director, Mr. Rodgers, Director and Mr. Mascinde of KNCCI, Nairobi at 09.00 a.m on 29.01.2021. They ensured of early action over pending issues and invited for business summit at Busia on 5th Feb, 2021. Regular interaction will be further enhanced. Business summit will be attended at Busia to find importers and generate business leads in favour of Pakistani exporters.
32.	Meeting with 37 members of Kenya Chamber of Commerce and Industry was arranged by hosting dinner on 02.02.2021. Productive discussion was held and a few members agreed for visit to Pakistan for more fruitful discussion and factories visit. Regular follow-up is being made with individual members and they are being asked for their areas of interest for arranging virtual B2B meetings before final visit to Pakistan.
33.	Participated Business Convention at Busia County organized by KNCCI on 5.02.2021. Some of the traders showed willingness for visit to Pakistan in coming months. They traders are being contacted individually for virtual B2B meetings and being convinced for visit to Pakistan.
34.	Virtual meeting with Mr. Shahid Sheikh, Mombasa. Trade inquiry was addressed and forwarded to Pakistani manufacturers. Reply from Pakistan is still awaited.
35.	Meeting with Mr. Justus Mugaruka, M/s AMG, Private sector federation, Rwanda on 15.02.2021. Importer was connected with two rice exporters. The importers declined importation of rice from Pakistan because the prices were not competitive as compared to Tanzanian rice.
36.	Meeting with Mr. David, M/s Sabora tents on 17.02.2021. Visit to Pakistan was discussed. B2B meeting was arranged with M/s chancellor Overseas and M/s Shamsi, Karachi, Follow-up is being made.
37.	Virtual meeting with Mr.Isabirye kimpi, M/s Afro Minerals Uganda ltd on 23.02.2021. B2B meeting was conducted and Pakistani exporter was arranged. Discussion is successfully underway.
38.	Meeting with Dr. Ronald, Head of Registration and Ms. Edna, GMP Inspector, Pharmacy Board, Kenya on 30.01.2021. They were asked to ensure their GMP inspection visit to Pakistan in February, 2021 and briefed about pharma potential as well as possibility of MRA between PPB and DRAP.
39.	Meeting with Mr. Joseph Maina, Trade development Officer on 26.02.2021 for discussion on the agenda of the forth coming meeting of the JTC. He was asked to expedite meeting of the Pahic

	Nairobi with PS M/o trade and Industrialization, Kenya for discussion and finalization of the Agenda. He assured of early meeting regarding finalization of agenda so that both sides can start required preparation for the meeting. Meeting with PS Trade will be arranged in early March, 2021.
40.	Meeting with Mr. Henry Obino, CEO, Mr. Benjamin Chesang manager planning and Innovation, Export processing zones Authority, Kenya on 03.02.2021. Briefing was delivered about EPZA, Kenya and entry of potential investors was discussed. List of textile and apparel manufactured was shared. Detail of the manufacturers will be shared to hold meetings regarding importation of raw material and intermediate goods.
41.	Meeting with two inspectors of Pharmacy and Poison board was held and they were briefed about their visit to Pakistan on 07.02.2021 for GMP Inspection of 4 factories. Effective coordination was made with MoC/TDAP and pharma factories for facilitation of their visit.
42.	Meeting with Mr. Richard Ngatia, President, Mr. Patrick, COO and Mr Kihaar, Company secretary, KNCCI on 5-6 February, 2021. The President was asked for extension of cooperation with Pakistani chambers and signing of pending MoUs with seven Pak chambers. He assured of cooperation in future for Pakistani businessmen and visiting delegates.
43.	Held several meetings with Mr. Oliver konje, Director, Mr. Joseph Maina, Principal Trade Development Officer and mr. hassan Hussain, STDO, M/o Trade, Kenya on 2nd 15th 19th 25th and 31st March, 2021 for discussion on the agenda and several other issues as preparatory arrangements of the forth coming meeting of the JTC. Most of the things were finalized in advance of the meeting. M/o Trade extended full cooperation, assured finalization of pending MRAs, initiation of new MoUs etc. Also assured of early meeting regarding finalization of agenda so that both sides can start required preparation for the meeting.
44.	Meeting with Mr. Fredrick, Mr. Patrick, Mr. Mascinde and Mr. Richard Ngatia, President, and Mr Kihaar, Company secretary, KNCCI on 16 and 26 March, 2021. KNCCI was asked for early signing of pending 7 MoUs. Visit of a delegation to Pakistan in May, 2021 was discussed. All the preparatory planning is being done for the visit.
45.	Meeting with M/s Trans-Atlantic Business Company on 25.03.2021. Invited for trade/imports from Pakistan other than exportation of tea. The Company will look into possibility and will reply.
46.	Meeting with M/s Mac Pharma, Nairobi on 29.03.2021. Importation of pharma, surgical instruments and veterinary medicines were discussed. B2b with global pharmacy was also arranged. After preliminary discussion and matchmaking, visit of Mr. Waheed Choudhry to Pakistan will be arranged.
47.	Meeting with Ms. Twahili U Asma and Mr. Hassan Somali, CEO and Directors, M/s ATB Commodities and Supplies, Kenya on 29.04.2021. Importation of rice from Pakistan, Participation in delegation to visit Pakistan and participation CBF in June, 2021 Rwanda was discussed. She will work out detail and will inform. She will also provide contacts for Rwanda Business Forum.
48.	Meeting with Mr. S G Mohammed, Director, M/s Shade Systems (EA) Ltd on 26.04.2021. Discussed importation of tents, raw material for tents, kitchen items and verification of manufacturers as well as match making was discussed. Invitation to visit Pakistan was also done. Two out of three tent manufacturers were verified. B2B meeting with Chancellor Overseas was arranged. Manufacturers of kitchen items is being searched for virtual meeting.
49.	Meeting with Mr. Edwins, MD, Mr. Antony, Ms. Phyllis, Kenya Bus service management Ltd on 21.04.2021. Advertisement and branding of Pakistani export products and services sectors on buses was discussed plus tourism in AJK and GB promotion. The Management will provide art work, rates and duration of the branding for discussion and finalization.
50.	Meeting with Mr. Asad and Mr. Muhammad on 15.04.2021. Importation of citrus was discussed. KEPHIS was requested to allow first ever consignment of citrus kinnow from Pakistan even before signing of MRA.
51.	B2B meeting between Mr. Muhammad Gilgilo and Mr.Nuh Hassan of M/s Biluka Enterprizes Ltd on 12.04.2021. Import of pharmaceutical product was discussed. Reply from importer is awaited and as soon as reply is received, B2B matchmaking meeting will be conducted.
52.	Follow-up virtual meeting with Ms. Nazia, M/s Maxitech, Karachi on 15 and 21 .04.2021. Discussion about GMP certification of Maxitech was discussed and they asked for expeditious disposal of case. Their case was taken up with PPB. Pharmacy and Poison Board, Kenya has been requested for early issuance of certificate.
53.	Meeting with Dr Jane Kiama, Vet Med Surgeon-BVM, M/s Amram Vets Suppliers and Veternary Association of Kenya on 29.04.2021. Finalization of MoU was discussed. The Vet exhibition at

	Malindi and Pakistan participation was discussed. Due to new lockdown measures, the organizers are revisiting the exhibition and after that participation will be circulated among potential Pakistani manufacturers.
54.	Meeting with M/s Startlink, Kenya on 19.04.2021. Verification of documents was completed. The firm is being facilitated to establish its office in Pakistan for investment promotion.
55.	First ever virtual meeting of the Joint Trade Committee under the BTA between Kenya and Pakistan was conducted on 7th April, 2021. Most of the agenda was agreed upon including revision of BTA, finalization of MRAs on citrus and mango and initiation of MRA on pharmaceutical products, elimination of attestation of export documents beside sharing of few MoUs and cooperation in other sectors was reiterated by both the sides.
56.	Meeting with Mr. Hassan Hussain, Senior trade Development officer, M/o Trade on 02.04.2021. Preparatory meeting for JTC was held and all the pending issues were finalized.
57.	Meeting with KEPHIS and KEBS on 5 and 6 April, 2021 respectively. Final discussion on MRAs was held for signing during JTC meeting.
58.	Meetings with Mr. Oliver konje, Director, Mr. Joseph Maina, Principal Trade Development Officer and Mr. Hassan Hussain, STDO, M/o Trade, Kenya on 1,2,6 April, 2021 for discussion on the agenda and several other issues as preparatory arrangements of the forth coming meeting of the JTC. Most of the things were finalized in advance of the meeting. Follow-up meeting was held to shift some of the agenda points to platform of JMC in future. M/o Trade extended full cooperation, assured finalization of pending MRAs, initiation of new MoUs etc. Also assured of early meeting regarding finalization of agenda so that both sides can start required preparation for the meeting.
59.	Meeting with Mr. Fredrick, Mr. Patrick, Mr. Mascinde and Mr. Richard Ngatia, President, and Mr Kihaar, Company secretary, KNCCI on 23 April, 2021. Visit of a delegation to Pakistan in May, 2021 was discussed. All the preparatory planning is being done for the visit and program was finalized.
60.	Virtual meeting with Mr. Oliver of Rwanda Development Board was conducted on 29.04.2021. Preparatory arrangements and visit to Kigali was discussed for preparatory arrangements for Commonwealth business forum in June, 2021.
61.	Meeting with Mr. Fredrick Mukilya, Trae, Policy and advocacy Officer, KNCCI on 08.04.2021. Preparation of KNCCI delegation to Pakistan in May, 2021 was discussed. Programme and schedule was finalized for sharing with all members. More and more traders/importers are convinced for being part of the delegation.
62.	Briefing and meeting with 27 members Kenyan Alumni from Pakistan on 11.04.201. They were briefed about Pakistani export sectors. Link was established. Half of them were traders and few of them showed willingness for visiting Pakistan. Follow-up meetings will be arranged after necessary homework.
63.	Meeting with Mr. Welfred on 11.02.2021. Importation of textile from Pakistan was discussed. The traders showed willingness for visit to Pakistan. Will be followed up after 3rd wave of corona pandemic.
64.	Meeting with Mr. Ali Noor, M/s UBG LLC Kenya and Mr. Hamza Abdi, Director M/s Shareek Properties. Payment of terms between M/s UBG LLC and M/s Burhan gas, Gujranwala were discussed. They agreed for LC and follow-up joint meeting will be held with reliable Bank.
65.	Meeting with Chairman KNCCI Chapter, Baringo County on 7th April, 2021. To establish working relations in future for trade promotion. Briefing will be delivered to Baringo based traders and importers and he also showed interest in leading business delegation.
66.	Meeting with Mr. Ahmed Akram, Property Vision on 30 April, 2021. Establishing plant at EPZ Kenya for confectionary and plastic manufacturing. Technical details will be shared. Plant/ machinery of confectionary and plastic to be imported from Pakistan. B2B will be arranged after initial search.
67.	Meeting with Mr. Upul Wedamullah, GM, M/s Ruflex Ltd on 24.04.2021. Discussion about importation of hosiery products. Exporter was searched. B2B meeting was conducted with M/s Ghulam Ghuas Sialkot.
68.	Visit to M/s Azeemi Technologies on 05.04.2021. Discussion on clients and linkages for the IT firm was held and detailed plan and visits will be executed after reply of exporter.
69.	Meeting with Mr. Waheed Ch, CEO, M/s MaC, Kenya on 09.04.2021.

	Importation of pharma and surgical products from Pakistan was discussed. B2B was arranged with M/s Glonbal Pharmacy, Islamabad. Exchange of technical details and visit to factories is under discussion between the parties.
70.	Meeting with M/s Burga trading and Trans-Atlantic Business Company 23.04.2021. Invited for trade/imports from Pakistan other than exportation of tea. The Company will look into possibility and will reply.
71.	Meeting with M/s Mac Pharma, Nairobi on 29.04.2021. Importation of pharma, surgical instruments and veterinary medicines were discussed. B2b with global pharmacy was also arranged. After preliminary discussion and matchmaking, visit of Mr. Waheed Choudhry to Pakistan will be arranged.
72.	Meeting with Mr. Praveen and Mr. Musheere, Directors, KNCCI and M/s Mission Excellence/Beyond Intl on 20.05.2021. Discussed assembling plant for motorcycles, textile and joint ventures as well as marketing for Pakistani firms and visit of delegation will be discussed. B2B meeting will be arranged. Lists of Pakistani exporters will be shared.
73.	Meeting with Mr. Abdul Malik, Clearing and Forwarding Agent on 20.05.2021 Trade facilitation was discussed. Importation of citrus in the coming season was discussed. He will work out the demand and then B2b will be arranged subject to signing of the MRA.
74.	Meeting with Mr. M. Otochi and Mr. Muriuki Karuiru, Directors, M/s Sidai Fruits and Veges Ltd, Nairobi on 24.05.2021. Discuss trade in agro food between Kenya and Pakistan. Importation of mango and citrus and exportation of avocado was discussed. B2B meeting will be arranged soon.
75.	Meeting with Ms. Twahili U Asma Directors, M/s ATB Commodities and Supplies, Kenya on 10.05.2021. Importation of rice from Pakistan. Participation in delegation to visit Pakistan was further discussed. The importer worked out details but rice prices are high in Pakistan, therefore, declined importation.
76.	B2B meeting between Mr. Muhammad Gilgilo and Mr.Nuh Hassan of M/s Biluka Enterprizes Ltd on 20.05.2021. Import of pharmaceutical product was discussed. B2B is to be arranged. The importer is working out further detail of distribution channel.
77.	Follow-up virtual meeting with Ms. Nazia, M/s Maxitech, Karachi and Pharmacy and Poison Board, Kenya on 17.05.2021. Discussion about GMP certification of Maxitech and other companies was held. Remaining documents submission was re-iterated. Pharmacy and Poison Board, Kenya was asked to prioritized the finalization and award of GMP to inspected factories.
78.	Virtual meeting for arranging Commonwealth Business Forum (CBF) at Kigali, Rwanda on the sidelines of Conference on 25-26 June, 2021 with Mr. Oliver Everest, CBF Secretariat, London, UK at 10:00 am on 2nd May, 2021. He briefed that CBF will be for 3 days and CHOGM will be for 2 days. Conference will take place at Rwanda Convention Center, where HoG will participate and CBF at Kigali Cultural Village will be an interactive and networking sessions. Prince of Whales will honour the closing session. Meeting of the Pakistani PM could be arranged with him and other HoG/businessmen. Pakistan can also hold investment forum by intimating the secretariat in advance. They expect sizeable delegation of Pakistani businessmen.
79.	Meeting with Ms. Grori, Second Secretary, Rwanda High Commission, Nairobi at 4:30 pm on 2nd May, 2021. Various issues related to visa, information about CBF and assistance for fixing of meeting at Kigali, finalization of BTA were discussed.
80.	Meeting with Ms. Yvetta, Director, Asia, MFA, Mr. John, MFA, Ms. Candy Basomingere, Secretariat Co-Lead, Ms. Sheila Mutavu, Principal Officer, Economic Diplomacy-MFA&IC, Mr. Patrick Bucyana, Operation Officer and Mr. Philip Lucky, Head of Investment Marketing, RDB, the focal persons of CBF at Kigali at 8:00 am on 05.05.2021. Detailed meeting was held at Ministry of Foreign Affairs & Intl Coordination, Rwanda. Various issues related to CBF were discussed in detail. Certain clarifications related to visa requirements, participation requirements, investment session, meeting of the Advisor on Commerce with MFA and Ministry of Trade, pending MoU, branding and publicity, invitation for investment session, sitting, transport and accommodation arrangements, IT support, PCR tests etc were discussed.
81.	Meeting with Mr. Phillip Karenzi, DG, Asia and Pacific Affairs, Ms. Yvetta, Director and Mr. John, MFA & IC, Kigali at 9:00 am on 05.05.2021. Various issues related to participation of Pakistan in CBF were discussed beside case of withheld US$ 40,000 with Pakistani authorities.

	They ensured of full facilitation of Pakistani leadership and delegation during their visit to Kigali for CBF.
82.	Meeting with Mr. Tony Kajangwe, DG (Trade and Investment), Ministry of Trade, Kigali at 01:00 pm on 05.05.2021. Issues related to expansion and diversification of bilateral trade, finalization of MoU, initiation of MRAs, sharing of trade data, downward revision of duty on Pakistani rice, visit of the Pakistani delegation, meetings of the Advisor with Rwanda leadership, contact detail of Rwanda Traders, B2B meetings and interactive session were discussed.
83.	Meeting with Mr. Robert Bafakulera, Chairman, Mr.Eric Gishoma, 1st Vice Chairperson, Ms. Eugenie, Mushimiyimana, 2nd Vice Chairperson of the Private Sector Federation, Rwanda at 10:00 am on 04.05.2021. They briefed that PSF, Rwanda is the apex private sector body has membership of 30,000 plus. It oversees sector specific 10 chamber of commerce and trade organization. They were also briefed about Pakistan's potential sectors. Their participation in CBF was solicited and invited for Investment session. Call on Advisor for Commerce was discussed. Separate session of B2B between Rwanda businessmen and Pakistani was discussed. Contact detail of traders was requested.
84.	Meeting and visit to the M/s Select Kalaos, Integrated print Solutions at EPZ, Kigali at 01:00 pm on 04.05.2021. The factory was visited and business with Pakistan was discussed. Their services will be used for marketing and branding in case of conduction of CBF and investment session.
85.	Visit to various hotels including Serena, Lemigo, Grazia Apartment Hotel, The Manor hotel, Marriot hotel, Gorilla hotel, Granda hotel, Radison hotel and Kigali Convention center and M/s Vazquez Tours and travels at 03/04 and 06-05-2021. Various hotels and travel firms were visited and different dimensions related to accommodation, transportation and holding of workshops were discussed.
86.	Meeting with Mr. Hassan Hussain, Senior Trade Development Officer, Ministry of Trade, Industrialization and Enterprize Development, Kenya on 28.05.2021 at 1500 hours. Followup discussion was held on the agreed minutes of the JTC held on 7 April, 2021. Execution and finalization of MRAs on citrus and mango and initiation of MRA on pharmaceutical products, elimination of attestation of export documents and scrapping of .5% fee beside sharing of few MoUs and cooperation in other sectors was reiterated.
87.	Meeting with KEPHIS and KEBS on 12.05.2021 at 1600 and 1730 hours final discussion on MRAs was held for signing at the earliest.
88.	Meeting with Mr. Fredrick, Mr. Patrick, Mr. Mascinde and Mr Kihaar, Company Secretary, KNCCI on 11 may, 2021. Postponment of the delegation visit to to Pakistan in May, 2021 was discussed. All the preparatory planning was done but due to suspension of flights and 14 days quarantine, the delegation visit was postponed till normalcy of the situation.
89.	Virtual meeting with Mr. Jospher, Rwanda 26.05.2021 at 1400 hours. List of potential products was shared and he was asked to provide list of interested importers.
90.	Meeting with Chairman, KNCCI, Vihaga County on 13 may, 2021 at 1515 hours. Visit to Vihiga county was discussed and it was informed that, the date will be finalized soon for meeting with various traders and delivery of presentation.
91.	Meeting with Mr. Fredrick Mukilya, Trade, Policy and advocacy Officer, KNCCI on 08.04.2021. Preparation of KNCCI delegation to Pakistan in May, 2021 was discussed. Programme and schedule was finalized for sharing with all members. Postponement of the visit was agreed.
92.	Virtual briefing and power point presentation to 34 members of the Kenya Private Sector Alliance (KEPSA) at 11:30 a.m on 28.05.2021. They were briefed about Pakistani export sectors. Link was established. HoM delivered detailed presentation on the potential sectors. Contact detail were shared and follow-up will be made and contacts with individuals will be established after sharing the list by KEPSA.
93.	Meeting with Mr. Ghulam Akbar, M/s Ehzaaz Enterprises, Nairobi and M/s Vulca Works, Lahore at 1530 hours on 31.05.2021. To resolve the issue of wrong entry at Meezan Bank, Sabzazaar, Lahore. The manager of the Bank was contacted and he assured of resolving the issue pending for four months.
94.	Meeting with Mr. Waheed Ch, CEO, M/s Mac, Kenya on 31.05.2021. Importation of pharma and surgical products from Pakistan was discussed. B2B was arranged with M/s Global Pharmacy, Islamabad. Follow-up discussion was held. List of medicines for importation was shared and communicated to M/s Global Pharmacy, Islamabad.

95.	Meeting with Mercy Wangechi at 03.20 on 24.05.2021. Discussion over Apparel importer. Import potential of the products from Pakistan was discussed.
96.	Meeting with Mr. Ahmed Juma at 04.15 on 24.05.2021. Briefing on Agro sector of Pakistan was made. Import potential of the products from Pakistan was discussed.
97.	Meeting with Mr. Annabel Wambui at 03.30 on 25.05.2021. Surgical sector was discussed. Import potential of the products from Pakistan was discussed.
98.	Virtual meeting with Mr. Vinod Amarnani at 1415 hours on 04.06.2021. Importation of maize, barley and non-refined oil was discussed from Pakistan to Oman. A few exporters were contacted and asked for exports. Response is still awaited.
99.	Meeting with Mr. Sheryar, Marketing Manager, M/s GSK Pharmaceuticals at 1430 hours on 06.06.2021. GMP of M/s GSK was discussed and was briefed about necessary documents and process. The manufacturer/exporter will inform after consulting the head office.
100.	Meeting with Ms. Ayesha Hamayun, Sialkot at 1610 hours on 05.06.2021 Export of surgical item was discussed. She was briefed about the requirements of Kenyan market.
101.	Meeting with Mr. Muhammad Ijaz, M/s Pak-Kenya Beans Exporters and Importers, Nairobi at 1650 hours on 07.06.2021. Trade of mung beans, kidney beans, mango and citrus was discussed. The trader was briefed about the situation and potential of bilateral trade.
102.	Webinars on cutlery and cookware at 0100 hours on 08.06.2021. Attended by MoC, TDAP, TICs in Africa, relevant associations, manufacturers and exporters. Briefed about the import regulation and situation in Kenya. Importers will be searched through market visit and interactions. Information about exhibitions will be disseminated. Importers will be guided and individual meetings will be conducted for clarification. Work on warehousing will be carried out. Pending MRA will be followed up for earlier finalization.
103.	Webinar on electrical machinery at 0100 hours on 09.06.2021. Attended by MoC, TDAP, TICs in Africa, relevant associations, manufacturers and exporters. Briefed about the import regulation and situation in Kenya. Importers will be searched through market visit and interactions. Information about exhibitions will be disseminated. Importers will be guided and individual meetings will be conducted for clarification. Work on warehousing will be carried out. Pending MRA will be followed up for earlier finalization.
104.	Webinar on fans and home appliances at 0100 hours on 10.06.2021. Attended by MoC, TDAP, TICs in Africa, relevant associations, manufacturers and exporters. Briefed about the import regulation and situation in Kenya. Importers will be searched through market visit and interactions. Information about exhibitions will be disseminated. Importers will be guided and individual meetings will be conducted for clarification. Work on warehousing will be carried out. Pending MRA will be followed up for earlier finalization.
105.	Virtual webinar with Center for Global & Strategic Studies (CGSS), Islamabad at 1400 hours on 17.06.2021. To exchange information and brief the participants at Online Conference- “Dynamics of Potential Mango Value Chain in Pakistan: Benefits for Exploring New Markets”. To explore the dynamics of potential mango value chain in Pakistan and opportunities for Pakistani mangoes in the emerging new markets of Central Asia and Africa. It provided a great opportunity to the international mango importers to know about the Pakistani market.
106.	Meeting with Mr. Rizwan M/s Qishmish and Ms. Azra at 1030 hours on 05.06.2021. Discussed expansion of business opportunities in Nairobi. Importation of food products and machinery was discussed. Further meetings will be conducted at their convenience.
107.	Meeting with Mr. Lommadah Eric Were, M/s Sabora Tents Ltd EAC at 1630 hours on 10.06.2021. Importation of tents was discussed. Exporter M/s Shamsi Textile Ltd was verified. Deal was finalized after B2B meeting.
108.	Meeting withMr. Peter Ochieng, Director (R&I), KEPROBA at 1200 hours on 22.06.2021. To discuss coordination with consultants of TDAP. He demanded for formal MoU between two TPOs prior to coordination and exchange of information. Final decision will be intimated after discussion with CEO of KEPBA, Kenya.
109.	Meeting with Mr. Hassan, M/s City Gas at 1400 hours on 22.06.2021. To discuss issues related to imported 4360 LPG cylinders from Pakistan. Both importer and exporter were connected through WhatsApp. M/s Burhag gas Gujranwala will visit Kenya after lockdown to discuss the issues further.
110.	Meeting with 5 members Pakistani diaspora at 1500 hours on 22.06.2021.

	They were briefed about potential sectors and some issues of traders were discussed. Further meeting will have arranged for discussion along with HoM. A briefing session will be arranged soon to solicit their cooperation for branding Pakistan.
111.	Meeting with Mr. Kipngeno, DK at 1630 hours on 09.06.2021. To resolve the issue of payment made to M/s Tahir Surgical, Sialkot. The exporter is being asked for sending the product as it is eroding the trust level of Pakistanis but yet to comply with.
112.	Meeting with Mr. Wilfred, Textile importer at 1540 pm on 14.06.2021. Discussed possibility of importation of textile products. Will finalize possibility of textile imports from Pakistan after his two weeks visit to Turkey.

19 Market Specific Trade Activities

The following major efforts related to trade and investment promotion were made during 2021.

Activities
First ever virtual meeting of the Joint Trade Committee (JTC) under the Bilateral Trade Agreement, 1983 between the Republic of Kenya and the Islamic Republic of Pakistan was conducted on 7th April, 2021. The JTC agreed for revision of the outdated BTA of 1983. Initiation and sharing of MRA on pharmaceutical and health products was also agreed. Tarde promotion organizations of both the countries i.e. TDAP and KEPROBA was also agreed to sign an MoU for closer cooperation and enhancement of trade and investment. Both the sides agreed for working and supporting on trade understanding i.e. PTA/FTA between Pakistan and EAC. JTCs also agreed for cooperation in agricultural, engineering, services, leather, textile, EPZs, ICT, cooperatives, irrigation, industrial development, tourism, immigration, air transport, vocational and technical trainings for diversification of bilateral trade.
During 2021 three long pending Mutual Recognition Agreements since 2007 were finalized for importation of citrus and mangoes from Pakistan to Kenya and as well as MRA on recognition of standards and conformity assessment of manufactured products. These two MRAs are major breakthrough since inception of bilateral trade. It thereby provided market access for mango and citrus/kinnow and agreement on harmonization of standards was agreed.
A delegation of four importers of pharmaceutical and health products of M/s Alfajiri Pharmaceuticals Ltd, Kenya visited Pakistan for physical visit of M/s Vision and Global Pharmaceutical Companies (Pvt) Ltd, Islamabad for physical visit of the factories and finalization of the import products on regular basis from Pakistan to Kenya from 2-14 February, 2021. The visited also resulted in importation of Rimdisvir Corona-19 Vial for the first time from Pakistan to Kenya. 

Two inspectors of the Pharmacy and Poison Board (PPB), Kenya, Dr. Ronald Inyangala (Head of Evaluation and Registration) and Mr. Edna Chenangata Menach (GMP Inspector) visited and successfully conducted Goods Manufacturing Practices (GMP) inspection from 7-21 February, 2021 of M/s Vision Pharma, Islamabad, M/s Ferozsons, Noweshara, M/s Bioscience Ltd, Lahore and M/s Maxitech Pharma, Karachi. This inspection enabled these factories to export its product to Kenya after product registration.

A delegation led by Mr. Hassan, M/s City Gas, East Africa Ltd visited M/s Burhan Gas Company Ltd, Gujranwala for importation of LPG Cylinders from 6-9 March, 2021. The delegation finalized first time importation of LPG cylinder from Pakistan to Kenya on regular basis and 6360 LPG cylinders were imported.

Eighty textile importers/traders from Kenya/EAC were organized for successful participation in 1st ever virtual TEXPO-2021 organized by TDAP from 1-5 February, 2021.

Two delegates Mr. John Bett and Ms. Grace Nduta Mogambi visited Karachi from 26-28 February, 2021 for discussion on export and import of agro products. The visit was very successful and trade of agro products have been initiated by the Kenyan Companies between Kenya and Pakistan.

A successful interactive and briefing session for 140 members/ importers/traders of Kenya National Chamber of Commerce and Industry (KNCCI) for cultivation of business networking was arranged. The participants were briefed about potential export sectors of Pakistan on 2nd February, 2021.

Virtual inaugural meeting between Kenya National Chamber of Commerce and industry (KNCCI) and six Pakistani Chambers of Islamabad, Sialkot, Rawalpindi, Gujrat, Lahore, Peshawar on 14th October, 2021 and thereby established coordination among the Chambers on both sides for further collaboration in future.

A webinar participated by 94 Pakistani diaspora in Kenya and Uganda was arranged for briefing and educating on Roshan Digital Account on 28 January, 2021.

Pak-Kenya Business Convention at Bussia County of Kenya was organized on 5th February,2021. The Convention was participated by the President, KNCCI, Governors of Vihiga, Baringo and Busia, Government officials and around 110 businessmen from Kenya.

A briefing session regarding potential sectors of Pakistan was conducted on 11 April, 2021 for 27 members Kenyan Alumni from Pakistan. The traders showed complete willingness for trading arrangements with Pakistan in future.

Briefing session for Pakistani origin 36 members of Bohra Community traders/importers in Kenya was arranged on 2nd October, 2020. The audience were briefed about the trading opportunities with Pakistan and investment climate in EPZs of Pakistan.

A briefing session for 22 diplomats of different missions stationed at Nairobi was ranged on 21st August, 2020 to brief them about trade potential of Pakistan and create soft image of the country.

Five trade disputes between imports and exporters of Kenya and Pakistan have been resolved in 2021. A trade dispute of US$ 122,000.00 related to importation of rice between Mr. Muhammad Gilgilo and Mr.Nuh Hassan M/s Biluka Enterprizes Ltd with and Mr. Jan Sher, M/s Texfab, Karachi was amicably resolved.
M/s Azeemi Technologies (Pvt) Ltd, an ICT Company from Pakistan was established in Nairobi in January, 2021. The Firm has procured seven significant contracts from major Kenyan clients till date.
Virtual briefing and power point presentation to 34 members of the Kenya Private Sector Alliance (KEPSA) was arranged on 28th May, 2021. They were briefed about Pakistani export sectors and working link was established with major trading houses.
Bilateral Trade Agreement between Pakistan and Rwanda was made finalized by Rwandan side and submitted for finalization by Pakistan
Bilateral Investment Treaty between BoI and KinInvest is under process. The draft was shared by KinInvest with BoI for final comments on 5th April, 2021. Reply from BoI is awaited.
M/s StarLink Firm was guided and facilitated in establishing its representative office in Karachi. The Firm works for attracting investment from foreign sources for Pakistan.

20 B2B Meetings/Trade Transactions

The following B2B meetings were conducted between new Pakistani exporters and Kenyan importers during this year.

SNo.	IMPORTERS	EXPORTERS	PRODUCTS	Remarks
1.	Mr. Collin Lita 0723-445899 M/s Collins Litsalia Birkston collinsbirkston@gmail.com	M/s AgroAsia Tractors AIMS Enterprises Karachi, Osama 0317-0001572	Massey Ferguson Tractors& implements	Import of two tractors and other agricultural implements finalized
2.	Mr. Hassan Aden, 0722-305 313 M/s City Gas, East Africa citygas2009@gmail.com	Mr Azhar, M/s Burhan Gas, Gujranwala	LPG Cylinders-Plastic	Transaction finalized during the importer visit to Pakistan on 27-29 August, 2020. Three containers were imported. Further importation and sole proprietorship is under discussion
3.	M/s Gevicom LTD, Nairobi Director Mr. Peter Kangethe-0724 62 8009	Mr. Javed Kiani, President, Ethanol Association, Pakistan	1.5 million tons of Ethanol	Could not be done due to unavailability of specific packaging
4.	Mr. Isaac +254-724264444	Mr. Salam United Motors	Motorcycles and parts	Matchmaking has been done

	GM. Honda Motors, Kenya kaluagreen@gmail.com	0300-847 8156		and negotiations were undertaken. Pakistani manufacturer is unwilling for JV
5.	Ms. Younis M/s Hass Petroleum, EA 0722-86 562	Mr. Azhar, M/s Burhan Gas, Gujranwala	LPG cylinder	Matchmaking and negotiations concluded. Due to quality and price issue, the importer declined
6.	M/S Pharma Care Mr. Rizwan, Bujumbura, Burundi +257-75903650	M/s Davis Pharmaceuticals Laboratories, Karachi	Pharmaceutical products	Import completed and further order will be generated upon demand in the local market
7.	M/s Globe pharmacy, Nairobi, Kenya globe@globe.co.ke	Indus Pharma, Pakistan	Pharmaceutical drugs (Mosqin injection (Quinine dihydrochloride)	Exportation not allowed from Pakistan currently
8.	Mr. Meshack Kiprono +254 725633387	Matchmaking will be done	Fruit imports	Could be imported once MRA is signed
9.	Mr. Njambi Muigai 0722695230	Mustapha Yousaf Chief Executive Officer M/s Dar-es-Salaam Farms Private limited	dried apricots -sweet apricot seeds of sweet and bitter apricots	Finalization of the order and importer further response awaited
10.	Muhammad Ashraf, General importer 0722787460	Matchmaking will be done	Food stuff, auto spare parts, hardware, clothes, shoes, dry fruit	Importation order is being placed regularly
11.	Dr. Maurice Lyambila Head of Oncology and Diagnostics and Dr John N Mugo, M/s Alfajiri Pharmaceuticals Ltd Mr. John n. Mugo 0722504133 alfajiripharmacy@gmail.com	Mr. Khalid Mughal, M/s Global and Vision Pharmaceuticals Ltd Industrial Area, Islamabad 03340007744	Pharmaceuticals	Importatio of some products i.e. Rimdesvir has started. GMP concluded and product

				registration in process
12.	M/s Alfajiri Construction Ltd Mr. Maurice-0722504133	Matchmaking will be done	Construction sector, pre-engineered steel technology panels	Importation order is being placed regularly
13.	M/s Nabi Qasim Industries, 0790712233	M/s Nabiqasim Industries, Karachi	Pharmaceuticals	Expansion in the market facilitated
14.	Mr. James Gatonye james@maratea.co.ke Mobile: +254 788 460 315 Whatsapp:+254 720 207 180	Mr. Khalid Mughal, Global Pharmacy, Islamabad	Pharmaceutical products and PPEs.	B2B held. Importation order is being placed regularly
15.	James Gatonye Mobile: +254 788 460 315	Mr. Salam, United Motorcycles, Gujranwala	Motorcycle and parts	B2B held but not resulted
16.	Mr. Saq Waithaka P: +254 723 644 899	In search	Renewable energy (Solar Power) Solar Hybrid components etc	B2B held. No adequate availability of products in Pakistan
17.	Mr. Hesbon, 0722793161 C/o Mr Jared, KEBS0721876187	Mr Kashif, 03333978282	Tractors and implements	In progress
18.	Mr. Maliri, mail@tilecentre.com	Awaited	Tile & Carpet Centre Ltd	In progress
19.	Mr. Steve Malonza +254721469255 primaxagencies@gmail.com Primax Agencies ltd Nairobi Kenya email:primaxagencies@gmail.com,	Mr Abdul Khaliq, M/s Noble Foods, Lahore, +92-300-8048429	Rice for Kenya and Congo, long grain rice 25% broken Volumes: between 500mt to 1000mt monthly	Matchmaking and B2B has done. Importer declined due to uncompetitive prices
20.	AirTel Telcom Services, EA theo@selectkalaos.com 0788300890	Searching for pastic manufacturer	Plastic tables-Point of Sale Tables, 50,000pcs	Not manufactured in Pakistan
21.	Kings Commodities Ltd bomaks2000@yahoo.com +254733556500	Mr Abdul Khaliq, M/s Noble Foods, Lahore, +92-300-8048429	Rice produce ranging from 5% irri-6,irri-9 pure and pk-386	Matchmaking and B2B has done. Importer declined due to uncompetitive prices
22.	Kahuari Ng’ang’a | National Sales Manager| Rose Tub Cleaning Services Ltd| Nairobi, Kenya	Mr. Shafeeq, Cosmetic Industry, Lahore	Cosmetics and beauty products	In progress

	info@rosetubcleaners.com +254 (0)20 2007954			
23.	Mr. Kahuari Ng'ang'a, Rose Tub Cleaning Services Ltd| Nairobi, Kenya info@rosetubcleaners.com	Mr. Amjad, M/s Parvaaz Traders, 0798919966	Worn/used clothes and shoes	In progress
24.	Kahuari Ng'ang'a, Cell +254 762 309 868	Mr. Fiaz Malik, Gujranwala	Bakery and Kitchen Items	Could not resulted due to price issues
25.	M/s Theo Services, theo@selectkalaos.com 0788300890,	Mr. Zakria, Ethanol manufacturer 03088220000	ethanol 99% for making accessories for alcohol drinks, need 100k liters per month	Could not resulted due to price and packaging issues
26.	Agha Khan University Hospital 0725806124	Pharmaceutical sector	Pharmaceuticals, surgical and hospital textile	Confirmation awaited from AGUH. However declined at the end due to competitor lobby
27.	Mr Ruto, Vice President, KNCCI, clinicaltd19@gmail.com, 0720738740	M/s Hilbro, Sialkot	Multiple medicines/surgical products	In progress
28.	Mr Mungai K Geoffery, County Director, M/s Masinda, KNCCI, 0725429428	Mr. Malik Textile	Textile and apparel	In progress
29.	Mr. Mungai Mushairi, 0722580133,	United Motorcycles	Joint Venture in Motorcycle plant	Under negotiation
30.	M/s Alfajiri,Nairobi	M/s Khadija Industries	PPEs	Under negotiation and registration of products
31.	Ms. Naasra, Pharma importer Mombasa, 0736732525	PPMA	Surgical equipment	Confirmation from exporters awaited. B2B was done with M/s Global Pharmaceuticals, Islamabad
32.	Mr. Rashad, Manager Exports, M/s I&K enterprizes, Lahore	Ms. Frida Mwihaki, Cosmetics dealer	Cosmetics and Baby care	B2B was arranged. Samples are being shared
33.	Meeting with Mr. Faisal, M/s Alnoor Faisal & Co	Mr. Faiz Malik, Chancellor Overseas	Tiles, Sanitary fittings and rice	B2B was arranged and further meetings will be conducted

34.	Mr. Agha Aslam, PAU, Uganda	Marketing Agency	Cement	Rates are not competitive
35.	Mr. Fahim Ahmed, M/s Global Commodities, Kenya	Fahad Rasheed, M/s Moon Rice	Rice and food products	Rates are not competitive
36.	Meeting with Mr. Ananga, Mr. Rogers and Mr. Mikesh, M/s Aditya Birla Group, SSOE (Kenya) ltd, Tea Processing Factory, Mombasa	Mr Tahir Paracha, M/s Latinum Tarading Company	Export of quality tea was discussed	Importation from Pakistan was also re-iterated and accordingly import of food stuff is being considered
37.	Virtual B2B meeting with Dr. Jane Kiama, BVM, Kenya	Mr Zeeshan Mukhtar, Manager exports, Selmore Pharmaceuticals (Pvt) Ltd, Lahore and Star Laboratories, Lahore	Importation of veterinary medicines, GMP certification and product registration was discussed	Further follow-up for availability of required products and GMP certification is being made
38.	Meeting with Dr. John Ngaruro and Dr. Maurice Khisa Lyambila, M/s Alfajiri Pharmaceuticals,Kenya	M/s Vision and M/s Global Pharmaceuticals, Islamabad as well as M/s Maxitech, Karachi	Importation of medicines from Pakistan and GMP certification of 4 Pharma factories was discussed	A delegation of 4 importers/Inspectors visited Islamabad and Karachi for further inspection and B2B meetings
39.	Meeting with Mr. David Canvas, M/s sabora Tents, +254723484104	M/s Chancellor Overseas, Gujranwala	Mr. Eric, Director finalized a factory in Karachi	Import is under process
40.	Mr Murtaza, M/s Computerpride	Mr. Qaiser Zaman, IT Professional	Discussion for Call center setup is in process	Results awaited
41.	Mr. Isabirye Kimpi, Director, M/s Afro Minerals Uganda Ltd, +256(0)701800782, afrominerals.ugandaltd@gmail.com	Chancellor Overseas, Gujranwala	Discussion under process	Results awaited
42.	Mr. Justus, Rwanda Rice Importer	Mr. Abdul Khaliq, M/s Nobel Foods	Initial B2B resulted in successful transaction	Further orders are being sorted out
43.	Mr. Joseph Kabuya Kinyua, (Kenyan importer/kabuyakinyua@gmail.com/+254711684926)	M/s Tractor Corner, 1st Floor 7-A, Queen Road, Lahore (Pakistani exporter /info@tractorcorner.com/+92 3242323999)	one unit of Massey Ferguson MF-385 2WD, 2021 model, red colour tractor in spite of	Due to quality issue no further order is being placed

			payment of US$ 16400 (C&F) on 2nd August, 2021	
44.	Mr Farooq Malik, +254738703647 farooq@farooq-malik.com	Mr. Saqib Sohail, Sales Account manager, +254706554515, saqib@azeemi-tech.com, M/s Azeemi Technologies, Kenya	Meeting with Software export Board was arranged	Modalities are being worked out
45.	Mr Farooq Malik +254738703647 farooq@farooq-malik.com	Salman Ahmad Dar CEO ITROOS Pvt Ltd. Islamabad, Pakistan +92-300-854-7575	Meeting with Software export Board was arranged	Modalities are being worked out
46.	Mr. Wilson Kamau, M/s CKL Africa Ltd, +254204206000, info@ckl.africa	Star Laboratories, Lahore	Oral liquids, Oral solids and active ingredients vet medicines import was agreed	Veterinary medicines import commenced on regular basis
47.	Ms Asma Hassan, +254719766154	Mr. Abdul Khaliq, M/s Noble Foods, Gujranwala	B2B meeting was held with many rice exporting companies in Pakistan	Under process however, competitiveness issue blocks further progress and new crop is awaited to be decided finally

21 Upcoming Expos of 2022:

The following information related to exhibitions to be held in EAC region has been compiled and hereby shared for productive utilization for the benefit of Pakistan's exporters.

Name of Expo	Products for Exhibition	Venue	Dates	Links for Details
Expos Being arranged by Expo Group, EAC Kenya				
FASHEXPO KENYA 2022	Textile	Sarit Exhibition Centre	9-11 June 2022	**https://expogr.com/fashexpo/**
BUILDEXPO AFRICA	Building & Construction (Materials, Equipment & Tools)	KICC, Nairobi	12 - 14 May 2022	http://www.expogr.com/buildexpokenya/direct_links.php?b=add
LIGHTEXPO	Lighting Products and LED	KICC, Nairobi	12 - 14 May 2022	http://expogr.com/lightexpo//direct_links.php?b=add

AFRIWOOD	Wood Working and Timber Exports	KICC, Nairobi	12 - 14 May 2022	http://www.expogr.com/afriwood/direct_links.php?b=add
POWER AND ENERGY AFRICA	Power and Energy (including renewable energy)	KICC, Nairobi	19 - 21 May 2022	http://www.expogr.com/kenyaenergy/direct_links.php?b=add
SOLAR EXPO	Solar Energy Products	KICC, Nairobi	19 - 21 May 2022	http://www.expogr.com/solarafrica/direct_links.php?b=add
AUTOEXPO	Automotive Parts and Accessories	KICC, Nairobi	26 - 28 May 2022	http://www.expogr.com/kenyaauto/direct_links.php?b=add
FOODAGRO EXPO	Food and Agriculture Products and Tools	Sarit Expo Center, Nairobi	9 - 11 June 2022	http://www.expogr.com/kenyafood/direct_links.php?b=add
KENYA INTERNATIONAL TRADE EXHIBITION (KITE)	Consumer Products (General)	Sarit Expo Center, Nairobi	9 - 11 June 2022	http://www.expogr.com/expokenya/direct_links.php?b=add
PLASTICS, PRINTING & PACKAGING	Printing and Packaging Services and Machinery	Sarit Expo Center, Nairobi	9 - 11 June 2022	http://www.expogr.com/kenyappp/direct_links.php?b=add
MEDEXPO	Mining Equipment and Machines	KICC, Nairobi	9 - 11 June 2022	https://expogr.com/kenyaminexpo/direct_links.php?b=add
Kenyan Food, Drink and Hospitality Event	Food, Hospitality and Drink	Sarit Exhibition Centre	23-25 March, 2022	www.kenyanfoodevent.com
Securexpo East Africa	Commercial Security, Fire and Safety	Sarit Exhibition Centre	23-25 March, 2022	www.securexpoeastafrica.com
Propak East Africa	Packaging, Printing, Plastics and Processing	Sarit Exhibition Centre	10-12 May 2022	www.propakeastafrica.com
Tanzania				
AUTOEXPO	Automotive Parts and Accessories	Diamond Jubilee Exhibition Center – Dar es Salaam	27 - 29 Jan 2022	http://www.expogr.com/tanzania/autoexpo/direct_links.php?b=add
FOOD & KITCHEN AFRICA	Food and Agriculture Products and Tools	Diamond Jubilee Exhibition Center – Dar es Salaam	27 - 29 Jan 2022	http://www.expogr.com/tanzania/foodexpo/direct_links.php?b=add
EAST AFRICA INT. TRADE EXHIBITION (EAITE)	Consumer Products (General)	Diamond Jubilee Exhibition Center – Dar es Salaam	27 - 29 Jan 2022	http://www.expogr.com/tanzania/general/direct_links.php?b=add
PLASTICS, PRINTING & PACKAGING	Printing and Packaging Services and Machinery	Diamond Jubilee Exhibition Center – Dar es Salaam	27 - 29 Jan 2022	http://www.expogr.com/tanzania/pppexpo/direct_links.php?b=add

BUILDEXPO AFRICA	Building & Construction (Materials, Equipment & Tools)	Diamond Jubilee Exhibition Center – Dar es Salaam	10 - 12 Feb 2022	http://www.expogr.com/tanzania/buildexpo/direct_links.php?b=add
POWER AND ENERGY AFRICA	Power and Energy (including renewable energy)	Diamond Jubilee Exhibition Center – Dar es Salaam	10 - 12 Feb 2022	http://www.expogr.com/tanzania/powerenergy/direct_links.php?b=add
LIGHTEXPO	Lighting Products and LED	Diamond Jubilee Exhibition Center – Dar es Salaam	10 - 12 Feb 2022	http://www.expogr.com/tanzania/lightexpo/direct_links.php?b=add
SOLAR EXPO	Solar Energy Products	Diamond Jubilee Exhibition Center – Dar es Salaam	10 - 12 Feb 2022	http://www.expogr.com/tanzania/solarexpo/direct_links.php?b=add
AFRIWOOD	Wood Working and Timber Exports	Diamond Jubilee Exhibition Center – Dar es Salaam	10 - 12 Feb 2022	http://www.expogr.com/tanzania/woodexpo/direct_links.php?b=add
MEDEXPO	Mining Equipment and Machines	Diamond Jubilee Exhibition Center – Dar es Salaam	17 - 19 Feb 2022	http://www.expogr.com/tanzania/medexpo/direct_links.php?b=add
Rwanda				
BUILDEXPO AFRICA	Building & Construction (Materials, Equipment & Tools)	Kigali Convention Centre	4 - 6 May 2022	http://expogr.com/rwanda/buildexpo/direct_links.php?b=add
POWER AND ENERGY AFRICA	Power and Energy (including renewable energy)	Kigali Convention Centre	4 - 6 May 2022	http://expogr.com/rwanda/powerenergy/direct_links.php?b=add
LIGHTEXPO	Lighting Products and LED	Kigali Convention Centre	4 - 6 May 2022	http://expogr.com/rwanda/lightexpo/direct_links.php?b=add
SOLAR EXPO	Solar Energy Products	Kigali Convention Centre	4 - 6 May 2022	http://expogr.com/rwanda/solarexpo/direct_links.php?b=add
AFRIWOOD	Wood Working and Timber Exports	Kigali Convention Centre	4 - 6 May 2022	http://expogr.com/rwanda/afriwood/direct_links.php?b=add
Being Arranged by MxM Exhibitions-Kenya and Uganda				
KITF-2021 (International Trade & Industry Fair)	Power, Energy, Industrial Machinery & Tools, Chemicals, Automotive Spare Parts, Construction Machinery, Interiors & Furnishing, Oil & Gas	Sarit Expo Center, Nairobi	04 - 06 November 2021	https://www.mxmexhibitions.com/kitf/index.html

AGRO-FOODPACK UGANDA 2022	Agriculture, Poultry, Dairy, Food & Processing, Beverages, Kitchen, Cereals & Grains, Rice & Machinery, Plastics & Packaging	UMA Fairs Ground, Kampala, Uganda	28 - 30 January 2022	https://www.mxmexhibitions.com
Montgomery Group, East Africa				
Kenyan Food and Hospitality Event	Beverages, Food items and Hospitality items	Sarit Centre, Nairobi	23-25 March, 2022	https://www.kenyanhospitalityevent.com KFE Brochure- https://bit.ly/3F51lyu KHE Rate Card- https://bit.ly/3zQFk2r KHE Brochure- https://bit.ly/3kQDOJf KFE Rate card- https://bit.ly/39KxPiL
Securexpo East Africa	Commercial security, Homeland security, safety and cyber security	Sarit Centre, Nairobi	23-25 March, 2022	www.securexpoeastafrica.com SEA Brochure- https://bit.ly/3oiyRLt SEA Rate Card - https://bit.ly/39HQQCq
ProPak East Africa 2022,	Packaging, Plastics, Print, Agro Processing and Sustainability	Sarit Centre, Nairobi	10-12 May, 2022	www.propakeastafrica.com PEA Rate Card- https://bit.ly/2XSJ8CR PEA Brochure- https://bit.ly/3zjHaJR ProAgro Brochure - https://bit.ly/38cNQxp Print East Africa Brochure- https://bit.ly/3zkTs4A

22 Strategy and Recommendations:

- Efforts will be made to turn the existing relations of the business communities between the two sides into business networking and professional responses on both the sides ending in structured business transactions.
- Excellent relationship between Pakistan and Kenyan/EAC region especially after PATDC needs pragmatism. The cordial desires and intentions noticed during the Conference needs will be translated into commitments and commitments made during the Conference between public and private

sectors need to be transformed into enhanced flow of trade and investment in near future.

- Opening up of display centers in EAC region to showcase our export products may be helpful for Pakistani businesses to enter in the region. Pakistani companies should participate in all EAC regional exhibitions as well as it must hold its own products-based exhibitions.
- It is pertinent to note that long-term success necessitates to convene a series of conferences or exhibitions and visits of delegations to reap the potential benefit out of the fertile market to lay the foundation of sustainable relations.
- Activation and re-vision of BTA as a trade facilitation and cooperation agreement for predictable and preferential access with focused approach on potential sectors through using platforms of Joint Trade Committee (JTC) and Joint Ministerial Commission (JMC) will prove profitable.
- The long-awaited meetings of the Joint Ministerial Commission (JMC) and Joint Trade Committee (JTC) between Kenya and Pakistan will be convened. The pending agreements will be expedited for smooth flow of exports from Pakistan.
- Trade between Kenya and Pakistan is predominantly limited to a very few products mostly revolves around tea and rice which need to be diversified.
- Pakistan should strive to become part of the African Continental Free Trade Agreement (AfCFTA) in any possible manner.
- Kenya being member of EAC, COMESA and AfCFTA is unable for bilateral trade deals without approval/consent of regional trading blocs' HQs but as there are multiple Non-Tariff and Technical Barriers which are stumbling blocks therefore, we could explore the possibility to develop some understanding/agreements to minimize and eliminate these barriers and simplify the import procedures.
- Headquarter of the East African Community (EAC), Arusha, Tanzania has been approached for inclusion of Pakistan in its trade review list and further closer cooperation is being worked out.
- The hurdles faced by businessmen/investors/tourists in visas and other related issues need to be addressed. The business visa requirements on arrival at Pakistan is cumbersome and need to be simplified.
- A databank of the Pakistan businessmen, exporters and manufacturer has been shared and efforts are being made for matchmaking and closer interaction.
- Tariff and non-tariff barriers as well as operational hurdles faced by exporters/importers on both the sides require to be streamlined through mutual agreements.
- Finalization of long pending bilateral agreements for conformity in standards, mutual recognition and harmonization of technical standards as well as understanding on phyto-sanitary measures is very much important

- Frequency of public and private sectors interaction which is nearly non-existent need to be enhanced
- Understanding on customs cooperation including electronic data exchange will prove vital for flow of data exchange.
- Political/higher level engagements and offering capacity building/training opportunities to trade professionals as well as effective engagement of diaspora
- Reactivation of bilateral trade instruments with whomever countries available and initiation of engagements with regional trading blocs
- Reduction and elimination of NTBs/TBs through MRAs
- Availability of adequate and composite potential market information, intelligence, technical requirements, facilitation in registration to Pakistani exporters through Embassies is highly needed.
- Visa regime should be made very friendly and fast
- Effective marketing of Pakistani competitive products and involvement through frequent exhibitions
- Exchange of delegations jointly composed by public and private sectors
- Establishment of offices and warehouses by Pakistani firms and hiring of marketing agents
- Rationalization of the dependence of Trade and Investment Officers of MoC over Embassies/MoFA

LD Khan

(L D Khan)
Trade and Investment Counsellor
25 April, 2022

Annex-I: Applied Tariff Rates

East African Community-Common External Tariff Rates, 2017 Version

Pharmaceutical Products and Medical Health, Section VI, Chapter 30			
HS Code	**Description**	**Unit**	**Duty Rate**
30.01	Glands and other organs for organo-therapeutic uses, dried, whether or not powdered; extracts of glands or other organs or of their secretions for organo-therapeutic uses; heparin and its salts; other human or animal substances prepared for therapeutic or prophylactic uses, not elsewhere specified or included.	Kg	0%
30.02	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera and other blood fractions and immunological products, whether or not modified or obtained by	Kg	0%

	means of biotechnological processes; vaccines,toxins, cultures of micro-organisms (excluding yeasts) and similar products.		
30.03	Medicaments (excluding goods of heading 30.02, 30.05 or 30.06) consisting of two or more constituents which have been mixed together for therapeutic or prophylactic uses, not put up in measured doses or in forms or packings for retail sale.	Kg	0%
30.04	Medicaments (excluding goods of heading 30.02, 30.05 or 30.06) consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses (including those in the form of transdermal administration systems) or in forms or packings for retail sale.	Kg	0%
30.05	Wadding, gauze, bandages and similar articles (for example, dressings, adhesive plasters, poultices), impregnated or coated with pharmaceutical substances or put up in forms or packings for retail sale for medical, surgical, dental or veterinary purposes.	Kg	0%
30.06	Pharmaceutical goods: Sterile surgical catgut, similar sterile suture materials (including sterile absorbable surgical or dental yarns) and sterile tissue adhesives for surgical wound closure; (b) Sterile laminaria and sterile laminaria tents; (c) Sterile absorbable surgical or dental haemostatics; sterile surgical or dental adhesion barriers, whether or not absorbable; (d) Opacifying preparations for X-ray examinations and diagnostic reagents designed to be administered to the patient, being unmixed products put up in measured doses or products consisting of two or more ingredients which have been mixed together for such uses; (e) Blood-grouping reagents; (f) Dental cements and other dental fillings; bone reconstruction cements; (g) First-aid boxes and kits; (h) Chemical contraceptive preparations based on hormones, on other products of heading 29.37 or on spermicides;	Kg	0%
3006.92 .00	Waste pharmaceuticals: that is, pharmaceutical products which are unfit for their original intended purpose due to, for example, expiry of shelf life	Kg	25%
Medical or Surgical Instruments and Apparatus, Section XVIII, Chapter 90			
90.18	Instruments and appliances used in medical, surgical, dental or veterinary sciences, including scintigraphic apparatus, other electro-medical apparatus and sight-testing instruments- Electro-diagnostic apparatus (including apparatus for functional exploratory examination or for checking physiological parameters)	Kg/u	0%
90.19	Mechano-therapy appliances; massage apparatus; psychological aptitude-testing apparatus; ozone therapy, oxygen therapy, aerosol therapy, artificial respiration or other therapeutic respiration apparatus.	Kg/u	0%
90.20	Other breathing appliances and gas masks, excluding protective masks having neither mechanical parts nor replaceable filters.	Kg/u	0%
90.21	Orthopaedic appliances, including crutches, surgical belts and trusses; splints and other fracture appliances; artificial parts of the body; hearing aids and other appliances which are worn or carried, or implanted in the body, to compensate for a defect or disability.	Kg/u	0%
90.22	Apparatus based on the use of X-rays or of alpha, beta or gamma radiations, whether or not for medical, surgical, dental or veterinary uses, including radiography or radiotherapy apparatus, X-ray tubes and other X-ray generators, high tension generators, control panels and desks, screens, examination or treatment tables, chairs and the like.	Kg/u	0%

90.25	Hydrometers and similar floating instruments, thermometers, pyrometers, barometers, hygrometers and psychrometers, recording or not, and any combination of these instruments.	Kg/u	0%
90.27	Instruments and apparatus for physical or chemical analysis (for example, polarimeters, refractometers, spectrometers, gas or smoke analysis apparatus); instruments and apparatus for measuring or checking viscosity, porosity, expansion, surface tension or the like; instruments and apparatus for measuring or checking quantities of heat, sound or light (including exposure meters); microtomes.	Kg/u	0%
90.33	Parts and accessories (not specified or included elsewhere in this Chapter) for machines, appliances, instruments or apparatus of Chapter 90	Kg/u	0%
Light Engineering and Electronics, Section XVI, Chapter 84			
84.05	Producer gas or water gas generators, with or without their purifiers; acetylene gas generators and similar water process gas generators, with or without their purifiers.	Kg/u	0%
84.07	Spark-ignition reciprocating or rotary internal combustion piston engines.	Kg/u	0%
8407.90.90-Others		u	10%
84.08	Compression-ignition internal combustion piston engines (diesel or semi-diesel engines).	u	10%
84.09	Parts suitable for use solely or principally with the engines of heading 84.07 or 84.08.	u	10%
84.10	Hydraulic turbines, water wheels, and regulators therefor.	u	0%
84.11	Turbo-jets, turbo-propellers and other gas turbines.	u	0%
84.13	Pumps for liquids, whether or not fitted witha measuring device; liquid elevators.	u	10%
84.14	(8414.10.00-8414.40.00)-Air or vacuum pumps, air or other gas compressors and fans; ventilating or recycling hoods incorporating a fan, whether or not fitted with filters.	u	10%
84.14	8414.51.00-8414.80.99-Compressors, ventilators, roof fans	u	25%
84.15	Air conditioning machines, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated.	u	25%
84.16	Furnace burners for liquid fuel, for pulverised solid fuel or for gas; mechanical stokers, including their mechanical grates, mechanical ash dischargers and similar appliances.	u	0%
84.18	Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps	u	25%
8418.50.00	Other furniture (chests, cabinets, display counters, showcases and the like) for storage and display, incorporating refrigerating or freezing equipment	u	10%
84.19	Machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling	u	0%
84.20	Calendering or other rolling machines, other than for metals or glass, and cylinders therefor.	u	0%
84.21	Centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases.	u	0-25%
8422.11.00	- Dish washing machines	u	25%
84.23	Weighing machinery (excluding balances of a sensitivity of 5 cg or better), including weight operated counting or checking machines; weighing machine weights of all kinds.	u	0-10%

84.24	Mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers, whether or not charged; spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines.	u	0%
84.50	Household or laundry-type washing machines, including including machine which both wash and dry	u	10-25%
84.51	Machinery (other than machines of heading 84.50) for washing, cleaning, wringing, drying, ironing, pressing (including fusing presses), bleaching, dyeing, dressing, finishing, coating or impregnating textile yarns, fabrics or made up textile articles	Kg/u	0%
84.52	Sewing machines, other than book-sewing machines of heading 84.40; furniture, bases and covers specially designed for sewing machines; sewing machine needles.	Kg/u	0%
84.70	Calculating machines and pocket-size data recording, reproducing and displaying machines with calculating functions; accounting machines, postage-franking machines, ticket-issuing machines and similar machines, incorporating a calculating device; cash registers	u	10%
84.87	Machinery parts, not containing electrical connectors,insulators, coils, contacts or other electrical features, notspecified or included elsewhere	u	0%
85.01	Electric motors and generators (excluding generating sets).	Kg/u	0%
85.06	Primary cells and primary batteries.	u	SI
85.09	Electro-mechanical domestic appliances, with self-contained electric motor, other than vacuum cleaners of heading 85.08.	u	25%
85.11	Electrical ignition or starting equipment of a kind used for spark-ignition or compression-ignition internal combustion engines (for example, ignition magnetos, magneto-dynamos, ignition coils, sparking plugs and glow plugs, starter motors); generators	u	10%
85.11	Electric (including electrically heated gas), laser or other light or photon beam, ultrasonic, electron beam, magnetic pulse or plasma arc soldering, brazing or welding machines and apparatus, whether or not capable of cutting; electric machines and apparatus for hot spraying of metals or cermet's	Kg/u	0%
85.16	Electric instantaneous or storage water heaters and immersion heaters; electric space heating apparatus and soil heating apparatus; electro-thermic hair-dressing apparatus	Kg/u	10-25%
85.17	Telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data	u	0%
Agriculture (Rice, wheat, sugar), Section II, Chapter 10,12,17			
1001.99.10-Hard wheat		Kg	35%/SI
1101.00.00-Wheat or mesline flour		Kg	50% (SI)
1103.11.00-Groats and meal-of wheat		Kg	25%
1006.10.00-Rice in husk (paddy or rough)(In such cases whichever is higher)		Kg SI	35% or US$200/MT
1006.20.00-Husked brown rice		Kg	-do-
1006.30.00-Semi milled or wholly milled rice, whether or not polished or glazed		Kg	-do-
1006.40.00-Broken rice		Kg	-do-
1701.99.100-Sugar for industrial use (In this case whichever is higher)		Kg SI	100% or US$460/MT
1701.99.90-Sugar others		Kg	-do-
1209.10.00-Sugar beet seeds		Kg	0%
1212.91.00-Sugar beet		Kg	10%
1212.93.00-Sugar cane		Kg	10%
Leather, Section VIII, Chapter 41			

41.07	Leather further prepared after tanning or crusting, including parchment-dressed leather, of bovine (including buffalo) or equine animals, without hair on, whether or not split	Kg	10%
41.12	Leather further prepared after tanning or crusting, including parchment-dressed leather, of sheep or lamb, without wool on, whether or not split	Kg	10%
41.13	Leather further prepared after tanning or crusting, including parchment-dressed leather, of other animals, without wool or hair on, whether or not split	Kg	10%
41.14	Chamois (including combination chamois) leather, patent leather and patent laminated leather; metallized leather.	Kg	10%
41.15	Composition leather with a basis of leather or leather fiber, in slabs, sheets or strip, whether or not in rolls; parings and other waste of leather or of composition leather, not suitable for the manufacture of leather articles; leather dust, powder and flour.	Kg	10%
Articles of Leather…. , Chapter 42			
42.01	Saddlery and harness for any animal (including traces, leads, knee pads, muzzles, saddle cloths, saddle bags, dog coats and the like), of any material.	Kg	25%
42.02	Trunks, suit-cases, vanity-cases, executive-cases, brief-cases, school satchels, spectacle cases, binocular cases, camera cases, musical instrument cases, gun cases, holsters and similar containers; travelling-bags, insulated food or beverages bags, toilet bags, rucksacks, handbags, shopping-bags, wallets, purses	Kg	25%
42.03	Articles of apparel and clothing accessories, of leather or of composition leather	Kg	25%
42.05	Other articles of leather or of composition leather.	Kg	25%
42.06	Articles of gut (other than silk-worm gut), of goldbeater's skin, of bladders or of tendons.	Kg	25%
Sports Goods, Section XX, Chapter 95			
95.03	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; reduced-size ("scale") models and similar recreational models, working or not; puzzles of all kinds.	Kg	25%
95.04	Video game consoles and machines, articles for funfair, table or parlour games, including pintables, billiards, special tables for casino games and automatic bowling alley equipment.	Kg/u	25%
95.05	Festive, carnival or other entertainment articles, including conjuring tricks and novelty jokes.	Kg/u	25%
95.06	Articles and equipment for general physical exercise, gymnastics, athletics, other sports (including table- tennis) or outdoor games, not specified or included elsewhere in this Chapter; swimming pools and paddling pools.	Kg/u	25%
95.07	Fishing rods, fish-hooks and other line fishing tackle; fish landing nets, butterfly nets and similar nets; decoy "birds" (other than those of heading 92.08 or 97.05) and similar hunting or shooting requisites.	Kg/u	25%
95.08	Roundabouts, swings, shooting galleries and other fairground amusements; travelling circuses and travelling menageries; travelling theatres.	Kg/u	25%
42.03	Articles of apparel and clothing accessories, of leather or of composition leather specially designed for use in sports	Kg	25%
61.01-.17	Textile articles used in sports, Articles of apparel and clothing accessories, knitted or crocheted, T Shirts, uppers	Kg/u	25%
62.01-.08	Garments, made up of fabrics, Track suits, ski suits and swimwear; other garments, Gloves, mittens and mitts used in sports	Kg/u	25%

70.18	Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass smallwares, and articles thereof other than imitation jewellery; glass eyes other than prosthetic articles	Kg	25%
83.06	Bells, gongs and the like, non-electric, of base metal; statuettes and other ornaments, of base metal; photograph, picture or similar frames, of base metal; mirrors of base metal used in sports.	Kg	25%
	Tractors, Section XVII, Chapter 87		
87.01	8701.10.00-Single axle tractors	u	0%
8701.20.10- Road tractors for semi-trailers- Unassembled		u	0%
8701.20.90 --- Other		u	10%
8701.30.00 - Track-laying tractors		u	0%
8701.91-95 – Engine Power 18 kW-130KW		u	0%
87.09	tractors of the type used on railway station platforms; parts thereof	u	0%
	Agricultural Implements, Section XV, Chapter 82		
82.01	Hand tools, the following: spades, shovels, mattocks, picks, hoes, forks and rakes; axes, bill hooks and similar hewing tools; secateurs and pruners of any kind; scythes, sickles, hay knives, hedge shears, timber wedges and other tools of a kind used in agriculture, horticulture or forestry.	Kg	10%
82.02	Hand saws; blades for saws of all kinds (including slitting, slotting or toothless saw blades).	Kg	10%
82.03	Files, rasps, pliers (including cutting pliers), pincers, tweezers, metal cutting shears, pipe-cutters, bolt croppers, perforating punches and similar hand tools.	Kg	10%
82.04	Hand-operated spanners and wrenches (including torque meter wrenches but not including tap wrenches); interchangeable spanner sockets, with or without handles.	Kg	10%
82.05	Hand tools (including glaziers' diamonds), not elsewhere specified or included; blow lamps; vices, clamps and the like, other than accessories for and parts of, machine tools or water-jet cutting machines; anvils; portable forges; hand or pedal-operated grinding wheels with frameworks.	Kg	10%
82.07	Interchangeable tools for hand tools, whether or not power operated, or for machine-tools (for example, for pressing, stamping, punching, tapping, threading, drilling, boring, broaching, milling, turning or screw driving), including dies for drawing or extruding metal, and rock drilling or earth boring tools.	Kg	10%
82.08	Knives and cutting blades, for machines or for mechanical appliances.	Kg	10%
82.09	Plates, sticks, tips and the like for tools, unmounted, of cermets.	Kg	10%
82.10	Hand-operated mechanical appliances, weighing 10 kg or less, used in the preparation, conditioning or serving of food or drink.	Kg	10%
84.32	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.	u	0%
84.33	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.		
8433.11.00-8433.19.00-Powered, with the cutting device rotating in a horizontal plane-Others		u	25%
8433.20.00-8433.53.00-Other mowers-Other haymaking machinery-Straw or fodder balers, including pick-up balers-Other harvesting machinery; threshing machinery		u	0%
84.36	Other agricultural, horticultural, forestry, poultry-keeping or beekeeping machinery, including germination plant fitted with mechanical or thermal equipment; poultry incubators and brooders.	u	0%

84.37	Machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables; machinery used in the milling industry or for the working of cereals or dried leguminous vegetables, other than farm-type machinery.	u	0%
	Textile and Apparel, Section-XI, Chapters 52-60		
52.01-03	Cotton, not carded or combed-Cotton waste(including yarn waste and garnetted stock)	Kg	0%
52.04	Cotton sewing thread, whether or not put up for retail sale.	Kg	25%
52.05	Cotton yarn (other than sewing thread), containing 85% or more by weight of cotton, not put up for retail sale- Single yarn, of uncombed fibres	Kg	10%
52.06-07	Cotton yarn (other than sewing thread), containing lessthan 85% by weight of cotton, not put up for retail sale.	Kg	10%
52.08-12	Woven fabrics of cotton, containing 85 % or more by weight of cotton, weighing not more than 200 g/m2-unbleached	Kg	25%
53.01	Flax, raw or processed but not spun; flax tow and waste (including yarn waste and garnetted stock).	Kg	0%
53.02-05	Jute and other textile bast fibres (excluding flax, true hemp and ramie), raw or processed but not spun; tow and waste of these fibres (including yarn waste and garnetted stock).	Kg	0%
53.06-08	Flax yarn-Yarn of jute or of other textile bast fibres of heading 53.03	Kg	10%
53.09-11	Woven fabrics of flax-Woven fabrics of jute or of other textile bast fibres of heading 53.03-Woven fabrics of other vegetable textile fibres; woven fabrics of paper yarn	Kg	25%
54.01	Sewing thread of man-made filaments, whether or not put up for retail sale.	Kg	25%
54.02-06	Synthetic filament yarn (other than sewing thread), not put up for retail sale, including synthetic monofilament of less than 67 decitex.	Kg	10%
54.07-08	Woven fabrics of synthetic filament yarn, including woven fabrics obtained from materials of heading 54.04.	Kg	25%
55.01-07	Synthetic filament tow-Artificial staple fibres, carded, combed or otherwise processed for spinning.	Kg	0%
55.08	Sewing thread of man-made staple fibres, whether or not put up for retail sale.	Kg	25%
55.09-11	Yarn (other than sewing thread) of synthetic staple fibres, not put up for retail sale.	Kg	10%
55.12-16	Woven fabrics of synthetic staple fibres, containing 85% or more by weight of synthetic staple fibres.	Kg	25%
56.01-02	Wadding of textile materials and articles thereof; textile fibres, not exceeding 5 mm in length (flock), textile dust and mill neps.	Kg	25%
56.03-06	Nonwovens, whether or not impregnated, coated, covered or laminated	Kg	10%
56.07-09	Twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics	Kg	25%
57.01-05	Carpets and other textile floor coverings, knotted, whether or not made up.	m^2	25%
58.01-11	Woven pile fabrics and chenille fabrics, other than fabrics of heading 58.02 or 58.06	Kg	25%
59.01	Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books or the like; tracing cloth; prepared painting	Kg	10%
59.02	Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyesters or viscose rayon.	Kg	0%
59.03	Textile fabrics impregnated, coated, covered or laminated with plastics	Kg	10%

59.04	Linoleum, whether or not cut to shape; floor coverings consisting of a coating or covering applied on a textile backing, whether or not cut to shape.	m^2	25%
59.06-10	Rubberised textile fabrics, other than those of heading 59.02	Kg	25%
59.11	Textile products and articles, for technical uses	Kg	0-10%
60.01-06	Pile fabrics, including "long pile" fabrics and terry fabrics, knitted or crocheted-Other knitted or crocheted fabrics	Kg	25%
Textile and Articles of Apparel, Chapter-61-63			
61.01-17	Men's or boys' overcoats, car-coats, capes, cloaks, anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles, knitted or crocheted, other than those of heading 61.03-Other made up clothing accessories, knitted or crocheted; knitted or crocheted parts of garments or of clothing accessories	Kg/u	25%
62.01-17	Men's or boys' overcoats, car-coats, capes, cloaks, anoraks (including ski-jackets), wind-cheaters, wind-jackets and similar articles,	Kg/u	25%
63.01-08	Other made up of textile articles-Blankets and travelling rugs.	Kg/u	25%
63.09	Worn clothing and worn textile articles, rags-Worn clothing and other worn articles	Kg (SI)	35% or USD 0.40/kg whichever is higher
63.10	Used or new rags, scrap twine, cordage, rope and cables and worn out articles of twine, cordage, rope or cables, of textile materials.	Kg	10%
Cosmetics, Section VI, Chapter-33			
33.01	Essential oils (terpeneless or not), including concretes and absolutes; resinoids; extracted oleoresins; concentrates of essential oils in fats, in fixed oils, in waxes or the like, obtained by enfleurage or maceration; terpenic by-products of the deterpenation of essential oils; aqueous distillates and aqueous solutions of essential oils.	Kg	0%
33.02	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages.	Kg	0-25%
3302.10.00 - Of a kind used in the food or drink industries		Kg	10%
3302.90.00 - Other		Kg	0%
3303.00.00 Perfumes and toilet waters.		Kg	25%
33.04-07	Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), including sunscreen or sun tan preparations; manicure or pedicure preparations.	Kg	25%

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