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By Hon Aden Duale -
Leader of Majority on
Tue 28/10/14
[Signature]

MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE

REPORT OF THE CABINET SECRETARY TO PARLIAMENT ON THE ACTIVITIES/ACHIEVEMENTS OF THE MINISTRY FOR 2013/2014

1. INTRODUCTION

This Report is presented as per the requirements of the Constitution, Article 153: Section 4b that Cabinet Secretaries "provide Parliament with full and regular reports concerning matters under their control".

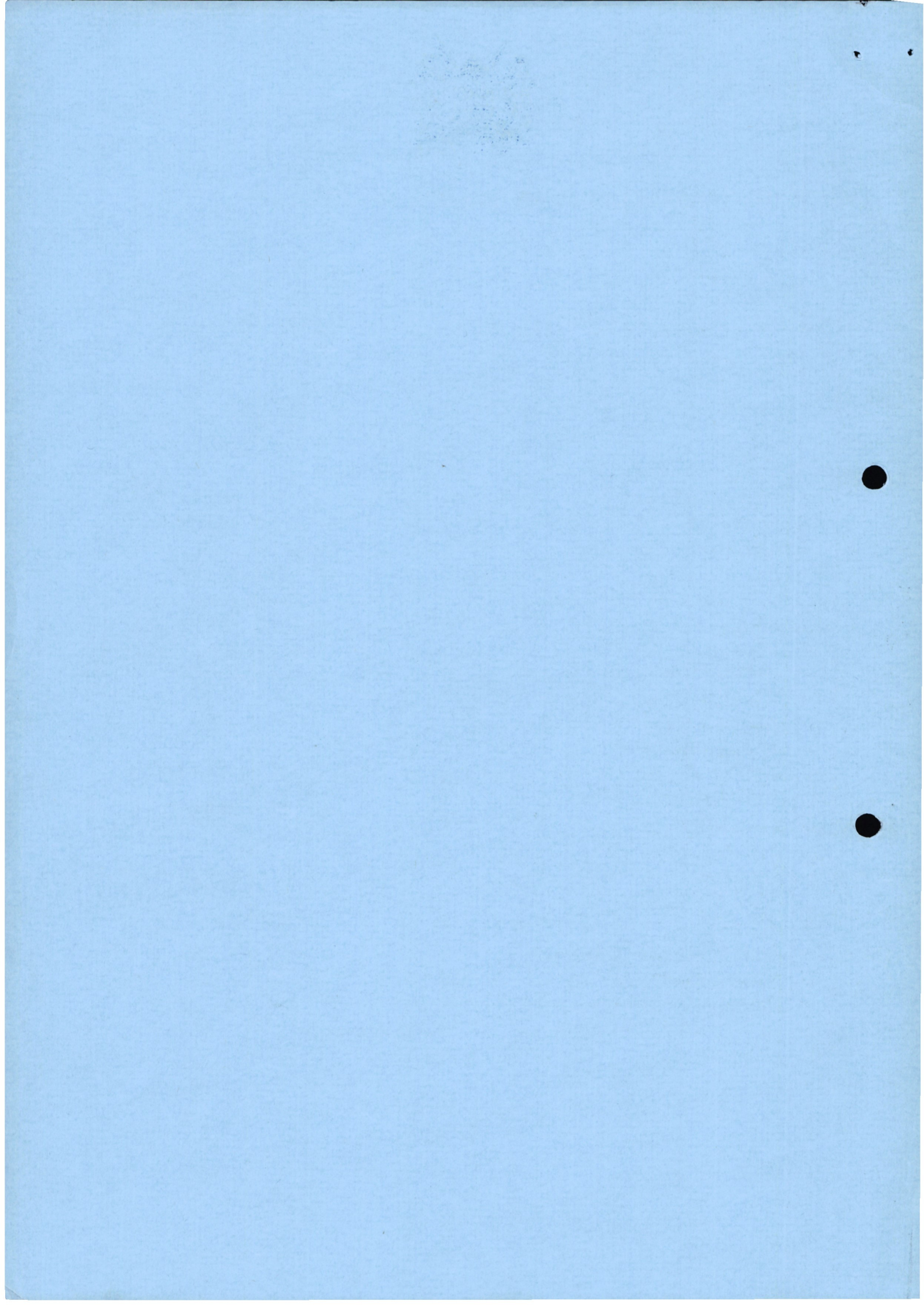
The Report outlines key achievements of the Ministry in the first year of Jubilee Government. Indeed, in the months of March and April 2014, the Ministry's leadership publicly highlighted some of these achievements and challenges as well as underlining key priorities for the Ministry for the period 2014/2015; during the retreat attended by both the Cabinet Secretary and the Principal Secretary at the Sagana State Lodge in Nanyuki from 3rd to 6th March, 2014; and in an address made to the Media by the Principal Secretary on 2nd April, 2014. This was done as part of the activities surrounding H.E. the President's State of the Nation address during which the Ministry of Foreign Affairs and International Trade took part in various events aimed at explaining Government policy and highlighting the achievements of the Jubilee Administration in the past one year.

2. MANDATE OF THE MINISTRY

The Fourth Schedule of the Constitution of Kenya 2010 identifies Foreign Affairs, Foreign Policy and International Trade as a function of the National Government. The re-organization of government vide the Executive Order No. 2/2013 the mandate of the Ministry as follows:

- Management of Kenya's Foreign Policy;
- Management of Bilateral and Multilateral Relations;
- Liaison with International and Regional Organizations;
- Management of Kenya's Missions and Embassies Abroad;
- Liaison with foreign Missions in Kenya;
- Ratification of Treaties, Conventions and Agreements;
- Management of Diplomatic Privileges and Immunities;







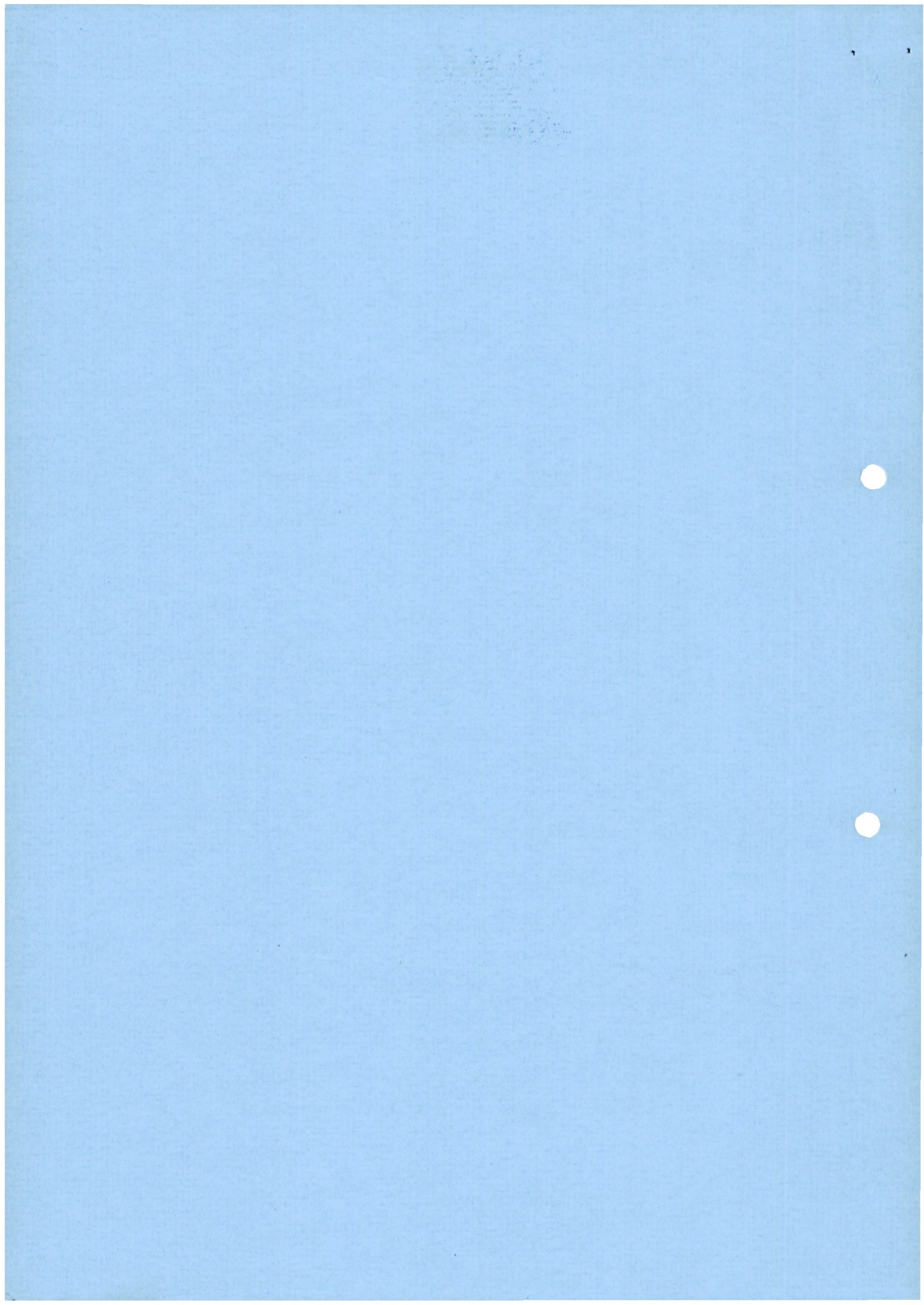
- Coordination of State and Official Visits;
- Handling of Protocol Matters;
- Provision of Consular Services;
- Management of Joint Commissions and joint trade committees with other Countries;
- Official Communications on Foreign Affairs
- International Trade Affairs;
- Trade Representation – Special Advisory/negotiation services;
- Management of Kenya's Diaspora Issues.

Overall, the mandate of the Ministry is to formulate, articulate and implement Kenya's Foreign Policy. In addition, the Ministry is the primary interface with the rest of the world and works with other Government Ministries, Departments, Agencies (MDAs) and relevant stakeholders within the overall framework of Government Policy to achieve this mandate.

3. OBJECTIVES

The Ministry's strategic objectives are to:

- Protect Kenya's sovereignty and territorial integrity;
- Promote and project Kenya's image and prestige;
- Promote political and economic integration;
- Promote regional peace, security and co-operation;
- Promote international co-operation, solidarity and respect for a rule-based multilateral system;
- Contribute to economic transformation and realization of Vision 2030 through diplomatic engagement;
- Strengthen the presence of the United Nations and other international organizations in Kenya;
- Promote and protect the interests of Kenyans abroad;
- Promote international trade and Investment
- Enhance partnership with the Diaspora; and
- Create a conducive business environment through trade negotiations





4. ACHIEVEMENTS

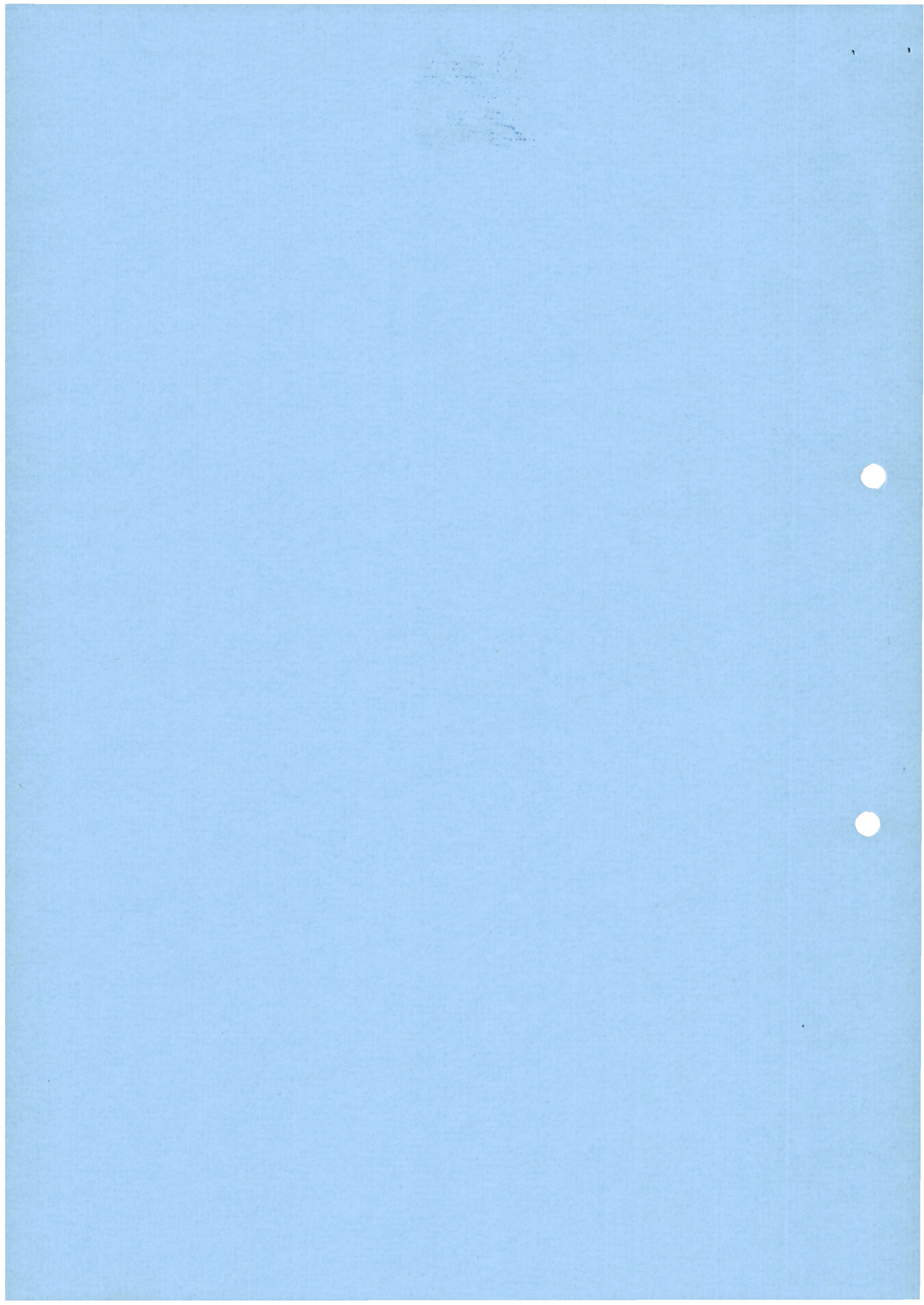
During this financial year 2013/2014, the Ministry of Foreign Affairs and International Trade has achieved successes in different areas, amongst them:

- i) Promotion of Kenya's Economic interests,
- ii) Regional Peace and Stability
- iii) Regional Cooperation
- iv) Engagement with the Diaspora
- v) Consular Services
- vi) Policy and legal frameworks
- vii) Consolidation of the position of Nairobi as a United Nations Centre.

i) Promotion of Kenya's Economic interests

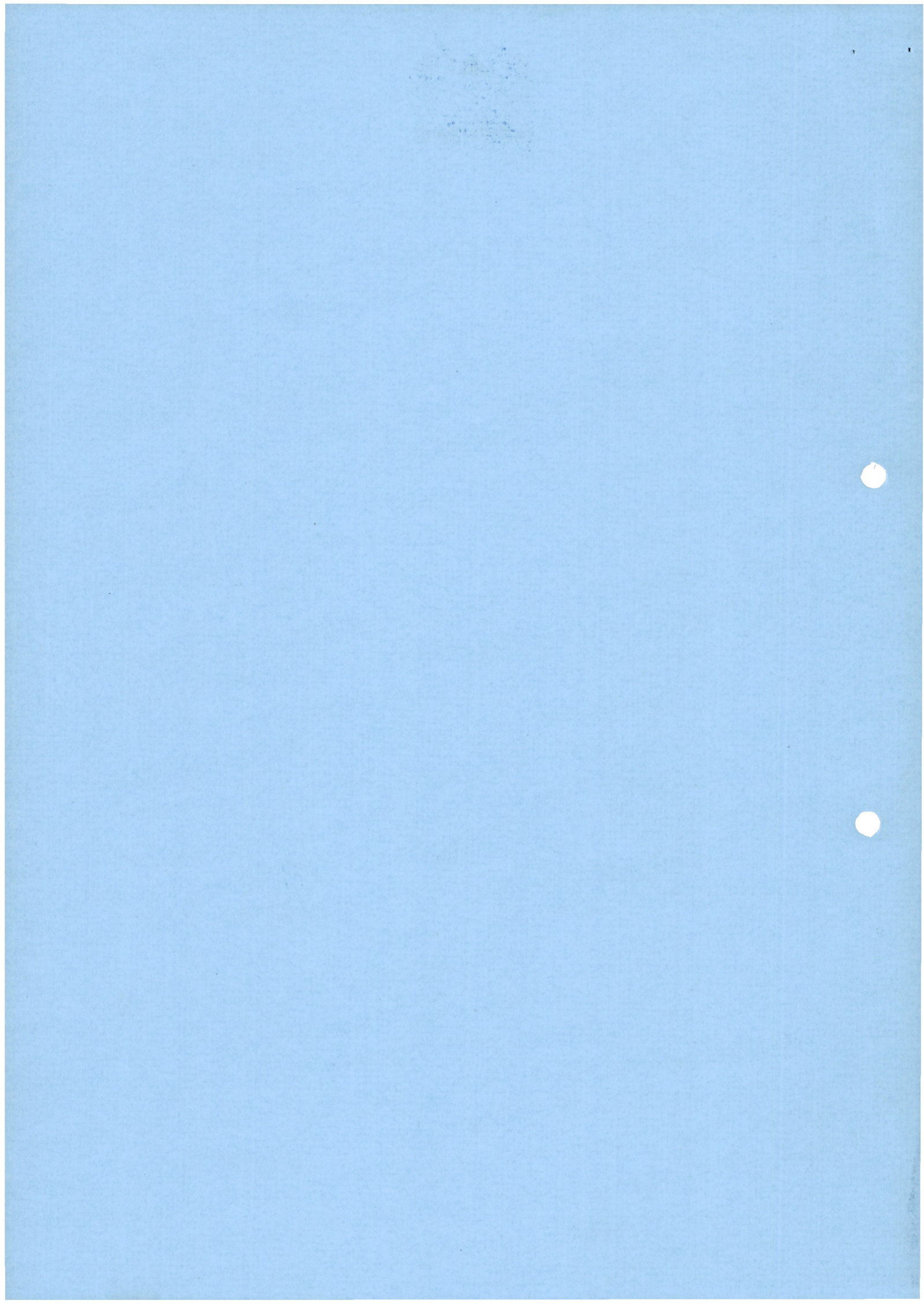
The Jubilee Manifesto underlines the importance of fostering innovation, opening up external markets, free trade, job creation and sustainable development for economic growth. The Economic Diplomacy pillar of Kenya's Foreign Policy, drawn from the broader national development blueprint 'Kenya Vision 2030', is the tool by which the Ministry seeks to contribute towards the country's goal of becoming a middle-income country by the year 2030. There has been a range of achievements in this area including:

- The Ministry concluded several bilateral Trade and Investment Agreements resulting to expanded market access of Kenyan exports. Among them are:
 - a) Kenya/Nigeria MOU on Trade and Investment signed in September 2013
 - b) Kenya/China MOU on Trade and Investment signed 20th August 2013
 - c) Kenya/Sri Lanka MOU on Trade and Investment signed, 14th December 2013
 - d) Kenya/Angola MOU on Trade and Investment signed January 2014
 - e) Kenya/Ghana on Trade and Investment signed January 2014
- Bilateral agreements for cooperation
The Ministry drafted, negotiated and facilitated the signing of several covering various sectors:
 - a) Joint Commission for Cooperation Agreement with the State of Qatar, Saudi Arabia, Nigeria
 - b) MOU on Tourism Cooperation with Sri Lanka, Qatar, Saudi Arabia
 - c) MOU on Economic and Technical Cooperation with Sri Lanka





- d) Bilateral Air Services Agreement with Qatar
- e) Agreement on Avoidance of Double Taxation with Qatar
- f) Agreement on Cooperation in Agriculture, Livestock, Fisheries and Forests with Argentina
- g) MOU on abolition of visa requirement for diplomatic passport holders with Sri Lanka, China and Nigeria
- Organization of Business forums between the Kenyan Private Sector and others among them, Sri- Lanka (December 2013), Japan (July 2013), Flanders Business Delegation – Belgium (October 2013), Spanish investment mission (October 2013), China (August 2013), Commonwealth (November 2013), Nigeria (October 2013), Greece (August 2013) and Ethiopia (March 2014).
- Following up implementation of existing agreements on Joint Commission for Cooperation (JCCs)
- The Ministry also coordinated Kenya's participation in the WTO Bali ministerial meeting in December 2013. The Conference was successful in that the following main issues were agreed upon:
 - **Trade Facilitation:** A new WTO Agreement on Trade Facilitation (TF) was adopted in Bali to improve customs procedures and transparency.
 - **Agriculture:** In Agriculture, Ministers adopted an instrument that allows the Government to procure and stockpile staple food for purpose of addressing food security challenges.
 - Finalized the preparation of the Trade Remedy Bill to protect domestic producers from unfair trade practices from imports.
- **Expansion of Diplomatic Presence**
 - a) Commissioning of Honorary Consuls in:
 - Nagoya City, Japan
 - Yemen
 - Kiev, Ukraine
 - Izmir,
 - Turkey
 - b) The process is on-going for opening of liaison offices in Kismayu and Hargeissa before the closure of FY 2013/2014





ii) Regional peace and stability

The Ministry has played an active role in ensuring that Kenya continues to contribute to the search for lasting solutions to peace and stability in this region.

Among the achievements in this area are:

- Lobbying for the integration of Kenya Defence Forces (KDF) into AMISOM.
- Participation in peace initiatives in DRC, Sudan, South Sudan and Somalia.
- Leading engagement in Somalia under AMISOM which significantly changed the operations in Somalia, creating an unprecedented opportunity to turn Somalia around.
- Engagement in other peace and security initiatives that the AU is involved in i.e. South Sudan, Central African Republic, Darfur (Sudan), Democratic Republic of Congo, Guinea Bissau and Mali. Kenya made voluntary financial contributions to support African-led initiatives such as the African-led International Support Mission in Mali, and more recently pledged US\$ 1,000,000 for the African Peace Fund.
- As a founder member of the African Union's Peace and Security Council (AU-PSC) Kenya has played an active role in its undertakings. The Peace and Security Council (PSC) is the AU's standing decision-making body responsible for the maintenance of continental peace and security.

iii) Regional and Multilateral Cooperation

- Kenya recognizes that its future is closely intertwined with that of its neighbours and the Ministry has ensured that there is representation in all the four EAC partner countries.
- Achievements in this area include the addressing of several issues both within the East African Community as well as under the trilateral arrangement of the governments of Kenya, Uganda and Rwanda. These issues include but are not limited to:
 - Single Customs Territory,
 - Single Tourist Visa,
 - East Africa Standard Gauge Railway,
 - Defence, Peace and Security Pact,
 - Non-Tariff Barriers,
 - One Stop Border Posts,



- EAC Protocol on Peace and Security,
- Protocol on the establishment of the East African Monetary Union.
- Use of National Identity Cards as Travel Documents

- **Special Status Agreement (SSA)**

The Ministry is leading the process of negotiations for implementation of the Special Status Agreement (SSA) with Ethiopia that was signed during the state visit to Kenya by the Ethiopian Prime Minister in 2012. (This is an innovative foreign policy tool with a potential for driving our economic diplomacy with different African countries because of its customized nature and character.

- **Tripartite Negotiations**

The Ministry is deeply involved in efforts by the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC) and the Southern African Development Community (SADC) to deepen regional economic integration through working together on:

- Market integration,
- Infrastructure development
- Industrial development.

The key issue is ultimately establishing a Free Trade Area (FTA) in the region.

A roadmap for establishing the Tripartite FTA is being implemented in two phases:

Phase I - covering negotiations for:

- trade in goods,
- elimination of tariff and non-tariff barriers (NTB),
- rules of origin,
- customs cooperation and transit related issues,
- technical barriers to trade and sanitary and phytosanitary (SPS) measures, trade remedies and dispute resolution and,

Phase II - covering negotiations on trade related issues such as:

- Intellectual Property Rights,
- Competition policy,
- Investment among others.



The Ministry has also been able to:

- Address issues of Non-Tariff-Barriers (NTBs) facing the Kenyan private sector in their bid to export to the COMESA and EAC region.
- Get an extension of the COMESA Sugar safeguard for one year from March 2014 - March 2015
- The Ministry has continued to engage the EU in the EPA negotiations and articulate Kenya interests. This has seen the resolution of 7 out of 9 outstanding issues. The pending issues include use of subsidies and Exports taxes as well as reference to COTONOU articles on human rights and governance.

iv) Kenya's International candidatures and appointments of Kenyans to renowned regional/International organizations

The Ministry has recorded successes in lobbying for Kenyans to be appointed in international Organizations as well as Kenya's candidatures in various organizations. These include but are not limited to:

- **Appointments/Elections to Organizations:**

1. Hon. Mukhisa Kituyi as Secretary-General of the United Nations Conference on Trade and Development (UNCTAD)
2. Mr. Martin Kagwanja, Deputy Executive Director, UNICEF
3. Amb. Mohammed Affey as the Inter-Governmental Authority on Developments Special Envoy to Somalia in December 2013.
4. Dr. Ahmed Ogwel, Head of Secretariat of the WHO Framework Convention for Tobacco Control (2013)
5. Appointment of Mr. Lawrence Murugu Mute as Commissioner to the African Commission for Human and People's Rights, of the African Union
6. Appointment of Dr. Kenneth Samson Ombongi, Principal of the Kenya Utalii College as Vice President to the UN World Tourism Organization

- **International Candidatures:**

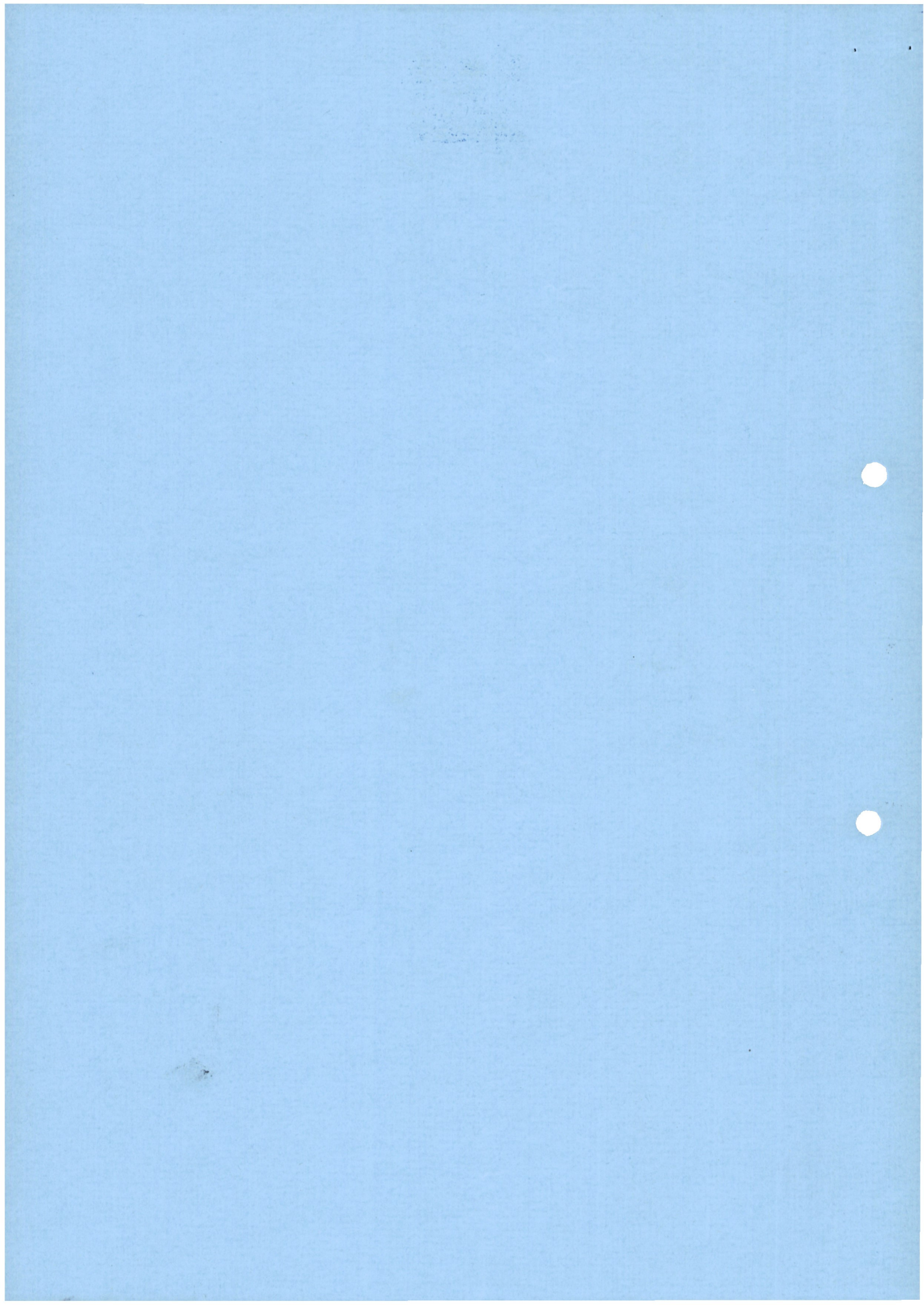
1. Successfully lobbied for Kenya to host the African Institute for Remittances (AIR).
2. Hosting of the Pan-African University for Science, Technology and innovation (PAUSTI) at Jomo Kenyatta University of Science and Technology



3. Lobbied for a seat in the Governing Council of the International Maritime Organization (IMO) in November, 2013
4. Lobbied for election of Kenya as council member of the International Maritime Organization (2013)
5. Lobbied for election to the UNESCO Intergovernmental Bioethics Committee (2013)
6. Lobbied for election of Kenya as a member of the Human Rights Council for 2013-2016.

v) Enhanced engagement with the Diaspora and Protection of the interests of Kenyans abroad

- The number of Kenyans in the Diaspora is estimated at three (3) Million and rising. The Diaspora possesses immense resources which can greatly contribute to the transformation of the country as envisaged in the Kenya Vision 2030. Part of these resources include inward formal remittances, which according to the Central Bank of Kenya stood at Kshs. 112.28 Billion (USD 1.290 billion) in the year 2013, accounting for over 5% of the Gross Domestic Product (GDP).
- In order to mainstream the Diaspora into the development agenda, the Ministry has, in conjunction with the Ministry of Labour and in consultation with other stakeholders, developed the draft National Diaspora Policy, which awaits Cabinet approval. The policy aims at:
 - Mainstreaming the Diaspora into National development
 - Improving provision of information to the Diaspora;
 - Establishing a reliable database of the Kenyan Diaspora;
 - Developing Diaspora intellectual networks and improving the capacity of the Government to address Diaspora issues.
- To enhance this engagement, the Ministry has finalised the development of the Diaspora Web portal to be launched by June 2014.
- The Ministry facilitated registration and voting by Kenyan Diaspora in the EAC region during the 2013 General Elections.
- The Ministry developed draft labour protection agreements with countries in the Middle East to improve the welfare, terms and conditions of Kenyan workers and specifically signed one with Qatar.





vi) Policy and legal frameworks

The following achievements were made in this area:

- Development of a draft Kenya Foreign Policy Framework
- Development of a draft Foreign Service and Diplomatic Representation Bill, 2012
- Development of a draft National Diaspora Policy - a Vision 2030 flagship programme
- Development of a draft policy on property acquisition and disposal in Kenya missions abroad

vii) Consolidating the position of Nairobi as a multilateral hub and diplomatic enclave

Kenya is the only developing country to host the headquarters of two United Nations programmes and the only United Nations Centre in a developing country. There are 19 other United Nations specialized agencies with regional offices in Nairobi. The Ministry's efforts and successes in this area include:

- Seeking collaboration with the relevant stakeholders to establish a diplomatic enclave in the Gigiri area.
- After Kenya's intense lobbying over a long time, the United Nations General Assembly upgraded the UNEP Governing Council into the UN Environmental Assembly of UNEP thereby making UNEP the leading authority on global environmental matters. This decision was a major victory for Kenya. As a result, Diplomatic Representation at UNEP now has a universal character and its membership has increased from the current 54 to the entire membership of the United Nations of 193 and the Assembly can convene a High Level segment to actualize environmental decisions. The Ministry has already started to facilitate accreditation of specific Representatives to UNEP as a result of the universal membership.

viii) Consular Services

While the Ministry essentially plays facilitative and coordinating roles, it also takes part in service delivery to citizens and has recorded achievements in the following areas:



Kenyans in Distress

- Evacuation of Kenyans from war torn countries e.g. more than 3,500 Kenyans were evacuated from South Sudan following the recent political crisis in the country.
- In the last one year, the Ministry has offered assistance to 6000 Kenyans with distress cases and facilitated return of 1, 090 Kenyans on deportation orders from Saudi Arabia in 2013.
- Follow up on Kenyans arrested in foreign countries and visiting them in jails where possible.
- Issuance of Passports/IDs to Kenyans in Diaspora through our Missions abroad.
- Clearance of dead bodies in foreign countries for airlifting to Kenya and issuing the necessary permits.
- Facilitating issuance of visas for government officials travelling abroad on official duties.
- Announcement of available international job vacancies and lobbying for candidates, where applicable

5. KEY MINISTRY PRIORITIES-2014/2015

The following are some of the important priorities for the Ministry for the coming financial year 2014/2015:

Priority 1: Expand Kenya's diplomatic representation globally by opening fully fledged diplomatic Missions and consulates in countries with a high potential for growing business and trade with Kenya as well as employment opportunities for our citizens. This includes establishing Missions in: Algeria, Morocco, Angola, Ghana, Malawi, Senegal, Djibouti and Cuba as well as Consulates in: Arusha in Tanzania, Lagos in Nigeria, and Goma in the Democratic Republic of Congo and liaison offices in Kismayu, Hargeissa and Garowe in Somalia.

Priority 2: Acquisition of properties abroad, Ministry Headquarters and purchase of motor vehicles

- Current rent for Kenya's Missions abroad stands at Kshs 1.736 billion per year and this is unsustainable in the long term. The Ministry has adopted a policy of acquisition of government owned properties abroad. This will reduce government budget allocated for payment of rent and enhance the image of the country abroad and release money to other priority areas.



- The Ministry proposes acquisition of properties in Kampala, Pretoria, New York, Geneva, Juba, Kigali, Berlin and Kinshasa.
- The current building housing the Ministry headquarters is too old, dilapidated and lacks aesthetic appeal. Indeed, the staff is now scattered in various buildings within the city, which affects our efficiency in service delivery. The Ministry has prioritized acquisition of land for construction of its headquarters.
- The current fleet of protocol and representational vehicles is old and a number of them are unserviceable and uneconomical to operate. The Ministry has prioritised purchase of representational vehicles for nine (9) missions; these are Pretoria, Dubai Consulate, Ottawa, Madrid, Kampala, Abuja, Gaborone, Tel Aviv and Harare.

Priority 3. Operationalisation of the Office of the Registrar of Treaties:

- Parliament enacted the Treaty Making and Ratification Act (No. 45 of 2012), which established an Office of the Registry of Treaties. The Registry shall be headed by a Registrar of Treaties according to Article 14 of the Act, an office of the rank comparable to other Registrars
- The mandate of the office is intricately tied to a major core function of the President which requires submission of an annual report for debate to the National Assembly on the progress made in fulfilling international obligations. The Ministry has therefore made it a priority to ensure that this office is operational.

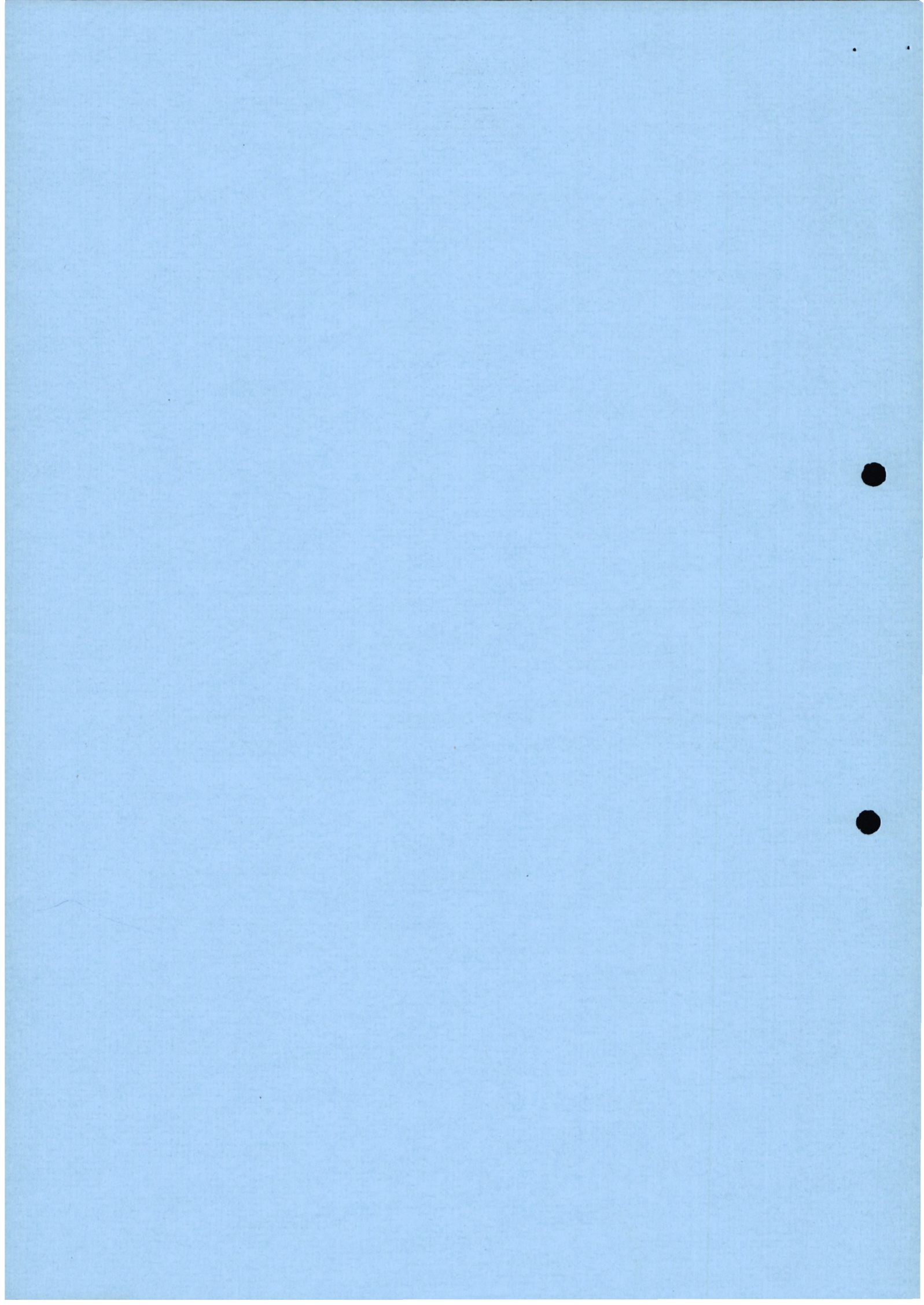
Priority 4: Transformation of the Foreign Service Institute (FSI) through;

- Granting it a semi autonomous status in order to effectively discharge its mandate in line with international norms and best practices.
- Development of a Foreign Service Curriculum to facilitate training of Foreign Service officers and diplomats from the region and the continent at large.

Priority 5. Operationalisation of the Kenya Fund for Regional Technical Cooperation:

Through the Fund:

- The Ministry seeks to strengthen bilateral cooperation with regional countries focusing on areas of capacity building and technical training.





- The Fund is targeted at providing scholarships, technical cooperation and support to peace building and keeping, amongst others and thus advancing Kenya's influence in the region.
- It is anticipated that once operational, the fund will be able to attract funding outside the exchequer, thus minimising reliance on government funding.

Priority 6: Integration of Kenyan Diaspora into national development process through:

- Implementation of the Diaspora Policy;
- Establishment of a reliable and comprehensive database of the Kenyan Diaspora;
- Improving the capacity of the ministry and Government at large to address Diaspora issues.

6. EMERGING ISSUES & CHALLENGES

- Resource gaps – These are both financial and human resource gaps. In fact, the blanket application of austerity measures recommended by the Parliamentary Budget Committee affects the Ministry's key functions including; Hospitality, Domestic and Foreign Travel.
- Foreign Exchange Fluctuations – The deterioration of the Kenyan currency against major hard currencies leads to huge losses when remitting funds to the Missions;
- Procurement Processes – The provisions of the Public Procurement and Disposal Act, 2005 pose a major challenge on project implementation in the Missions abroad because the laws within those countries are different from Kenya;
- Rents and Rates - The cost of renting or leasing properties abroad is very high and in the long-run such expenditures are unsustainable;
- Assistance to Kenyans in distress - there are many Kenyans abroad who require the Ministry's intervention in their personal problems such as:-
 - Deportation after serving prison sentences
 - People stranded due to lack of finances
 - Death.

In many of these cases, the Ministry has to assist financially and has been facing serious constraints.



- Human resource capacity constraints in key departments as well as shortage of key skills and competencies in Kenyan Missions also compromises service delivery.
- The Ministry is classified in the Public Administration and Foreign Relations Sector which has expanded without a corresponding increase in the level of funding. The low sector ceiling means that the sub-sectors are forced to share what is available and not their actual requirements.

A handwritten signature in blue ink, appearing to read 'Amina C. Mohamed'.

DATE. 2/5/14

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AMB. AMINA C. MOHAMED, CBS, CAV.

CABINET SECRETARY,

MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE

