India-Kenya Relations

Kenya is an East African nation with Uganda (west), South Sudan (northwest), Ethiopia (north), Somalia (northeast), Tanzania (south) as its neighbours. Kenya gained independence from Britain in 1963. It has been governed by Presidents Jomo Kenyatta (1963-78), Daniel arap Moi (1978-2002) and Mwai Kibaki (2002-2013). H.E. Uhuru Kenyatta took over as President on 9 April 2013. H.E. William Ruto is the Deputy President. Kenyans approved a new constitution in a referendum on August 04 2010 which came into force on August 27 2010. With a population of nearly 40 million (42% below 14 years), Kenya has great ethnic diversity.

The East African coast and the west coast of India have long been linked by merchants. The Indian Diaspora in Kenya has contributed actively to Kenya’s progress. Many Kenyans have studied in India. In recent times, there is a growing trade (US$ 3.87 billion in 2012-13) and investment partnership. Indian firms have invested in telecommunications, petrochemicals and chemicals, floriculture, etc. and have executed engineering contracts in the power and other sectors.

Before Independence, India had taken interest in the welfare of Indians in East Africa and several fact-finding missions visited East Africa such as the one led by Shri K.P.S. Menon in September 1934. In 1924, Sarojini Naidu was invited to chair the Mombasa session of the East African Indian Congress. H.N. Kunzru was another such invitee. India established the office of Commissioner (later Commissioner General) for British East Africa resident in Nairobi in 1948. Following Kenyan independence in December 1963, a High Commission was established. India has an Assistant High Commission in Mombasa.

Vice President Dr. S Radhakrishnan visited Kenya in July 1956. Smt. Indira Gandhi attended the Kenyan Independence celebrations in 1963. President Daniel arap Moi visited India in February 1981. President Neelam Sanjeeva Reddy and Prime Minister Indira Gandhi also visited Kenya in that year.

A Joint Commission was set up in 1999. The 1st meeting of the Joint Commission was held in July 2003 in Nairobi. A Memorandum of Understanding (MoU) on Foreign Office Consultations was signed during the meeting.

There have been a series of high level exchanges between India and Kenya in recent months. Hon’ble MoS for Human Resource Development Dr. Shashi Tharoor attended the inauguration ceremony of President Uhuru Kenyatta in Nairobi on 9 April 2013 as Special Envoy of the Prime Minister. He called on President Kenyatta on 10 April. Minister of Foreign Affairs Hon. Prof. Samson Ongeri led the Kenyan delegation at the 12th Meeting of Council of Ministers of IOR-ARC held in Gurgaon on November 2 2012. He met Hon’ble Minister for External Affairs Shri Salman Khurshid during the visit. Minister of Energy Hon. Kiraitu Murungi visited India to attend the Petrotech 2012 Conference organised by Ministry of Petroleum & Natural Gas on October 14-15 2012. Minister for Higher Education, Science & Technology Hon. Prof. Margaret Kamar visited India for the eleventh meeting of the Conference of Parties to the Convention on Biological Diversity (CoP-11 to CBD) held in Hyderabad in October 2012. Minister of Foreign Affairs Hon. Prof. Ongeri met Hon’ble Minister of State for External Affairs Shri E. Ahamed on the margins of the 17th NAM


During 2010, Kenya’s Prime Minister Hon. Raila Odinga met Hon'ble Prime Minister Dr. Manmohan Singh during a visit to India in November to attend the India Economic Summit organized by the World Economic Forum. He had visited Gujarat in 2009. Hon'ble Commerce & Industry Minister Shri Anand Sharma called on Prime Minister Odinga and held consultations with Minister of Trade Hon. Ambassador Chirau Ali Mwakwere during his visit to Kenya for the 6th session of the India-Kenya Joint Trade Committee in October 2010. Hon'ble Speaker Smt. Meira Kumar led the Indian parliamentary delegation to the 56th Commonwealth Parliamentary Association Conference in Nairobi in September 2010. Minister of Sports and Youth Affairs of Kenya Dr. Paul Utuoma attended the Commonwealth Sports Ministers Meeting held ahead of the New Delhi Commonwealth Games in October 2010. Hon'ble Minister for Overseas Indian Affairs, Shri Vayalar Ravi visited Kenya in February 2010.

The Director of Kenya National Archives and Documentation Service participated in the IOR-ARC meeting of the Heads of Archives in New Delhi from September 25-26 2012. A two-member Indian Parliamentary delegation participated at the ‘2012 Symposium to Peer Review the Curriculum of the Centre for Parliamentary Studies and Training Conference’ organised by the National Assembly of Kenya from July 29-August 3 2012. A 4-member Kenyan parliamentary delegation visited India for a ‘benchmarking study’ at the Lok Sabha Secretariat from August 20-25 2012.


**Economic and Business Links**

An India-Kenya Trade Agreement was signed in 1981, under which both countries accorded Most Favoured Nation status to each other. The India-Kenya Joint Trade Committee (JTC) was set up at Ministerial level in 1983 as a follow-up to the Agreement. The JTC has met six times since, the last in October 2010 in Nairobi. A Joint Business Council was set up in 1985 by the Federation of Indian Chambers of Commerce & Industry and the Kenya National Chamber of Commerce & Industry (KNCCI). The KNCCI signed a Memorandum of Understanding with the Confederation of Indian Industry (CII) in 1996.

Recent business promotion events organized in Kenya include: 2nd India Sugar Expo (May 2013) organised by The Sugar Technologists Association of India (50 Indian companies participated); 10th International Crop Science Conference & Exhibition (January 2013) organised by Pesticides Manufacturers & Formulators Association of India (25 Indian companies participated); Kenya Plast 2012 organised by the All India Plastics Manufacturers Association (AIPMA in September 2012 in Nairobi; around 35 Indian companies participated at the Printing and Packaging Exhibition organised by an Indian group in Nairobi in September 2012; India Medical Tourism Destination Event in August 2012; Visit of a business delegation from Gujarat (July 2012), ASSOCHAM, FIEO and EPC for EOUs/EPZs delegation of 50 Indian companies in 5th Africa Export & Import Fair 2012 (June 2012); visit of All India Plastics Manufacturers Association delegation (June 2012); participation of 15 Indian companies through CII in 15th Build Expo Africa (May 2012); participation of 25 Indian companies in Buyers Sellers Meet organized by CHEMEXCIL (March 2012); participation of 24 Indian companies through FIEO at the 15th Kenya International Trade Exhibition in Nairobi in November 2011; participation of Plastics Export Promotion Council (PLEXCONCIL) with 48 Indian exhibitors at the 4th International Exhibition for Plastics, Rubber and Packaging Industry held in Nairobi in July 2011; participation by 11 Indian companies at the Build Expo Kenya exhibition; Buyers Sellers Meet organized by the Engineering Exports Promotion Council (EIPC) in Nairobi in April 2011; ‘India: Medical Tourism Destination 2011’ organized by Services Exports Promotion Council (SEPC) in Nairobi in March 2011. Two Indian companies participated at the Kenya Motor Show held in Nairobi in September 2011.

**Development Cooperation**

India offers development assistance to Kenya in the form of loans and credit. This includes a loan of Rs. 50 million to Government of Kenya in 1982 and Lines of Credit by EXIM Bank to Industrial Development Bank Capital Ltd.
An Agreement on extension of a Line of Credit of US$ 61.6 million by EXIM Bank of India to the Government of Kenya for utilization in the power transmission sector was signed during the visit of Prime Minister Raila Odinga to India in November 2010.

In 1998, an MoU was signed between the National Small Industries Corporation and Kenya Industrial Estates Ltd. In 2003, an MoU was signed between India Trade Promotion Organisation and Export Promotion Council of Kenya.

Kenya is among countries planned to be covered by the Pan African e-Network Project that was launched in 2007. An Agreement was signed in July 2009 between TCIL and the Kenyan Ministry of Information and Communication regarding the project. Equipment was delivered by TCIL in 2010. VSAT terminals have been installed at Kenyatta National Hospital in Nairobi (August 2011) and at Maseno University Varsity Plaza for Learning Centre in Kisumu (September 2011).

The High Commissioner led the Indian delegation at the Summit on the Horn of Africa Crisis hosted by Government of Kenya in Nairobi on September 8-9 2011. On September 14 2011 the Government of India announced that it will provide humanitarian assistance of US$ 8 million to the countries affected by famine and drought in the Horn of Africa i.e. Somalia, Kenya and Djibouti. The assistance was being provided through the World Food Programme.

### Trade

Bilateral trade has been growing and was nearly US$ 3.9 billion during 2012-13 registering an increase of more than 60% over the figure of US$ 2.4 billion for 2011-12 according to Indian trade statistics. India’s exports were worth nearly US$ 3.77 billion. According to Kenyan statistics, India-Kenya trade was US$ 2.4 billion during 2012, US$ 1.8 billion during 2011, US$ 1.4 billion in 2010 and US$ 1.1 billion in 2009. Indian exports to Kenya have reached a figure of US$ 670 million (first three months of 2013).

#### India-Kenya Trade

<table>
<thead>
<tr>
<th>Year</th>
<th>Indian Exports</th>
<th>Indian Imports</th>
<th>Total Trade</th>
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<tr>
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<tr>
<td>2012-13</td>
<td>3.77</td>
<td>0.105</td>
<td>3.87</td>
</tr>
</tbody>
</table>

Source : Department of Commerce, India

Main Indian exports to Kenya include pharmaceuticals, steel products, machinery, yarn, vehicles and power transmission equipment. Main Kenyan exports to India include soda ash, vegetables, tea, leather and metal scrap.
**Investment**

Tata Chemicals Ltd. acquired Magadi Soda Company Limited in 2005. Several leading Indian public sector insurance companies participate in KenIndia Assurance Co. Ltd. More recent investments by Indian corporates in businesses in Kenya include Essar Energy (petroleum refining), Bharti Airtel, Reliance Industries Ltd. (petroleum retail); Tata (Africa) (automobiles, IT, pharmaceuticals, etc.). Several Indian firms including KEC, Karuturi Ltd., Kalpataru Power Transmission Ltd., Power Grid Corporation of India Ltd., Kirloskar Brothers Ltd., Mahindra & Mahindra, Thermax, WIPRO, Jain Irrigation System Ltd., Punj Lloyd, VIL Ltd., Emcure, Dr. Reddy, Cipla, Cadila, TVS and Mahindra Satyams, etc., have a business presence in Kenya as do the Bank of India and the Bank of Baroda. HDFC and the Central Bank of India have Representative Offices in Kenya.

An India-Kenya Double Taxation Avoidance Agreement (DTAA) was signed in 1989. The 2nd round of negotiations to review the DTAA was held in Nairobi in November 2010.

**Connectivity and Travel**

Air India’s operations to Nairobi via Aden, which began on January 21 1951, the carrier’s second overseas route after London, ended in January 2010 and Air India closed its Nairobi office in March 2011. Kenyan Airways flies to Delhi and Mumbai. Kenyan Airways signed a code-share agreement with Jet Airways in 2010.

Many Kenyans study in India. Nearly 18,000 visas for India are issued annually. Many Indians travel to Kenya for tourism as well as on business.

**Academic and Cultural Links**

Government of India offers over 100 scholarships annually to Kenyan nationals. These include scholarships for professional training in various fields under the Indian Technical & Economic Cooperation (ITEC) Programme and related schemes and Indian Council of Cultural Relations scholarships. Pursuant to the 2nd Africa-India Forum Summit held in Addis Ababa in May 2011, the availability of ITEC training slots were increased to 71 during 2011-12 for Kenya. 45 ICCR scholarships were offered during this period. In addition, 18 Kenyan nationals availed of the IAFS training programmes and 2 Kenyan nationals availed of the CV Raman International Fellowship training programmes during 2011-12. One Kenyan official attended the 50th Professional Course for Foreign Diplomats (PCFD) in January-February 2011, while another Kenyan official attended the Special Course for Commonwealth Diplomats held in March 2011. During 2012-13, 70 ITEC scholarships and 54 ICCR scholarships have been offered for Kenyan nationals. A Cultural Cooperation Agreement was signed in 1981. Kenya sent its largest ever sporting contingent to the 19th Commonwealth Games 2010 at New Delhi.

An ICCR sponsored 14-member Bhangra dance group visited Kenya during October 2012 to participate in the 21st annual Kenyatta University Culture Week in Nairobi. The group also traveled to Mombasa and gave some performances.

The late Kenyan Nobel Peace laureate and environmentalist Prof. Wangari Maathai was conferred the 2005 Jawaharlal Nehru Award for International Understanding in March 2007.
by the President, Shri APJ Abdul Kalam. She was also conferred the 2006 Indira Gandhi Award for Peace, Disarmament and Development by the President, Smt. Pratibha Patil in November 2007.

Indian Community and Diaspora in Kenya

Although trade links between India and East Africa go back several centuries, recent migration from India took place in the 19th and early 20th centuries initially via Zanzibar and Lamu and then through Mombasa. Indians were brought in large numbers to work on the Uganda Railroad. Merchants, artisans and others followed. Eventually, a vibrant community of persons of Indian origin emerged.

Leading figures of the Kenyan Indian community in Kenya’s pre-independence period included the labour leader Makhan Singh. M. A. Desai and Pio Gama Pinto participated actively in Kenya’s independence struggle. Diwan Chaman Lall MP joined Jomo Kenyatta’s defence team which included two other persons of Indian origin, F R S DeSouza (later Kenya’s Deputy Speaker) and A R Kapila, at his 1953 trial. Several Kenyans of Indian origin have distinguished themselves as lawyers, judges, doctors and academics.

The Indian Diaspora in Kenya numbers approximately 70,000 persons. The community is well established in trade, industry and the professions. Many Indian professionals also work with MNCs and Indian companies in Kenya.

Three persons of Indian origin from Kenya have been awarded the Pravasi Bharatiya Samman: Mr. Manilal Premchand Chandaria, Mr. Pheroze Nowrojee and Dr. FRS De Souza. Many key businesses in Kenya are owned by the persons of Indian origin. These include a wide range of areas covering all sectors: manufacturing, agriculture & food processing including fisheries, transportation and infrastructure development as well as banking and finance. Indian Diaspora-owned firms also figure prominently in the Kenyan hotel and tourism sectors.

The Kenya-India Friendship Association (KIFA) was set up in 1981. The current Chairperson is Dr. Kenneth S. Ombongi. There are a large number of associations representing different communities among the Indian Diaspora as well as several places of worship, schools, etc.

Sportspersons of Indian origin have represented Kenya in motor rallying, hockey, cricket, tennis, squash and golf. There are two Asian FM radio channels broadcasting from Nairobi and other cities as well as one weekly newspaper.

An Indian Diaspora Engagement Meet in East Africa was organised in Nairobi on 13-14 April 2012 by Ministry of Overseas Indian Affairs and Overseas Indian Facilitation Centre (OIFC) in association with the High Commission of India. The event, which was attended by around 100 representatives from the Indian community, was addressed by Shri Parvez Dewan, Secretary, Ministry of Overseas Indian Affairs, the High Commissioner, Mr. Manu Chandaria, Pravasi Bharatiya Samman awardee and business representatives from the Indian Diaspora. Kenya’s Minister for Foreign Affairs Hon. Prof. Sam Ongeri informally spoke to the gathering during the inaugural session. Officials from the Kenyan Ministries of Foreign Affairs and Trade and the Kenyan Investment Agency were also present.
High Commissioner addressed an ‘Open House’ event organised by the Mission for Indian community in Kisumu in December 2012. Two other ‘open house’ events had been organised by the High Commission in Eldoret (March 2012) and Nairobi (December 2011).

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July 2013