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Speech of Smt. Nirmala Sitharaman at the 7th India- Kenya Joint Trade Committee Meeting

Following is the text of speech of the Minister of State for Commerce & Industry (Independent Charge), Smt. Nirmala Sitharaman at the 7th India- Kenya Joint Trade Committee Meeting here today:

Excellency, Ambassador Amina Mohamed, Cabinet Secretary, Ministry of Foreign Affairs of International Trade, Ambassador Nelson Ndirangu – Director / Economic and International Trade Directorate and other members of the delegation of Republic of Kenya, I extend a warm welcome to you all on your visit to India for the 7th India – Kenya Joint Trade Committee meeting.

The last meeting of the Joint Trade Committee was held in October, 2010 in Nairobi and the present JTC is being held after a gap of over four years. I acknowledge that in order to strengthen our trade ties, there is a need to hold the Joint Trade Committee meetings more frequently.

I am happy that our senior officials had useful discussions on a range of subjects yesterday and have identified measures required to be taken for enhancing bilateral cooperation between the two countries in several key sectors.

Excellency, I am confident that given your familiarity with India and under the visionary leadership of President Kenyatta, the relationship between the two countries would receive a further boost.

India and Kenya enjoy close and cordial relations that go back to historical times. It is a matter of great satisfaction that the Indian Diaspora plays a significant role in the Kenyan economy and helps in cementing the trade and cultural relations between the two countries. There is a strong presence of the vibrant Indian community in Kenya presently numbered 70,000, with approximately 20,000 Indian Nationals and 50,000 Persons of Indian Origin. I believe that the Indian community plays a significant role in Kenya's economy. Several Kenyans of Indian origin have distinguished themselves as lawyers, judges, doctors and academics. We value our historical and cultural ties and acknowledge the contribution of our Indian Diaspora and the Kenyan Government in strengthening the friendship between two countries.

It is heartening to note that the bilateral trade between the two countries has been growing in the recent years. India-Kenya bilateral trade has crossed US\$4 billion in 2013-14 as compared to US\$ 1.5 bn in 2009-10.

In 2013-14, the major commodities of export from India to Kenya were Petroleum (crude and products),

drugs/pharmaceuticals and fine chemicals, machinery and instruments, primary and semi-finished iron and steel, transport equipment, manufactures of metals, plastics and linoleum products and manmade yarn and fabrics.

The major commodities of import into India from Kenya, in 2013-14, were inorganic chemicals, pulses, tea, leather, metaliferous ores and metal scrap, other crude minerals, raw wool, pulp and wood and wood products. The share of Kenyan exports, in our bilateral trade, needs to be enhanced. We will continue to explore means of ensuring this in our Joint Trade Committee meetings.

I am glad that the development partnership engagement with Kenya is generally progressing well but more could be done. We understand that infrastructure is a key priority of President Kenyatta. The US\$ 62 million line of credit, which was approved in 2010 to erect a 450 km long power transmission line, is under implementation. We are ready to assist in other areas of priority for Kenya. In our opinion, there exists a huge untapped potential for cooperation in the fields of agriculture, horticulture and mining.

I am delighted that a large number of Indian companies are present in Kenya, including the Tata group, Essar, Reliance Industries and Bharti Airtel. Indian public sector banks - Bank of Baroda and Bank of India, and public sector insurance companies - New India Assurance, Life Insurance Corporation of India, and General Insurance Corporation have operations in Kenya. In fact, GIC and other public sector insurance companies hold 60% shares in KenIndia, one of the larger Kenyan insurance companies. Kenya is an important partner for India and the presence of Indian companies is a clear indication of complementarities of our two economies. I sincerely hope that Kenyan companies would also explore possibilities of investing in India.

To make India a manufacturing hub, the Hon'ble Prime Minister of India launched the 'Make in India' initiative in September 2014 designed to facilitate investment, foster innovation, enhance skill-development and build the best manufacturing infrastructure. The present government is committed to make India one of the best places to manufacture and to do business. The Government aims to develop industrial corridors and smart cities to provide working environment with state-of-the-art technology. The Government has also achieved significant success in the fields of financial inclusion through the Jan Dhan Yojana, Aadhaar – the unique individual identification number for every citizen and the Direct Benefit Transfer scheme. India is focusing on enterprise and skill development too. These are the areas which I feel would also be of interest to a progressive economy like Kenya. India would be happy to share the knowledge and experience in these areas of mutual interest.

Kenya offers a very attractive trade destination for India which is reflected in the number of trade delegations visiting Kenya in 2014. This year also Indian delegations are looking forward to their participation in fairs in Kenya being organized by various chambers of commerce and other bodies. I hope that trade delegations from Kenya would also take advantage of several opportunities to visit India.

I am happy to note that in the official level discussions yesterday under the 7th Joint Trade Committee, both sides

have agreed for enhanced cooperation in the fields of bilateral investment, infrastructure, SMEs, agriculture, health, energy, skill development & entrepreneurship, pharmaceuticals and tourism.

India is committed to take our relationship to a new level and looks forward to being a reliable partner in Kenya's quest for growth.

Excellency, with these few words, I once again welcome you all to Delhi and hope that this visit of yours has been fruitful and enjoyable.

MJPS