

PRESENTATION ON KENYA'S EXPERIENCE AT THE WTO

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OUTLINE

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KENYA AT WTO

- Kenya is a founder member of the World Trade Organisation (WTO) – 1995.
- Before then, Kenya was a member of the General Agreement on Trade & Tariffs (GATT), the predecessor of WTO, having joined in 1964.
- Before independence, all trade related matters were sanctioned from Britain.
- The GATT was different from WTO because it was a *la Carte* (menu) – each member decided what to implement and what to leave out.

URUGUAY ROUND

- It started in 1986 and concluded in December 1993
- It was signed in April 1994, gave birth to the WTO and came into force 1995
- The Uruguay Round (UR), besides GATT it incorporated trade in services and trade related intellectual property rights into multilateral rules
- In addition, an effective dispute settlement mechanism was established

URUGUAY ROUND CONT...

- During the UR, our participation was not very active
- IT was not clear whether the old system of GATT would continue.
- In addition, the interaction between trade and development were discussed under UNCTAD.
- At the conclusion of the UR, members agreed on **the principle of single undertaking**. Kenya chose to accept the results of the UR.

URUGUAY ROUND CONT...

- After signature, our major challenge was to understand the implications of the Multilateral Agreements.
- Experienced difficulties to implement most of the Agreements.
- To mitigate the challenges, we joined like-minded group that focused implementation issues.

SEATTLE ROUND

- ✓ In Seattle, Kenya was the coordinator of the African group
- ✓ Kenya was among the developing countries that could not allow the introduction of new issues into the WTO
- ✓ New issues included – investment, competition and trade facilitation, government procurement, labour standard
- ✓ The priority was to address the implementation concerns arising from Uruguay
- ✓ These issues formed an agenda that was tabled in Seattle during the 3rd WTO Ministerial Conference.

SEATTLE ROUND CONT...

- ✓ The Seattle Conference collapsed due to wide differences.
- ✓ After Seattle, the focus was on development.
- ✓ We needed some of these Agreements to be amended to address development issues
 - Almost all agreements were market-oriented provided no Policy Space for developing countries.

DOHA ROUND

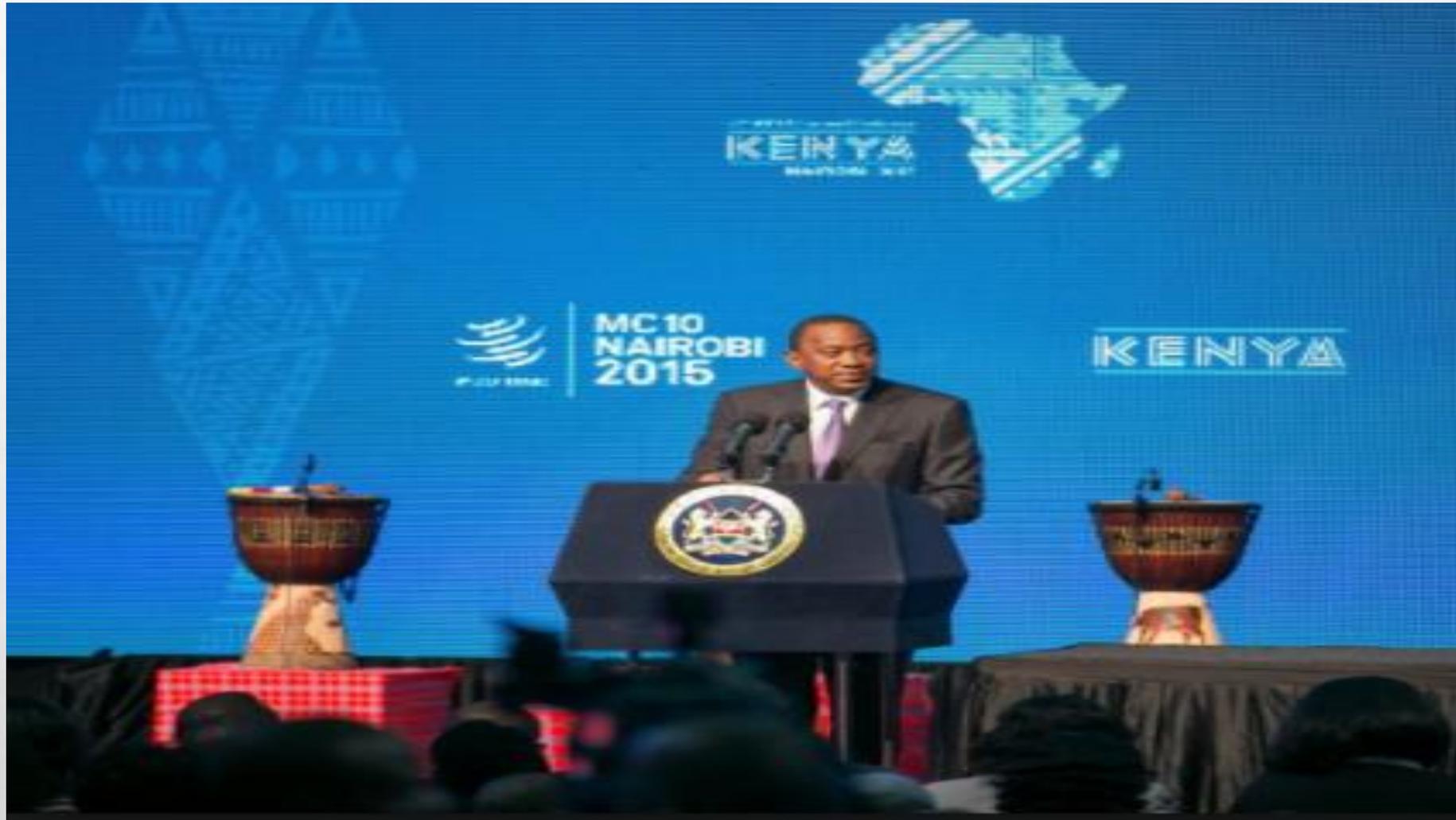
- ❖ During the Doha Round, Kenya was the coordinator of the ACP Group.
- ❖ Doha discussions put development at the core of the WTO work programme. This led to the adoption of the Doha Development Agenda (DDA).
- ❖ An important issue that Kenya participated in was on paragraph 44 on Strengthening and operationalizing S&D treatment.

DOHA ROUND CONT...

- ❖ Another important outcome was the adoption of the Doha Ministerial Declaration on the issue of TRIPS and public health.
- ❖ Kenya and other developing countries have the flexibility to access cheaper drugs in order to address public health issues.

NAIROBI MINISTERIAL CONFERENCE

- First time to be hosted in Africa
- Recognition of the role of Africa in Multilateral Trading System (MTS) negotiations
- Some of the key outcomes included:
 - ✓ Elimination of export subsidies in agriculture – a milestone
 - ✓ Increased market for cotton for LDCs
 - ✓ Adoption of decisions on development issues of interest to the LDCs – guidelines on Rules of Origin and increased participation of LDCs in Trade in Services.
- We witnessed the accession of Liberia and Afghanistan to the WTO



H.E the President of Kenya during 10th Ministerial Conference in Nairobi, December 2015.



WTO Accession of Liberia in Nairobi Ministerial Conference, December 2015

SUMMARY: BENEFITS

- In summary, Kenya experience is mixed
- Kenya's exports have increased due to lowering of tariffs in external markets.
- Our experience in the WTO has been useful in our participation in regional and continental negotiations
- Kenya has benefited from technical assistance and capacity building programmes from the WTO which has been useful in the regional and continental negotiations
- Some of the Agreements such as TBT and SPS have assisted in addressing NTBs – EU as agriculture and horticultural products destinations.

SUMMARY: BENEFITS CONT..



SUMMARY : BENEFITS CONT...

- Some at the implementation issues were clarified.
- We benefitted in some areas - TRIPS and public health.
- Our participation in the WTO has raised the importance of trade which has now been incorporated into our national development strategy;
 - ✓ Adopted National Trade Policy
 - ✓ Enacted Trade Remedies Act
- Implementation of the Trade facilitation Agreement – helping in lowering the cost of doing business

SUMMARY: CHALLENGES

- Trade liberalization has affected the development of local industries and its manifestation – cheap and subsidized imports
 - Trade Remedies law seeks to mitigate this challenge
 - The law establishes trade remedies agency which will investigate and impose anti-dumping and countervailing duties as well as safeguard measures
- Some of the commitments constrain our Policy Space – tariff commitments e.g in agriculture we cannot go beyond 100%

SUMMARY: CHALLENGES CONT...

- Inadequate capacities – in negotiations and implementation of the Agreements
- Parallel negotiations WTO, CFTA, EPAs, TFTA, etc
- Coordination challenges at national and regional levels
- Expansion of WTO Agenda to include other issues



● **THANK YOU**