Pakistan initiates strategy to grow trade relations with Kenya, Africa

BY JAMES KAHONGE

When Pakistan organised a trade conference in Nairobi earlier this year, it opened a new chapter in the business relations the two countries have had for decades. Pak Africa Trade Development Conference 2020 became the first such event by Pakistan in Africa.

The conference also marked the start of a more active engagement between the South-East Asian nation with Kenya and the rest of Africa, and a departure from the previous piecemeal contact with the continent.

The highly successful conference was inaugurated by President Uhuru Kenyatta, and was attended by a high-profile delegation from Pakistan, including the country’s foreign and trade ministers.

“The main aim of the conference was to explore ways to enhance access to market for our goods, to boost value addition and to reduce tariff barriers,” says Amb Saqlain Syedah, Pakistan High Commissioner to Kenya.

Already, plans are underway to organise a state visit for President Kenyatta to Pakistan to reinforce these relations. This will be the first ever such visit by the Head of State from either country.

One of the key takeaways from the conference, according to Amb Syedah, was development of joint ventures to increase opportunities of economic engagement between Kenya and Pakistan.

Trade facilitation MoUs and Agreements are under negotiation by both countries. The finalisation of the deals will not only increase the volume of trade but also open avenues for greater economic engagement.

Figures from 2019/2020 show that goods worth $276 million (Ksh27.6 billion) were traded between Kenya and Pakistan.

The trade balance was in Kenya’s favour, exporting to Pakistan goods worth $470.7 million (Ksh47 billion), while importing goods worth $265 million (Ksh26.5 billion).

Kenya exports tea, leather and leather products, flowers and chemicals to Pakistan, and imports rice, medical supplies, agricultural machinery and textiles from the South East Asian nation.

Over the years, Pakistan has been one of the leading importers of Kenyan tea, totalling Ksh45.1 billion in the last trading year. Notably, Pakistan ranks as the fifth largest importer of Pakistani rice globally.

A cargo container from Karachi takes between eight and 10 days to arrive at the Port of Mombasa, and vice-versa, or less, depending on the weather.

From small enterprises to large established corporates such as Sameer Industries, Kenya is home to several Pakistani-owned businesses, mostly in the manufacturing, car and IT sectors. These businesses contribute significantly to the Kenyan economy by among others, creating thousands of job opportunities for Kenyans.

In the hospitality industry, some of the top chefs in leading hotels are recruited from Pakistan.

“While we’ve had problems of illegal Pakistani immigrants in other countries, we don’t have that problem in Kenya,” Amb Syedah observes, saying that those in the country have proper trading and work permits.

Similar to Kenya’s Big 4 agenda, the government of Prime Minister Imran Khan of Pakistan has set out to improve housing, agriculture and food security, manufacturing and improved access to healthcare, for its people.

“We’re collaborating with the Kenya National Chamber of Commerce and Industry to look at ways of furthering our engagement to help us realise these individual and collective goals,” Amb Syedah says.

Pakistan boasts a well-developed pharmaceutical, automotive, and most drugs and medical equipment produced locally. Amb Syedah sees this as a rich area of exploitation to boost Kenya’s access to medical products and equipment.

In terms of skills exchange, Kenya has considerably benefitted from training in Pakistan, with some of its engineers, pharmacists and doctors educated in the South East Asian country.

“I was surprised that about 15 members of the Pharmacy and Poisons Board of Kenya are graduates from universities in Pakistan,” Amb Syedah says.

Earlier this year, the Pakistan Navy, on a goodwill visit, organised a medical camp in Mombasa County where more than 4,000 patients were treated by doctors from Pakistan.

“In future, we hope to have a bigger contingent of naval doctors so that we can target more patients in other parts of the country,” the High Commissioner adds. Also, both sides need to explore options of medical tourism, she stresses.

After decades of diplomatic ties between Kenya and Pakistan, where’s the relationship at the moment?

Amb Syedah believes that the friendship “is picking up”, although “it isn’t where is should have been”.

“We’ve missed on our huge potential because for many years, we didn’t engage on a lot of levels,” she observes, adding that there’s renewed interest to spur these linkages.

“Much infrastructural and business development have been happening in Kenya in the last 10 years. Many incentives have come up to support business. There’s also increased international awareness and presence of global brands here, which boosts the country’s visibility,” says Amb Syedah.

According to her, Pakistan is eager to benefit from this heightened growth and to capitalise on the emerging export processing zones (EPZs) in Lamu, Mombasa and upcountry to increase trade volume.

On ease of doing business, Amb Syedah admits that Kenya is faring better than Pakistan, with more structures in place to facilitate trade. “We’re working to improve that on our side.”

Boosting communication and connectivity is vital to take the relations forward, Amb Syedah says. The two countries also need to facilitate capacity building and to have more collaborations within institutions.

“Understanding how government systems work in both countries will make it possible to establish the correct linkages and to avoid fumbling,” she says, emphasising that political will is necessary from both partners to strengthen and sustain ties.

To enhance connectivity, both sides are in the process of negotiating air services agreement. Amb Syedah adds that bilateral and multilateral negotiations require “direct contact”, and argues that Covid-19 and the restrictions on movement have greatly hampered engagements.

In her view, diplomacy of rhetoric has no place in today’s world. Parties have to be more expressive, precise and clear in their positions, she says. “There can’t be grey areas anymore.”

Amb Syedah hopes to have elevated her country’s brand in Kenya and Africa by the time her term expires. As part of this agenda, she is working towards striking an agreement that will “eliminate existing discrepancies” and make it easier to process visas for people to travel between the two countries.

From her brief stay in Kenya, the high commissioner says she appreciates the country’s development trajectory, its willingness to protect the environment and the world-renowned innovative mobile money infrastructure.

President Uhuru Kenyatta with H.E. Mahkdoom Shah Mahmood Qureshi, the Foreign Minister of the Islamic Republic of Pakistan, Hon. Abdul Razak Dawood, the Commerce and Investment Adviser to Prime Minister of Pakistan and Pakistan High Commissioner to Kenya Amb Saqlain, With them are Kenya’s Cabinet Secretaries Amb Raychelle Oomano and Betty Maina, and other delegates during the Pakistan Africa Trade Development Conference in January 2020.

Amb Saqlain (Left) together with the Foreign Minister of the Islamic Republic of Pakistan, H.E. Mahkdoom Shah Mahmood Qureshi (centre), with Kenya’s Foreign Affairs Minister Amb Raychelle Oomano.

MAJOR PAKISTANI EXPORT SECTORS

- Textile and Apparel
- Agro-foods (rice, dates, fruits and vegetables etc.)
- Pharmaceutical products
- Surgical instruments
- Light engineering products and electronics (motors, pumps, generators, firearms, wires and cables, electric fans, domestic appliances, insulators and cutlery etc.)
- Sports goods
- Ceramic and clinkers
- Auto industry (tractors, auto parts, farm machinery, tyres and tubes, agricultural appliances etc.)
- Cosmetics
- Services (IT, digital payments, migration application, system integration, software development, marketing, designing, logistics, security, identity registration, e-passport, security solutions, etc.)

TIGHT TIES

- Both Kenya and Pakistan are members of the Commonwealth, having been former colonies of Britain.
- Both countries have enjoyed cordial diplomatic relations since 1955 when Pakistan established a high commission in Nairobi.
- The only time Pakistan didn’t have a high commissioner in Kenya was for eight months preceding the posting of Amb Syedah.
- Other than Kenya, Pakistan has 14 other high commissions and embassies across Africa.
- Plans are advancing to establish five new missions in Africa as Islamabad moves in to increase its footprint in the continent.
Amb Saqlain on how to boost social ties with Kenya

BY JAMES KAHONGEH

From their British colonial masters to independence movements, a shared rich history, cultural engagements and development agenda, Pakistan and Kenya have enjoyed notable similarities in their national stories in an ever-blossoming camaraderie over the decades. When she was posted to head the Pakistani High Commission in Kenya last year, Amb Saqlain Syedah set out to bolster areas of mutual interest between the two nations, among them cultural engagements.

Amb Syedah has also served in Indonesia, Canada, Ukraine and China and did her masters studies in Australia. Africa was the only continent she hadn’t lived on before her appointment to Kenya. Before her arrival, the high commissioner had been to Africa but only on brief official visits to Ethiopia and Nigeria.

“So, did she have any culture shock upon arrival in Nairobi? None, she says. “I didn’t know what to expect. My impression was neither bad nor good. Attendants at mails and other social places would address her in Kiswahili, assuming she was Kenyan. Culturally, the two countries are fairly similar. “Kenya has graciously absorbed South East Asians into their culture. They’ve gelled well in the Kenyan community. Sometimes they don’t even identify themselves with the regions they came from,” Amb Syedah says.

Her mother, who speaks fluent Punjabi, feels safe to work, study and live in. People there would address her in Punjabi, according to her. She’s already spoken of learning from Kenya, which has a well-structured tourism sector. Some universities here have facilities offering exclusively tourism courses. We don’t have such a systemic tourism industry,” she says.

Pakistan boasts a wide range of attractions, including heritage sites that date back many centuries. Among these ancient sites is the point where Buddhism started to spread to other parts of the world. “We encourage Kenyans to visit Pakistan to see tourism sites and monuments of the Sikh community, which is the largest in Pakistan,” she says. To her, linkages in this sector and special packages for citizens from both countries would boost cultural exchange while cementing the diplomatic ties.

Statistics show that there are nearly 20,000 Pakistanis living and working in Kenya, from passport holders to settlers.

Traders, students and tourists frequently travel between Kenya and Pakistan. Those with family visit their relatives in either country often. Easier access to visas, the Pakistani high commissioner notes, would help to increase the volume of travellers.

Amb Syedah especially observes that time is ripe for the two countries to establish direct flights between them, a development she argues would significantly boost tourism. It takes between four and five hours to fly between Nairobi and Karachi.

“Kenya is the gateway to Africa because of its connection to the rest of the world through direct flights to nearly major every city,” Amb Syedah says.

Access to Kenya, she explains, would therefore be a solid starting point in her country’s plan to make inroads on the continent.

The need to strengthen and diversify relations between the two nations and the rest of Africa was the key message during the country’s 74th independence celebrations on August 14.

Unlike in past years when an elaborate party would be organised, this year’s ceremony was low key owing to the Covid-19 pandemic and the ban on social gatherings.

“We had a small party with our staff and a flag hoisting ceremony. We couldn’t hold a party with outsiders to avoid exposing them to the virus,” says the high commissioner.

The high commissioner hopes to later organise a citrus festival where participants will showcase various fruit products. A culinary festival is also in the offing where Pakiastani and Kenyan food enthusiasts will participate in a cook fair involving rice dishes.

On the education front, the Ambassador is in talks with higher education management back home to organise an academic fair for Pakistani universities and colleges to come and showcase their programmes.

But even as efforts to spur social partnerships gain steam, Amb Syedah notes that it’s necessary for the two countries to eliminate misconceptions that abound. “My country is safe to work, study and live in. People there have a good life. Kenya has a good healthcare system and life is good here too,” she observes.

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