



REPORT OF THE KENYA DIASPORA EASTER INVESTMENT CONFERENCE 2015

Development and Innovation: Opportunities for Diaspora

31st March – 2nd April, 2015



**WINDSOR GOLF HOTEL AND COUNTRY CLUB
NAIROBI, KENYA**

ACKNOWLEDGEMENTS

The Ministry is indebted to H. E. President Uhuru Kenyatta who graced the opening ceremony and interfaced freely with the Diaspora during the interactive session, and the Deputy President Hon. William Samoei Ruto who presided over the closing ceremony. The Easter Diaspora Conference would not have been successful without the invaluable support received from the Cabinet Secretary, Amb. (Dr) Amina Mohamed, CBS, CAV as well as the Principal Secretary Dr. (Eng.) Karanja Kibicho, CBS.

Special appreciation is reserved for the moderators for the different sessions, and the Master of Ceremony Mr. Peter Wairegi for the management and conduct of the Conference which facilitated the collection of the information that is contained in this report, as well as Dr. Eliab Some, Rapporteur. Special mention is reserved for the Secretariat and other members of the staff of the Ministry for their part in delivering a landmark Conference.

The report was authored by Dr. M. Wachira, OGW, who was the Chief Rapporteur during the event and was assisted by Mrs. Hellen Gichuhi under the Direction of Mr. Washington Oloo, Head, Diaspora and Consular Affairs Directorate, Ministry of Foreign Affairs and International Trade. The Ministry wishes to acknowledge the contribution of officers in the Diaspora and Consular Affairs Directorate namely Mr. Jon Chessoni, Ms Harriet Murungi and the team of interns. The Ministry received valuable contributions by Ms Njambi Kinyungu, Deputy, Political and Diplomatic Secretary and, Mr. Joseph Masila of Central Planning and his team towards the preparation of this report. In addition, Mr. Victor Cheborion provided invaluable input by transcribing some recordings of the sessions of the Conference.

Finally, the Ministry appreciates our valuable partners; the Kenyans abroad whose contribution cannot be quantified, the Private sector who sponsored most of the events and made presentations as well as the Management of the Windsor Golf Hotel and Country Club for offering the venue and excellent facilities for the conference.

May, 2015

NAIROBI

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ACRONYMS

AGOA	-	Africa Growth Opportunity Act
AIR	-	African Institute for Remittances
AU	-	African Union
BBM	-	BlackBerry Messenger
CEO	-	Chief Executive Officer
CIC	-	Cooperative Insurance Company
COMESA	-	Common Market for Eastern and Southern Africa
CS	-	Cabinet Secretary
CSR	-	Customer Service Relations
DTA	-	Double Taxation Act
EAC	-	East African Community
EACCMA	-	East African Community Customs Management Act
Eng.	-	Engineer
EPC	-	The Export Promotion Council
FDI	-	Foreign Direct Investment
FOSA	-	Front Office Service Activities
GDP	-	Gross Domestic Product
H.E.	-	His Excellency
HELB	-	Higher Education Loans Board
ICT	-	Information and Communication Technology
IEBC	-	Independent Electoral and Boundaries Commission
ILO	-	International Labour Organization
JBC	-	Joint Business Council
KAM	-	Kenya Association of Manufacturers
KCB	-	Kenya Commercial Bank
KenInvest	-	Kenya Investment Authority
KNCCI	-	Kenya National Chambers of Commerce and Industry
KQ	-	Kenya Airways
KRA	-	Kenya Revenue Authority
LAPPSET	-	Lamu Port, Southern Sudan- Ethiopia Transport corridor

MoFAIT	-	Ministry of Foreign Affairs and International Trade
MSE	-	Medium and Small Enterprises
NADICOK	-	National Diaspora Council of Kenya
NHIF	-	National Hospital Insurance Fund
NSSF	-	National Social Security Fund
PPA	-	Power Purchase Agreements
PPP	-	Public Private Partnership
PPPU	-	Public Private Partnership Unit
PS	-	Principal Secretary
SACCO	-	Savings and Credit Co-operative
SADC	-	Southern Africa Development Community
SAP	-	Structural Adjustment Programmes
SEZ	-	Special Economic Zones
UAE	-	United Arab Emirates
UK	-	United Kingdom
UNCTAD	-	United Nations Conference on Trade and Development
UNWTO	-	United Nations World Tourism Organization
UN	-	United Nations
UNCTD	-	UN Convention Travel Document
US/ USA	-	United States of America
VAT	-	Value Added Tax
WTO	-	World Trade Organization

EXECUTIVE SUMMARY

The Kenya Diaspora Easter Investment Conference report gives an overview of critical issues discussed in the Diaspora Conference 2015 whose theme was *Development and innovation: opportunities for Diaspora* that was held at the Windsor Golf Hotel and Country Club between 31st March and 2nd April, 2015. This was the first Conference that brought together the government, Kenya's Envoys, members of the Kenyan Diaspora, the private sector and other stakeholders to engage on issues that are of great importance to Kenyan Diaspora and the country at large. The conference was a clear demonstration of the interrelationship between achieving Kenya's foreign policy objectives through partnership between people and different institutions and a great opportunity to share information with the Diaspora.

The report compliments the Kenya Diaspora Policy through the recommendations made towards mainstreaming the Kenyan Diaspora into national development agenda in line with the aspirations and goals of the Kenya Vision 2030 development blue print. The Kenya Vision 2030 recognizes Diaspora contribution as a critical component to the growth of our economy and in the achievement of the overarching vision of a globally competitive and prosperous Kenya by the year 2030. Issues to do with investment opportunities available in Kenya as well as the legal, institutional and infrastructural frameworks were discussed.

The Ministry of Foreign Affairs and International Trade pledged to work closely with the Diaspora and other institutions to structure and mainstream remittances and critical skills from the Kenyan Diaspora in such a way as to reduce dependence on FDI and to fill the skills-gap, amongst others. The Ministry of Foreign Affairs and International Trade took cognizance of the fact that Diaspora account for significant share of the Kenyan GDP. Similarly, the invaluable contribution of the Diaspora in terms of skills, expertise and transfer of knowledge to Kenya was noted.

There were several issues around which various recommendations were made. The first issue was the need for a policy on reintegration of returnee Diaspora that would create an enabling environment in which the Diaspora was effectively integrated and was able to make significant contribution to the development of the nation. In this process of integration, the main thrust was to unlock and maximize the hitherto untapped promise of the Diaspora and use this energy to carry the country to greater heights. The second issue was the creation of a Centralized Diaspora Skills database which would promote Diaspora participation in national development. There was enormous potential in the Diaspora's skills, knowledge and expertise, that needed to be tapped to positively contribute to the growth of the economy. Transformation is impossible without innovation and consequently the Government wanted to create an environment that consolidated the Diaspora's best ideas to benefit the country locally.

An issue which was of major concern was about the cost of transactions. The Government was exploring initiatives such as lowering the costs of Diaspora transactions and aggregate Diaspora remittances and investments for optimal impact. These included preferential duty waivers and other concessions for Diaspora businesses; extension of formal banking opportunities and cheaper costs for financial transfers of members of the Diaspora, and the issuance of Diaspora

bonds. The cost of transactions is closely related to incentives for the Diaspora. The government pledged to develop an incentive framework to promote Diaspora participation in national development. The incentive framework included investment promotion and facilitation initiatives targeting Kenyans abroad; establishment of intermediary facilities to provide investment management services; and development of investment products and incentives that specifically target Kenyans abroad such as Government securities and Public Private Partnership (PPP) engagements and tailor-made investment packages to encourage Diaspora to direct their remittances towards productive ventures both at the National and County levels. Other incentives under consideration included concession and tax breaks for Diaspora as is standard practice for foreigners wishing to invest in Kenya. A Diaspora Development Fund that would be collected from 5 per cent of remittances and then later be used to fund many of the initiatives including research was considered. The need for a Diaspora Advisory Board to invest funds from Diaspora thus offering security for investments became clear during the discussions.

Another critical issue of concern to the Diaspora was their welfare. The Government wished to deepen engagement with the Diaspora beyond remittances in order to make the Diaspora feel at home whether in Kenya or abroad. Being the first point of contact with foreigners, the Diaspora was urged to preach the good news of Kenya as a preferred investment destination. On youth participation, the government pledged to investigate modalities of addressing the youth and second generation Kenyans through progressive increase in youth participation during subsequent conferences. The government further pledged to consider bilateral agreements on social security services so that Kenyans in the Diaspora could return with their earned benefits when their working days were over. The Diaspora was further called upon to institutionalize their investment process through the formation Savings and Credit Co-operatives (Saccos) and were encouraged to move away from using informal channels to remit funds for investment and development.

It was noted that the Constitution provides for the progressive realization of the voting rights of Kenyan citizens abroad. In this regard, the government gazetted a Task Force on the Full Implementation of the Constitution of Kenya 2010 to facilitate voting by the Diaspora in the General Elections. On the '*One Diaspora, One tourist drive*' every Kenyan abroad was encouraged to recommend Kenya as a tourist destination to one person. That would give 3 million tourists.

The successful implementation of this report will require the involvement and active participation of Government Ministries, Departments and Agencies, Kenyan Ambassadors and High Commissioners accredited to other countries, Kenyan Diaspora Associations, Development Partners, Private Sector, Civil Society, Non-Governmental Organizations, Community Based Organizations, Faith Based Organizations and all other stakeholders. Implementation of this report will be monitored and coordinated by the Ministry of Foreign Affairs and International Trade through the Diaspora and Consular Affairs Directorate.

SESSION 1: OPENING OF THE KENYA DIASPORA EASTER INVESTMENT CONFERENCE

Introductory Remarks - Mr. Peter Wairegi, Master of Ceremony

Mr. Wairegi invited the delegates to the conference followed by a word of prayer by Dr. Eliab Seroney Some. The agenda of the Conference was outlined after which delegates greeted each other and exchanged business cards. Mr. Wairegi informed the delegates that he was a financier and a returnee who was abroad for thirty-six years. The MC noted that as much as the Kenyan Diaspora was successful, it remained scattered and in this regard the agenda of the conference was to connect. He hoped that the outcome of the conference would be to forge strong connections like the Israeli Diaspora. Mr. Wairegi outlined the format of the first session as follows:

- The Principal Secretary Dr. (Eng.) Karanja Kibicho: Presentation on Kenya's Diaspora Policy
- Prof. John Ocho: Investment Brands and Knowledge Expert on Implementation of the Diaspora Policy
- Dr. Mwangi Wachira: Retired World Bank economist on Overseas Kenyans and the Ascent of Kenya
- Peter Munyiri, CEO Family Bank on Leveraging On Diaspora Resources
- Becky Karanja, Investment banker on Innovation To Drive Agenda And Create More Opportunities
- Question and Answer

Kenya Diaspora Policy - Dr. (Eng.) Karanja Kibicho, Principal Secretary Ministry of Foreign Affairs and International Trade:

Dr. (Eng.) Karanja Kibicho welcomed the delegates. He made reference to the previous days' Golf winner who indicated he had been in Tanzania for 16 years and upon return the daughter asked him who he was and where he had been. This raised the question of re-integration and how this can be handled in a better manner.

Dr. Kibicho indicated that the launch of the Diaspora Policy was done so that the country could have a written document that would last, and also define how the Government would interact with its Diaspora. The Diaspora policy was crafted in line with international best practices and in recognition of the key and strategic role played by the estimated 3 million Kenyans in the Diaspora. However he indicated this to be a conservative number as not all persons have been accounted for due to suspicion by Diaspora of the use of the data. The data was necessary and useful for many reasons including when there was a need for evacuation. As such, the census of all Kenyans in the Diaspora was backed with good intentions.

Kenyans have been migrating in search of greener pastures, marriage, education and other various reasons. Dr. Kibicho noted that the Ministry ought to formulate suitable policies that respond to desires of the Diaspora and further develop structures for reintegrating Kenyans in the Diasporas upon their return home. Furthermore, the Ministry should create and share avenues through which the Diaspora can be mainstreamed into economic development of the country.

On the objectives of the Diaspora Policy, Dr. Kibicho informed the Conference that the Diaspora Policy was focused on developing strategies aimed at mainstreaming the Diaspora into national planning process. It was further aimed at mobilizing Kenyan communities abroad to form country specific umbrella associations to facilitate contact and service delivery. Other objectives of the Diaspora Policy include the provision of opportunities for participation and contribution to national development, development of measures that enhance protection of Kenyans in the Diaspora in order to safeguard their basic rights and living standards, the development of mechanisms for dialogue and cooperation with the Diaspora and the establishment of the necessary institutions for the co-ordination and proper administration of Diaspora issues such as the call for registration and participation in general elections and referenda.

Dr. Kibicho outlined the strategies for the effective implementation of the Diaspora Policy noting that it was a stepping stone aimed at accelerating national development by incorporating the contribution of Kenyans in the Diaspora. As such several strategies have been formulated to ensure effective implementation of the policy. Among them are; reinforcing consular capacity by strengthening and enhancing the capacity of Kenya missions abroad to effectively deal with diverse Diaspora issues, reducing the high cost of remitting money, developing an incentive framework to promote Diaspora participation in national development through holding constant briefs with Kenyan Diaspora to disseminate information on investment opportunities in the country, strengthening mechanisms for protecting Kenyans in the Diaspora, development of a comprehensive and centralised database on the Kenyan Diaspora, tapping into Diaspora skills and developing and operationalizing an institutional framework to coordinate Diaspora issues.

Furthermore, the ministry was leveraging on the usage of Information and Communication Technology (ICT) enabled Services such as making the web portal an interactive platform for persons seeking information or guidance, developing re-integration mechanisms for returnees, developing Legislative Framework to guide the implementation of the Diaspora policy, promoting participation in democratic processes by the Kenyan Diaspora which is estimated at 3 million people and promotion of Philanthropic Initiatives. The Principal Secretary observed that the Diaspora Conference was almost entirely sponsored by the Private Sector with minimum contribution from the Government and this was an example of the emerging potential and capacity of the Diaspora.

Dr. Kibicho indicated that a number of obstacles have hindered maximum impact of the Kenyan Diaspora on national development. He outlined these challenges as; inadequate consular establishments due to financial constraints, lack of a centralised institutional framework to coordinate Diaspora issues, under-utilization of ICT real time enabled services by the Government and the Diaspora, lack of re-integration mechanism of returnees and the inadequate participation in democratic processes by Kenyan Diaspora.

In his closing remarks the Principal Secretary noted that the cost of remitting funds was quite high. In addition, lack of incentives and a framework to promote Diaspora participation in national development further hinders the involvement of Diaspora. He concluded by observing that the untapped Diaspora skills are also a gold mine that was yet to be explored.

Mr. Peter Wairegi thanked the Principal Secretary.

Before calling upon the panel of experts, the Moderator asked the guests to get to know one another and exchange business cards while getting to learn more on what can be done for Kenya. He then introduced the panel of experts as follows:

Professor John Oucho, *Investment Brands and Knowledge*

Dr. Mwangi Wachira, *Retired World Bank Economist*

Mr. Peter Munyiri, *CEO Family Bank, Economist*

Becky Karanja, *Investment Banker, Remittances and Diaspora Investments*

Implementation of Diaspora Policy - Professor John Oucho

In his opening statement, Prof. Oucho highlighted the importance of data on demography, fertility, migration and mortality of the Diaspora. Using a topical issue, he noted that asking leaders who had been adversely mentioned in the recent report on graft cases to step aside was the right thing to do to demonstrate the resolve to eliminate corruption. He noted that corruption deters investments from Kenyans in the Diaspora who fear that their hard earned savings may be flushed down the drain.

However, he noted that there are opportunities presented by dual citizenship which gives options to the Diaspora on where to invest. A comprehensive study to develop a migration profile of Kenyans in the Diaspora and understand the reasons why Kenyans proceed to certain countries may further inform on how to interact with the Diaspora.

He posed several questions that need to be answered even as Kenya embarked on rolling out the Diaspora policy. These questions include:

- what had informed the development of the Kenya Diaspora Policy;
- the relationship between the Kenya Diaspora Policy and the Kenya Citizenship and Immigration Act 2011 that provides for Dual Citizenship Act, and if there are any implications;
- whether the Diaspora policy was driven by the Government of Kenya, the Kenyan Diaspora or if it's a collaborative venture between the two parties;
- the links that exist between the Diaspora and Homeland citizens

Professor Oucho remarked that the incorporation of the Diaspora needed to go beyond Vision 2030 into post-2015 development agenda with a more proactive National Diaspora Council of Kenya (NADICOK).

Prof. Oucho summed up by noting that the Kenya Diaspora Policy was work in progress that was yet to be fully developed for implementation. Furthermore, he emphasized on the need for a broad-based task force of homeland citizens and Diaspora constituencies. He further recommended that a Diaspora magazine should be published through the recently launched Web Portal, for instance, to strengthen Diaspora-homeland citizen links and initiatives and to disseminate news and other information to keep Kenyans abroad informed of developments in Kenya.

Perspective on the Kenya Diaspora Policy - Dr. Mwangi Wachira

Dr. Wachira set off his talk on the perspective of the Kenya Diaspora Policy by expressing his gratitude to the current and previous governments for taking the bold step to embrace the Diaspora. He highlighted some of the prominent features of the Diaspora Policy that point to where the country hopes to be in the future. The decision to mainstream the Kenyan Diaspora in the national development may have been spurred by the ever growing Diaspora remittances which totaled US\$1.5 billion. This according to anecdotal evidence suggests Kenyans are second or third on the African continent in remittances per capita.

He pointed out that given that the debate over voting and dual citizenship was over, the less dramatic and often unheralded work of implementing voting and dual citizenship had taken over, adding that due credit ought to be given to the officers in the various ministries who made this happen.

Furthermore, Dr. Wachira welcomed various clauses in the policy. He remarked that the expansion of more passport issuance centers abroad and the roll out of procedures for Diaspora voting were much awaited. It was his hope that the relevant persons in the sector would also recommend strategies that would seek to address the high cost of remitting funds. He further hoped that the Kenya-based African Institute for Remittances would propose strategies for steering remittances towards investments and capital formation although this would only happen if the Diaspora felt that the cost of transferring funds was affordable.

He urged the government to be more proactive in negotiating bilateral agreements on social security services so that Kenyans in the Diaspora could return with their hard earned benefits when their working days are over. Given that most of Diaspora is computer literate, Dr. Wachira pointed out that the Diaspora Web Portal would be a good platform for interactions as they are good e-commerce and e-governance clients. On the other hand, he insisted on the need to have a mechanism to handle returnees willing to invest their skills back home. There should be a system in place to receive them, have their various skills assessed and a reverse recruitment agency to proactively place returnees in the various relevant sectors.

He noted that the Diaspora applauded the review of Labour Institutions Act of 2007 to strengthen capacity of consular offices to give protection to those working overseas and also welcomed NADICOK as an advisory body. He recommended a close review of Mexico's council, deemed the most professional, or Morocco's for benchmarking. In conclusion, he commended the

government for its intention to offer country-specific orientation and pre-departure training in a bid to eliminate trauma and occasional family tragedies among Kenyans overseas when their dreams of success do not materialize. He urged the government to continue involving Kenyans abroad to make them fully part of the national development.

Leveraging on Diaspora Resources - Peter Munyiri

In his opening remarks, Mr. Munyiri, Managing Director and C.E.O. Family Bank mentioned that the Diaspora was the wealthiest county with their remittances standing at more than \$1.43 billion. Their skills and capacities were outstanding with high potential of revenue returns.

In a bid to leverage on the Diaspora gold mine, Mr. Munyiri pointed out that it was necessary to develop means of making them feel part of the country and willing to invest. He noted that the Diaspora remittances were much more than global investors in that they impact more through direct investments. On that note, more information was required on trade and market development on the economy to be able to set up similar skills in Kenya.

He added that the Kenyans in the Diaspora played a key role in tourism although there was scope to expand this role because they were a reflection of the country at the first encounter with foreigners. He noted that it was standard practice to create concession and tax breaks as incentives for foreigners to invest in Kenya. These same incentives should be extended to Kenyans in the Diaspora to encourage them to invest back home.

Furthermore, in harnessing the Diaspora resources, he advocated for the provision of cost effective remittances channels, the compilation of a database of Diaspora competencies and skill-sets, the optimization of the Huduma Centers model in missions for consular services, re-integration mechanisms for Returnees skills, know-how and networks abroad.

He concluded by highlighting the structural enablers for ease of accessing opportunities. These included; transparency with regards to accessing information on opportunities, regulatory structures in resolving bottlenecks in originating and host countries, and administrative structures in regard to pooling of resources to participate in larger investments. He noted that Banks offer various products and engage through various channels.

Innovation to Drive Agenda and Create More Opportunities - Becky Karanja

Ms. Karanja implored the delegates to invest while they were still young to cater for their old age. She expressed her satisfaction with the level of patriotism of Kenyans in the Diaspora. She however noted that the Government seems to concentrate on the USA component of the Diaspora to the exclusion of other Kenyans abroad. She urged Kenyans in the Diaspora to invest in trusts; participate in the Nairobi Stock Exchange and joint ventures. She reported that there were opportunities in agriculture, education, and in mentoring.

Ms. Karanja indicated that there was willingness on the part of some Kenyan nurses in UK rehabilitation hospitals to give free services in Kenya. She lamented on how the Diaspora was fragmented and called for unity through Saccos and other groupings for bigger impact. She finally requested the government to develop easier channels for remitting funds so that the Diaspora could move away from informal channels. As an example of an incentive program, she cited Mexico's 3-for-1 scheme under which the Mexican government deposits a dollar for every three dollars that Mexicans overseas save in Mexico.

Question and Answer:

Who can Returnees contact?

The PS Dr. Karanja Kibicho noted that the Government was still considering institutions and frameworks to facilitate the integration of Returnees. However, he urged returnees to break away from the mentality which made them to expect senior positions upon return. The structure for integrating Returnees would seek out positions in all sectors. The Principal Secretary however called for responsible behavior and urged Kenyans in the Diaspora not to take advantage of the responsiveness of the government during crisis and evacuation exercises. He gave the illustration of some of the 3, 500 Kenyans who were evacuated from South Sudan. Some of those that were evacuated returned to South Sudan so as to enjoy the benefits of a second evacuation. He noted that in general the Missions as well as the Diaspora and Consular Affairs Directorate were willing to assist all Kenyans in the Diaspora. The Principal Secretary thanked all participants and called on them to be patriotic and proud of Kenya.

A Kenyan of Indian origin called for the inclusion of Kenyan Indians in the UK in the activities of the Kenyan Diaspora because they have finances and can participate in many projects. Thereafter the participants were informed that their questions would be answered after the conference and circulated to all participants.

Representatives from different countries were asked to greet the participants. Some of the delegates who stood up to greet the Conference participants are listed in Annex I.

SESSION 2: DIASPORA CONFERENCE OFFICIAL OPENING CEREMONY 1ST APRIL, 2015

Principal Secretary Dr. (Eng.) Karanja Kibicho welcomed all delegates and thanked H.E. President Uhuru for gracing the Opening Ceremony of the Diaspora Conference. He said that the Kenyan Diaspora had a record of sharing good ideas. He then informed the Conference that the day's program had two components; one, the official opening and two, the interactive session with H.E. the President. He then invited the President, the Cabinet Secretary and Ms. Sophia Wanuna, a journalist and the moderator for the interactive session to take their seats at the podium.

Interactive Session on Opportunities for Diaspora in Business and Investment

Dr. Kibicho welcomed the delegates and informed them that the conference was scheduled to coincide with Easter holidays. He thanked the President for gracing the meeting in Kwale, which continued with an ambassadors segment on Monday 30th March, 2015 including retired Ambassadors and the diplomatic corps in Nairobi. He indicated that the networking was successful with a complete Golf Tournament sponsored by Chase Bank which was a curtain raiser for the Diaspora Conference. He noted that 595 delegates had already registered for the Diaspora Easter Investment Conference 2015.

Dr. Kibicho further remarked that interaction between Government and the private sector cannot be demonstrated better than in what was witnessed during both the Ambassadors Conference and the Diaspora Conference. On a light note he hoped for a reward at end of the financial year given the fact that all dinners, lunches and golf tournament were sponsored. At the start of the Diaspora Easter Investment Conference 2015 the Ministry had received Ksh.29 million from sponsors for the Conference. The list of sponsors included Kenya Commercial Bank, Cooperative Bank and Family Bank who were platinum sponsors. National Bank, Dahabshiil and World Remit were gold sponsors. Imperial Bank and Liberty Bank were silver sponsors. Chase Bank underwrote the expenses of the Golf Tournament while Kenya USA Diaspora Sacco, Equity and Barclays Bank facilitated the meals.

Dr. Emmanuel Mutisya, Chairman of Kenyans in Japan Association

Dr. Mutisya represented the Diaspora during the official Opening Ceremony. He thanked the organizers of the event for according the Diaspora the privilege of attending the first such conference. He further congratulated and thanked the Government for the deliberate efforts to incorporate the Diaspora in development projects. This made Kenyans in the Diaspora feel valued and proud to be Kenyans. Consequently, many in the Diaspora are truly committed to the achievement of Kenya Vision 2030.

Dr. Mutisya appreciated the work done by diplomatic missions abroad, and singled out the Embassy in Tokyo and hoped that other envoys elsewhere are equally passionate in pursuit of the country's agenda. He stated that missions are led by Ambassadors who understand that Kenya's development would be achieved faster through inclusivity and that the initiatives by Kenyans in the Diaspora are significant towards national development.

He appreciated the progress made in the economic growth of the country and recognized that Kenya's place and influence in the global arena was steadily growing. He said that Kenyans in the Diaspora were proud of the acquired middle income economy status with a per capita income of around US \$ 1,250, making the GDP more than 55 Billion US dollars. This meant that Kenya was now among the top 10 largest economies in Africa, and one of the biggest non-mineral economies on the African continent. Kenya was also among the 3 fastest growing economies in the world. Kenya had also been selected as among the "lucky seven" countries to be singled out as one of the best emerging markets, and one of the best investment destinations globally. With the impressive infrastructure projects the government was undertaking for the country's development, there was great potential.

Dr. Mutisya said that the conference was a testimony of the Government's keen interest in the active participation of the Diaspora in national development. He noted that in January 2015, the Diaspora Policy was launched. The policy seeks to empower Kenyans abroad to make greater and more effective contribution to National Development. He also recalled the announcement in Washington DC in 2014 concerning the Diaspora Bond. And in addition, the Diaspora Web Portal had facilitated easy engagement with the government through the Ministry of Foreign Affairs and International Trade.

Kenyans in the Diaspora had undertaken steps to expedite larger investments. For instance, Kenyans in Japan with support from the embassy had registered a collective investment vehicle to take advantage of investment opportunities by pooling resources together. Dr. Mutisya noted that it was encouraging that other Kenyan Communities elsewhere were doing the same. Dr. Mutisya decried the fact that while Kenyans in the Diaspora were known to make huge remittances back home – totaling 115 billion shillings which was 3% of our GDP, the amount of money lost per annum through these transactions remained unknown. He therefore hoped that the conference would come up with possible solutions including the MoFAIT offering advice to members of the Diaspora on investment opportunities. He also suggested that the government should build a Diaspora Remittance Facility to mitigate losses in foreign exchange transactions by the Diaspora since such monies could be converted into investment resources.

In addition to helping Kenyans in the Diaspora realize real value for money and to enjoy the fruits of their savings, Dr. Mutisya called for the conference to make a resolution that would urge the National Housing Corporation in conjunction with the banking industry to construct housing facilities that are tailored to the needs of Kenyans living abroad.

Dr. Mutisya noted that the list of Kenyans in the Diaspora contains highly qualified, disciplined and patriotic individuals with expertise in different areas. Some are specialist Doctors while others are Lawyers, Engineers, Nuclear Scientists, Nano-technologists, Finance Experts,

Architects, IT Gurus, Media Specialists and Educationists of high repute. Kenyan professionals are found in some of the best institutions around the world. The mission of the Ministry was to promote perspectives that harness the potential amongst the Diaspora for Kenya's development. Dr. Mutisya paraphrased John Kennedy's famous statement by adopting it to urge Kenyans in the Diaspora to resolve that it was not what the government could do for the Diaspora but what the Diaspora could do in partnership with the Government to support national development.

Dr. Mutisya indicated that Kenyans abroad would be happier if the government recognized the available expertise in the Diaspora by giving them priority in consultancies and other specialist engagements before hiring foreigners. Moreover, Kenyans abroad were ready, willing and motivated to fully serve the country. In order to fully engage the Diaspora, Mr. Mutisya indicated that the Diaspora desired for the Government to establish a data bank of national expertise to include the Diaspora. This would assist the Government in identifying and recruiting the right people for both national and International Jobs. Kenyans in Japan were already collaborating with the embassy and were developing their own database which they would share with the MoFAIT to facilitate the establishment of a comprehensive Diaspora Databank.

He pointed out that Kenyans in the Diaspora were partnering with the missions to vigorously market Kenya as the gateway to Africa and many international companies and corporations were taking heed. In this regard, the Diaspora would be a reliable bridge between Kenya and the rest of the world in terms of investment promotion. The Diaspora could further strengthen these linkages by collaborating with local companies to expand their operations into Kenya. These companies would then act as vehicles for innovation, knowledge and technology transfer and exchange which would ultimately be good for the country's development.

In conclusion, Dr. Mutisya appreciated the government's efforts in transforming Kenya. He singled out the President's State of the Nation Address as clear evidence of the vision for Kenya. On behalf of the Diaspora, he lauded the President for leading the fight against corruption from the front and recognized that nation building took a lot of time, resources and patience. While the country faced considerable challenges, he noted that these challenges were not unique to Kenya, and commended the government's efforts, in combating insecurity, poverty and corruption. Dr. Mutisya hoped the conference would come up with a Diaspora Investment Framework that brings together the Government, the Industry and the Diaspora to innovatively transform the ideas into business opportunities for Kenyan's abroad.

Joshua Oigara, CEO Kenya Commercial Bank

Mr. Oigara appreciated the delegates for having come and expressed his excitement at the launch of *Enterprise Kenya* programme. He informed the delegates that Kenya had a digital president and was steering the country in the right direction. He called for more investments from Diaspora remittances indicating that only an estimated 10% of remittances were invested. He extolled Kenyans for being at the forefront of building the nation. He called on the Diaspora to increase remittances for major projects. He informed the Conference that Kenya Commercial Bank was a catalyst that encouraged all investments. He further informed the Conference that the

skills and competence found among Kenyans in the Diaspora would be used to create an economic powerhouse. He challenged the Diaspora to take the view that there are no challenges, just opportunities hidden as challenges.

Role of Cooperatives/Saccos as Investment Platforms - Mr. Gideon Muriuki, CEO of Cooperative Bank

Mr. Muriuki indicated that there were over 15,000 registered Co-operative Societies of which over 7,000 are Saccos. These institutions were leading in sustainable financial deepening with over 400 Front Office Service Activities (FOSAs). The membership stood at over 10 million and the institutions had realized over Kshs.400 Billion in savings which had led to significant contribution in various sectors.

In the housing sector, key landmark buildings were owned by Saccos for example Harambee Co-op Plaza and Afya Centre. The National Co-operative Housing Union had undertaken projects in excess of Ksh.4 Billion in the last 3 years including a current 952 units of low cost housing project at Isinya & Kitengela. Kamuthi Housing Co-operative had undertaken an upmarket Kshs.3 billion Buffalo Golf project in Thika.

In the transport sector, over 20,300 Matatus were operating under 450 Matatu Saccos. The CIC insurance Group is 70% owned by the Co-operative movement. The banking sector is also infiltrated by the cooperative movement, for example, Co-operative Bank is 65% owned by Co-op Holding Co-operative Society through a special purpose vehicle on behalf of 4,000 individual co-operative societies.

The key competitive edge of Saccos and Cooperatives as outlined by Mr. Muriuki was based on a well-entrenched model in Kenya throughout the economy. Saccos were found in every segment of the economy right from villages to employer-based Saccos, from Saccos for Members of Parliament (Bunge Sacco) to Sheria Sacco for Judges. In regards to democratic control, the Co-operative movement in Kenya had a long-held tradition of self-governance anchored on member participation through elections. Mr. Muriuki further informed the delegates that cooperating was a fundamental part of Kenya's culture as demonstrated by the collective spirit in "Chamas" and "Harambees".

Mr. Muriuki affirmed that the cooperative model was an 'inclusive growth' model which was a key objective under the Millennium Development Goals. This ensures that even as economies grew, the benefits of that growth would not leave behind sections of the population, but would deliver a 'shared prosperity'. Indeed this was the key theme at the 2014 World Economic forum for Africa in Abuja, Nigeria and in this regard the co-operative model had achieved shared prosperity.

Mr. Muriuki further observed that the agricultural sector is one of the country's major foreign exchange earner and great opportunity exists for value addition instead of exporting raw products. For example, the Kenya Coffee Cooperative was assisting coffee farmers to add value

to their crops and to realise high returns through economies of scale. The efficient management of the value chain was helping small holder cooperative-based coffee growers generate higher returns for farmers. Mr. Muriuki indicated to the delegates that through Saccos among Kenyans in the Diaspora, there was huge potential to mobilize more funds and noted that 5 were already in place namely: Kenya-USA Diaspora Sacco; Kenya-UK Sacco; Kenya-Qatar Sacco in Doha and the UAE Sacco in Dubai.

Leveraging on Diaspora Resources - Peter Munyiri, CEO of Family Bank

In his presentation on *Leveraging on Diaspora Resources*, Mr. Munyiri noted that the numbers of the Diaspora were increasing constantly as people crossed borders in record numbers to developed and developing countries for various reasons including economic opportunities. However, the distinguishing attribute of people in the Diaspora was their collective memory of their homeland and regard for their ancestral homeland as their true home of return. Therefore they were committed to the development and maintained deep connections to the homeland that shaped their identity. As a consequence, globalization had enabled Diaspora to remain connected to Kenya. Mr. Munyiri noted that approximately 3 million Kenyans were in the Diaspora – a number that was much bigger than the population of some counties.

Mr. Munyiri noted that there were two perspectives on the Diaspora. First, there was the economic perspective which focuses on the Diaspora as a source of capital and knowledge. Second, there was the psychological/human perspective which focuses on the drive to succeed and get involved with the home country. He therefore hoped that the outcomes of the conference would include increasing returns to skills and enhanced Diaspora networks. Mr. Munyiri outlined the impact of the Diaspora through remittances, direct investments, investments in capital markets, trade and market development, knowledge, skills and technology transfer, philanthropy, tourism, policy contributions and intangible flows through, knowledge, new attitudes and cultural influences.

Beyond harnessing Diaspora remittances and provision of cost effective transmission channels, Mr. Munyiri noted that it was imperative that several measures be taken including having a database of Diaspora competencies with demographics and skill-sets; optimization of the Huduma center models in the consulates/embassies as a one-stop shop for consular services; re-integration mechanism for returnees skills; legislative framework to enhance financial deepening and inclusion; investment and incentives to tap expatriate knowledge and skills through mentor sponsor programs as well as promotion of Diaspora participation in national development.

Noting that the outlook for engagement with the Diaspora was bright, Mr. Munyiri however outlined some measures which needed to be taken to make this engagement even more beneficial to the Diaspora. The issuance of sovereign Diaspora bonds by Kenya would lead to lower risk premiums. Private investment funds investing in Africa have increased and a fund for incubation hubs would increase linkages and knowledge transfer. Investment incentives such as tax break and holidays targeting specific sectors e.g. housing, manufacturing, agribusiness value chain and ICT would be beneficial to the Diaspora. Structural enablers for ease of accessing opportunities

and transparency in access to information on opportunities would facilitate the Diaspora in making informed decisions. On regulatory frameworks, resolving bottlenecks in originating and host countries as well as encouraging the Diaspora to form cooperatives, pooling small tickets to participate in larger investment, would yield better dividends for the Diaspora.

Mr. Munyiri informed the Conference that in an effort to meet the needs of the Diaspora, the banking sector had undertaken certain reforms including offering diversified and cost effective remittance solutions, leveraging on technology for online and mobile banking services, leveraging social media platforms to enhance communication with the Diaspora such as WhatsApp, Viber and BBM services. The banks have further enhanced custodial services platforms to ease transactions by the Diaspora and partnered with other institutions for easier payment of obligations in Kenya, particularly HELB loans repayment and school fees payments. The banks were also offering credit facilities to facilitate investment back home. Family Bank offers 24-hour call center service which the Diaspora can utilize.

Ambassador Amina Mohammed, Cabinet Secretary, Ministry of Foreign Affairs and International Trade

In her speech, the Cabinet Secretary expressed her gratitude to the President for his personal interest in the Conference and for his special dedication to the welfare of the Kenyan Diaspora. She further thanked the Kenyans working and living outside Kenya for attending the Conference. The Cabinet Secretary also thanked the sponsors and all those who were involved in the organization of the Conference and expressed her confidence that the outcome of the Conference would justify every effort that was expended.

The Cabinet Secretary informed the Conference that despite challenges, Africa had remained unbowed for many years, and a renaissance was underway in the continent. Africa was now the new frontier for economic growth and investment and investors across the world were looking into the continent for opportunities. In light of this important development, it was the Governments desire to ensure that the people of African descent, those who left the continent in search for better opportunities, could look back home and benefit from the unfolding opportunities. The aim of organizing this Conference was therefore to ensure that the Diaspora were part of the revival and growth taking place in Africa and Kenya in particular.

Ambassador Amina noted that sadly, many members of the Diaspora did not have a clear picture about latest developments in their home countries partly due to distance and perhaps largely due to inaccuracies in media reports of host countries. To shed some light on recent developments, she mentioned that democracy, as well as political and economic stability had taken root in the continent. Economies had become more open, societies more tolerant and macro-economic indicators more stable and predictable. This had resulted in higher economic growth rates. At that moment, six of the world's ten fastest growing economies were in Africa. Foreign Direct Investments (FDI) in the continent had increased with better rates of return for enterprises that were establishing new marketing networks, new brands as well as innovative products. Additionally, Africa's doing business rankings, transparency indicators and the number of companies in the race to invest in the continent was increasing. It had therefore become easier to

register businesses; tax systems were clearer and simpler, investment protection laws stronger, and fiscal management was more prudent.

Turning to Kenyan indicators, the CS noted that the country had become the 9th largest African economy with a GDP of US \$55.2 billion. The economy expanded by 5.5% during the third quarter of 2014 and medium term prospects were stronger with projections of 6.4% and 6.6% growth rates in 2015 and 2016 respectively. Inflation remained low at single digit level averaging 7.5% in 2014 while the stock market remained the best in the region; with a market capitalization of US \$ 2,333 billion, second only to UAE in performance in the Morgan Stanley Composite Index for 2013. As an investment destination, the Fortune Magazine rated Kenya the 7th best investment destination in the world. This was best authenticated by the over-subscription of the Euro Bond of US \$ 2 billion which was floated in 2014. The CS reaffirmed her pride for the Kenyan Diaspora, which included many young people, who had courageously ventured out of the country and were today not only earning decent livelihoods but were contributing immensely to the wellbeing of their families and the development of the country.

Ambassador Amina informed the Conference that remittance inflows to Kenya in 2014 from the Diaspora increased by US \$ 137 million or (11 percent) to US \$ 1,428.5 million compared with US\$ 1,290.6 million in 2013. The surge of remittances in recent years had in many countries exceeded aid and FDI to developing countries. The CS however cautioned that these remittances needed to be structured and deepened to ensure optimal relevance to the social, political and economic renaissance of Africa and the African Diaspora. In this regard, and as articulated in the Diaspora Policy launched in 2015, the Government was developing an incentive framework to promote Diaspora participation in national development. This would involve developing incentives and tailor-made investment packages to encourage Kenyans abroad to direct their remittances towards productive ventures both at the National and County levels. These would include investment promotion and facilitation initiatives targeting Kenyans abroad; establishment of intermediary facilities to provide investment management services; and development of investment products and incentives that specifically target Kenyans abroad such as Government securities and Public Private Partnership (PPP) engagements.

The CS further indicated that the Government was exploring other combinations of initiatives such as lowering the costs of Diaspora transactions and aggregate Diaspora remittances and investments for optimal impact for example through preferential duty waivers and other concessions for Diaspora businesses; extension of formal banking opportunities and cheaper costs for financial transfers by members of the Diaspora, and the issuance of Diaspora bonds. In this regard, the CS noted that the Conference was a great opportunity to share ideas on how best to engage.

She then invited H.E the President to address the Diaspora.

OPENING SPEECH - H.E. HON. UHURU KENYATTA



H.E Hon. Uhuru Kenyatta, President of the Republic of Kenya addresses participants at the Diaspora Conference in Nairobi.

In his opening speech, H.E. Hon. Uhuru Kenyatta expressed his delight at joining the Diaspora for the first national Diaspora conference of its kind soon after the launch of the first Diaspora Policy in Kenya. He noted that the Diaspora had grown, diversified, and become an essential player in the politics, the culture, and the development of Kenya. The President appreciated the warm support for the conference from the Diaspora and the business community noting that the sponsors and exhibitors came from all sectors. This partnership reflected the spirit of public private partnership that the Government was so keen to renew.

Bearing in mind the theme of the Conference which was ‘*Development and Innovation: Opportunities for Diaspora*’, he reminded the delegates that it was unlikely that there would be an opportunity to meet so many of the stakeholders and players in Diaspora matters before the following year. In this regard, he urged the Diaspora to fully engage the Government representatives who were at the Conference. While noting that governments across the world were increasingly aware of the indispensable contribution of their communities in the Diaspora to the growth and development of their countries of origin, the governments had begun to take deliberate steps to formulate policies to harness the immense potential and mainstream it into national development plans. Africa, acknowledged the important role of the Diaspora in the development of their countries of origin by declaring the African Diaspora the sixth region of the continent. The launch of the African Institute for Remittances in Nairobi in November 2014 stressed the significance of the economic contribution of Africa’s Diaspora. The President

reiterated that the Institute would, among other things, assist in capacity building of member states of the AU, remittance senders, recipients, and other stakeholders, to manage remittances as a strategic asset.

The President stated that in the year 2014, Kenyans living abroad remitted US \$ 1.5 billion. While the flows were highly appreciated, the Government wished to deepen engagement with the Diaspora beyond remittances in order to make the Diaspora feel at home whether in Kenya or abroad. In his visits abroad, the President always made time to meet with members of the Kenyan Diaspora to understand their challenges and the steps that can be taken in order to alleviate these challenges. For example, while meeting with the Diaspora in the United States in 2014, the President issued a directive to enable Kenyans living in left-hand drive countries to enjoy the same benefits that others in right-hand drive countries enjoy. The guidelines are now in place and are being adhered to. The Government continues to give priority to addressing issues affecting the Diaspora and consequently, Diaspora Diplomacy was now one of the pillars of Kenya's Foreign Policy.

Apart from the remittances, which contribute significantly to the economic development, the President indicated that there was enormous potential in the Diaspora's skills, knowledge and expertise, that should be tapped to positively contribute to the growth of the economy. In this regard the Government was committed to the implementation of the National Diaspora Policy, which was launched on 20th January 2015. It remained of critical importance to mainstream the Kenyan Diaspora in the development agenda in line with the aspirations and goals of Vision 2030, by creating an enabling environment in which the Diaspora was effectively integrated and was able to make significant contribution to the development of the nation. In this process of integration, the main thrust must be to unlock and maximize the hitherto untapped promise of the Diaspora and use this energy to carry the country to greater heights, while at the same time meeting the needs and expectations of Kenyans abroad at every point in time.

On the rights of the Diaspora, the President noted that the Constitution provides for the progressive realization of the voting rights of Kenyan citizens abroad. During the 2013 General Elections, other than the Kenyan Diaspora within partner states of East Africa, the rest were unable to participate in those elections. The President assured the delegates of the Government's commitment to ensuring that all Kenyans living abroad were progressively facilitated to participate in the next election as their democratic right to choose their leaders. He therefore stated that recently the government gazetted a Task Force on the Full Implementation of the Constitution of Kenya 2010 to facilitate voting by the Diaspora in the General Elections. The President further indicated that the team had begun its work and would soon submit its report for implementation.

On national security, the President noted that it was a matter of concern to Kenyans in the Diaspora. The Cabinet Secretary responsible for this docket was present to report on the status. While noting that security was essential for attracting investment from the Diaspora or other international investors, the President assured the delegates that the Government remained committed to creating a climate that was conducive to investment in the country by enhancing security. This was being done partly by addressing the historical underfunding of the

security agencies but reminded delegates that the responsibility for the security of the country rested with each one of us.

In closing, the President reminded the delegates that the Diaspora were Kenya's first ambassadors and consequently, their lives and conduct, wherever they lived, were the first evidence foreigners had of what Kenyans were like. He encouraged the Diaspora to ensure that their lives were therefore a good example.

Interactive Session with H.E. the President

H. E. the President graciously accepted an interactive session with the Diaspora. Ms Sophia Wanuna, A journalist moderated the session. The President was joined by the Cabinet Secretary for Foreign Affairs and International Trade Amb (Dr.) Amina Mohammed.

Sophia Wanuna, Moderator: In the State of the Nation Address, the President reemphasized commitment as a government and country to fight corruption which had affected the country's ability to move forward. Was the problem of corruption being tackled convincingly and concretely to enable the Government to achieve national development aspirations?

Answer: The President affirmed that the Government was committed to fighting both real and perceived corruption. Actions that have been taken were in recognition of Kenyans' feelings of frustration in regards to corruption as the issue had engaged every Kenyan. However, the President reassured the Conference that reported cases of corruption do not assume guilt and therefore requested those named to step aside to allow for investigation.

Sophia Wanuna, Moderator: Shouldn't the President have sent a stronger message by firing those who were mentioned in the Report?

Answer: The President confirmed that one cannot be fired till proven guilty. He explained that he had gone through false accusation and wouldn't wish to judge without proof. Therefore when the named persons were cleared of the accusations, they would go back to their offices. The same applied to elected leaders who needed to also step aside for investigations to take place. The President reassured all that the process was open and transparent and therefore called on all not to play politics, but to handle the situation as a nation not to approach it on the basis of ethnic or political considerations.

Sophia Wanuna, Moderator: While presenting the list of those who were mentioned in the report on corruption, the President had also apologized to Kenyans for historical injustices. What prompted the apology?

Answer: Kenya had made major achievements in which the government takes pride including, education, health and infrastructure. The President reaffirmed that the country was on the cusp of greatness. Kenya had recently been classified as a middle income country with huge potential. However, to achieve even better, the Government had to tackle issues that had impeded development. Most issues were well articulated in the Truth and Justice Commission Report.

Therefore it was important to have closure on these issues so that they ceased to divide the people and allowed the nation to focus on growth. The nation could not come to closure unless the Government acknowledged great deeds and also apologized for misdeeds. The President therefore extended an olive branch so that the whole country could move forward united as a nation.

Sophia Wanuna, Moderator: It had been two years since the President was sworn into office, what were the two major achievements of his Government over that period?

Answer: The Government was transforming infrastructure. For the first time in 100 years since the railway line was built, the Standard Gauge Railway was poised to transform transport sub-sector.

Likewise, the Government had moved towards ensuring greater access to electricity and recorded an increase of energy by 500MW, which had facilitated expansion of the grid. Furthermore, it was expected that by the end of the financial year, all primary schools would have been connected to the grid.

The Government had introduced free maternity care and which had led to the increased use of maternity wards from 40% to 80%. There was better diagnostic equipment for the whole country for cancer, and the Government had introduced ICU beds in at least 2 hospitals in every County. There were now 4 Referral Hospitals in the country to treat cancer. These were upgraded facilities in the old Provinces.

There had been extensive digitization of government services through Huduma Services. These services were already in 25 Counties and were to be extended to 42 counties by end of the financial year to ease the problem of accessing government services.

To include women, youth and persons with disabilities in development, there was affirmative action to set aside 30% procurement of Government services for service providers who fell under these categories. So far Shs.9 billion had been accessed by these groups; the Government was aiming for Shs.30 billion by the end of the financial year.

Questions from the audience

Question One: Joseph Mulira, resident in Ghana. Many Kenyans in Diaspora campaigned for the President through social media. What plans did the Government have for these Kenyans in the Diaspora?

Question Two: Kenya Airways was very expensive compared to other airlines. Were there any special rates for Kenyans?

Question Three: Did the Government have a Social media policy so that comments could made official?

Question Four: Were there any opportunities for employment creation for young people?

Question Five: Was it possible to create County Diaspora Units so that funds could be raised or individuals could support Counties from their host countries?

Mr. Mulira appreciated the support extended by the Government to countries affected by Ebola.

Prof. Kefa Otiso: Called on the Government to increase research capacity to further education. He indicated his organizations' willingness to supervise PhD students and called for mechanisms to make it happen. He said that the Carnegie African Diaspora was paying returnees to conduct research in Kenya. On remittances, he called for the creation of a fund to re-invest 5% of Diaspora remittances in development programs.

Answer by His Excellency: It was true that KQ was a little expensive but it was a private commercial entity and therefore the Government was encouraging the airline to support Kenya's development agenda. However the Government could not dictate prices but would only communicate concerns raised.

On voting, the Government was committed to fast-tracking progressive voting by the Diaspora. There was a task force in place to coordinate ways in which the Diaspora would vote. IEBC had also begun the process of mapping Kenyans to evaluate inclusion in voter registers. All this was being done so that Diaspora could vote in the next elections.

On jobs, the President indicated that 30% procurement was aimed at increasing opportunities for Kenyans while digitization of Government services was aimed at creating jobs and opportunities for young people. He said that the informal settlements upgrading programs were also offering job opportunities. It was the Government's intention to make business attractive so that Kenya became the center of investment and thereby creating opportunities for all. The Governments had also lowered the cost of energy, and identified additional sites for the textile industry so that cotton growers could be integrated in the processing of cotton. This was in addition to the fast-tracking of the Special Economic Zones and Konza City to create additional opportunities. The Economic Zones had the potential to open up regional markets to create jobs for the regional economy. East Africa was not a dumping ground for vehicles and the Government wanted to attract manufacturing firms. The Government was therefore facilitating an enabling environment to the private sector thereby creating more opportunities.

The request to supervise PhD students was a brilliant idea. The Government intends to increase the number of PhD holders, thus this was a positive move. The President requested that Professor Otiso be linked with the Ministry of Education.

Question from Sophie Gitiba, USA. Kenyan pastors in UK were concerned that there was no place to receive bodies of the deceased which were taken to the cargo section of the airport. She requested for a lounge at airport for relatives to sit and wait, and where the remains of their loved ones could be brought. This would preserve dignity of both the deceased and the relatives.

Marriages conducted by Kenyan pastors were not allowed in UK for Kenyan citizens but British could have weddings officiated anywhere in Kenya. Could Pastors conduct marriages for students and those out of status at the High Commission?

Question from Ms. Kinyanjui, Germany: Germany had a university Bond of 7000 Euros. The Chinese were utilizing this bond for their students in Germany. Could Kenya give a similar bond for Kenyan students?

Ms. Kinyanjui lamented that she had tried to enhance cooperation in promoting tourism and trade but the Trade Attaché was not available.

Comment from Purity, UK: The costs for Kenyans to renew passports and Identity Cards were exorbitant at the missions and she felt this was a form of corruption.

Question from Stephen Kinuthia, France: Called for more social media interaction and support from Government to secure investments. He also proposed that a Diaspora Advisory Board be formed to invest funds from Diaspora thus offering security for investments.

Answer from His Excellency: It's a good idea to have a lounge for relatives of deceased and dignified facilities to handle bodies.

On marriages (**answered by Ambassador Amina**), Kenya did not have mutual recognition of marriage certificates with UK. She informed that the ministry would seek for mutual recognition. On collaboration in tourism and trade, the President stressed that missions should be at the front line as that was their main responsibility.

On passports and other renewals, the Immigration Department was processing applications online and offering online payments as well which was more transparent.

The President called for the Diaspora Conference to be held annually to obtain feedback. However, he noted that missions needed more resources for envoys to participate in road shows and other promotional forums.

On ways in which Diaspora may invest, he called on the Diaspora to take advantage of the presence of the business community at the Conference to have legitimate and secure investments. He further called for structured dialogue on how to invest and called for proposals on formal arrangements. He called on the Diaspora to be patriotic and be ambassadors especially in regards to travel advisories. He encouraged Diaspora to travel more in Kenya for shopping and holidays and also invite others for holiday and shopping.

On university bonds in Germany, The President indicated that 7000 Euros required was little and he requested that Mr. Kinyanjui be introduced to the Ministry of Education.

Ambassador Amina: Indicated that she ensured the envoys attended the Diaspora Conference for greater interaction with the Diaspora so as to solve issues and develop mechanisms for

working together. She reiterated that Economic Diplomacy was the primary agenda of the Ministry.

Sophia Wanuna, Moderator: Asked what the security situation in Kenya was and whether Kenya was treated unfairly with travel advisories? She further asked if the UK issued a travel advisory due to the refusal to renew the Defense Agreement. She also asked if President Obama was scheduled to visit and what the Government hoped to achieve during the visit?

Answer by His Excellency: The President acknowledged that challenges exist in the security sector and travel advisories do not help. With respect to whether there was any link between the issuance of travel advisories by the UK and the refusal by Kenya to renew Defense Agreement with the UK, the President indicated that the question would be better answered by the British.

The President admitted that sometimes Kenya was treated unfairly because there were no advisories for British going to Paris or to other European countries which had been victims of terrorism. Terrorism was a global problem requiring global response and that the advisories would not intimidate Kenya. The President further lamented the lack of information on steps the Government was taking to combat terrorism. To counter terrorism, de-radicalization programs had been initiated, welfare of security officers had been improved, 2,400 vehicles were purchased in the financial year 2014/2015 as opposed to the previous 200 per year and 10,000 additional police officers were recruited into the force. All these efforts, including the Nyumba-Kumi Initiative were aimed at improving the state of security in country.

On President Obama's visit, bilateral issues with the USA would be discussed with the intention of strengthening partnership in the fight against terrorism and working together in de-radicalization, reforms and strengthening security arrangement. The President noted that President Obama would be attending the Global Entrepreneurship Summit to bolster start-up entities in ICT and other areas. Other areas of cooperation would be to evaluate how to increase investments by USA companies in Kenya.

Question: Doreen, Belgium. Could there be Huduma Centers at the missions? Could the Diaspora receive more information on the African Institute for Remittances? What was the possibility of having a Diaspora Day in Kenya? Could the Diaspora participate in the Uwezo Fund? What about County units?

Answer by Mr. Rotich, Cabinet Secretary for Treasury: The Diaspora remittances are over US\$1.5 billion annually. The Government had therefore taken the lead in setting up legal and institutional frameworks for easier remittances and was working with banks to ensure remittances were easily repatriated. He encouraged the Diaspora to channel their investments through instruments such as the Eurobond Sovereign Bond, and was considering the Irish stock exchange for Diaspora to buy stocks in secondary markets. On the Diaspora bond, there were challenges but he encouraged the Diaspora to form special service vehicles such as the Afro Asia Diaspora Club in Japan.

Answer by Ann Waiguru, Cabinet Secretary for Devolution: She informed that Huduma Centers were both physical and online through the e-portal for Huduma services. She further indicated that many departments were starting online services and promised that by end of June all services would be online.

On the Uwezo fund, she clarified that it was meant for young people who did not have alternative financing or collateral. The amounts were only up to Ksh.50, 000 for up to 5 people and expressed her doubts as to the suitability of the fund for the Diaspora. She however expressed her willingness to engage the Diaspora if there were groups that would benefit from the fund.

She noted the request for engagement with Diaspora county units and promised to review economic advantages of having such an arrangement before the launch.

Question from Dr. Shem Ochuodho: He expressed the desire of the Diaspora to pay a courtesy call on H.E. He noted that remittances increased during crisis and can therefore be doubled in 3 years. He called for more prominence to be given to the Diaspora by renaming the Ministry of Foreign Affairs and International Trade, to Ministry of Foreign and Diaspora Affairs.

Answer by His Excellency: The President confirmed that courtesy calls could be arranged. He promised that the Government would prioritize the Diaspora, and all was being done to integrate the concerns of the Diaspora issues in all Government policies and development plans. It may not be feasible to have a ministry but issues were being integrated.

A comment from Lucy: Speaking on behalf of Kenyans in Thailand, Laos, Cambodia, and Vietnam, she lamented that these were closed countries due to their Immigration policies and requested the Government to take steps in addressing the situation.

Answer by His Excellency: The Government would engage with governments of these countries to facilitate smooth flow of people. He however noted that there were already direct flights to Vietnam.

The President reiterated his call for the Diaspora conference to be held as an annual event or minimum biennial on the sidelines of the Ambassadors Conference. He promised to endeavor to make life easier so that Kenyans in the Diaspora feel part and parcel of the Republic and participate in elections but more importantly, increased remittances and in so doing liberate the country from development partners.

PLENARY SESSION 1: INTEGRATING DIASPORA IN NATIONAL DEVELOPMENT

Professor Noah Midamba: Moderator

Before inviting the panelists, Prof. Midamba invited the Conference to reflect on the goals of integrating Kenyans in the Diaspora into the national development. First, by virtue of their skills and resources, Kenyans abroad had untapped capacity. This capacity, if harnessed properly, would be used to reduce poverty in the country not just among the members of the families of Kenyans in the Diaspora, but in the country at large. While remittances were received by the families of the Kenyans overseas, the funds became part of the general economy and in this respect were used to improve the quality of life for everybody. At the very least, Kenyans in the Diaspora had become the mainstay of Kenya's economy by providing a steady source of foreign currency.

Secondly, and although referred to constantly, the Diaspora was a repository of vast skills which benefitted the countries where the Kenyans lived. Yet there were no clear mechanisms for tapping into these skills. At the very least, trust must be built between Kenyans at home and those overseas. There are several countries whose development was driven by those living and working abroad to the benefit of the countries of origin.

The country needs to continue to use Kenyans abroad as spokespersons. In addition, high level profile events for the Diaspora should be held continually as they denote that the Kenyans abroad are valued.

Integration of Diaspora in National Development - Professor Kefa Otiso

Prof. Otiso began by describing what was entailed in the Integration of Diaspora in National Development. This was one way of looking at the Diaspora as the source of funds to enrich the programs that produce stunning results.

He indicated that according to data collected by World Bank, Kenyans were mainly found in:

- United Kingdom, 152, 000
- Tanzania 91,000
- United States, 85,000 (although the number goes up to 100,000),
- Uganda, 41,000,
- Canada, 26, 000,
- Australia, 13,000,
- Germany 7,000.

This Group of 7 was perceived as the core of Kenyans in the Diaspora with about half a million people and accounting for 91% of the population. He suggested that programs or services directed at Overseas Kenyans should first target these seven countries given the scarcity of resources.

While complimenting the ministry for having opened more Honorary Consuls in Minneapolis, Atlanta, Chicago, Boston, and Dallas, Professor Otiso acknowledged the most important states in the US as Texas and California. He further urged the Ministry to reexamine opening other consuls in Kansas City, Seattle, St. Louis, Columbus Ohio and Denver Colorado and perhaps in other states where there is high concentration of Kenyans.

Professor Otiso said that Kenyans and Africans in the US were highly educated, with those having undergraduate degrees standing at 52%. As a result of this educational background, Prof. Otiso explained that Kenyans and Africans at large were very professional and ended up getting well-paying jobs in North America.

He suggested that the inclusion of the Diaspora should go beyond the financial sector and remittances. Given the need to deliver increasingly complex services to support Kenyans overseas with high quality professional services, a case had been made in the past for the creation of a Ministry of the Diaspora and this was still worth considering.

He noted that there may be gaps in the knowledge about the Diaspora and thus studies should be undertaken to fill in such gaps. Studies on the Diaspora would be important as they would inform the implementation of the Diaspora Policy on issues such as voting.

He further mentioned the role of organizations such as Kenya Scholars Association that he is associated with, which was willing to bring back skills. He suggested liaising with the African-Canadian Fellowship due in 2016. The President had expressed the possibility of the Government giving more funds to facilitate the skilled Kenyans and academics with knowledge transfer to local universities.

In addition, Professor Otiso proposed more Presidential Diaspora round tables such as the one that had been held in Kenya saying that it was good for the president to hear directly from the Diaspora when he visited different countries. Lastly, he laid emphasis on the need for a Diaspora Development Fund that would be collected from 5% of remittances and later used to fund many initiatives including research.

Engaging Diaspora in Economic Development - Dr. Geoffrey Mwau, the National Treasury

Speaking on behalf of Dr. Kamau Thugge, the Principal Secretary of The National Treasury, Dr. Mwau gave a presentation on the Jubilee administration development agenda that had been formulated around 5 pillars.

The first pillar, he noted, had been based on improving the business environment in order to enhance competitiveness of the economy which would in turn reduce the cost of doing business thereby helping the investment growth.

Pillar two had been formulated around investing in transformative infrastructure projects in a bid to make Kenya a logistics hub for the region through investments in railways (the Standard

Gauge Railway due for completion in 2017), ports, airports (New terminus under construction with Terminal 1A having been completed) and energy sector (250MW of affordable Geothermal energy was under production).

He emphasized that reforms were undertaken under the second pillar to improve the business environment. This would be achieved by reducing transaction costs through ‘One Stop Shops’ for urgent matters including improving the judicial system thereby concluding cases efficiently and facilitating businesses registration.

In the third pillar, he mentioned that investment in social and human capital had been highlighted. This was not only through health and education but also through social transfers to the poor and vulnerable.

He indicated that the fourth pillar was focused on investing resources to support devolution given that the country had transformed to a devolved system of governance. It was therefore imperative to support devolution to ensure ease of doing business.

Lastly, he mentioned that the fifth pillar was aimed at reducing dependence on rain-fed agriculture in an effort to ensure more food production and enhanced food security. In this regard, the supply chain for the agricultural sector needed to be improved.

In addition, Dr. Mwau further underscored the need to change the perspective of engaging with the Diaspora from the point of remittances to families, to remittances for investments.

In his closing remarks, Dr. Mwau turned to the financing of infrastructure projects. First, there was a Diaspora Bond which he said was being structured. Secondly, he talked about tapping into the human capital of the Diaspora. He said that Kenyans in the Diaspora wanted to be sure that their remittances and investments were indeed safe and, as such, an environment that was welcoming and conducive would be created to safeguard investments by the Diaspora. He observed that the Diaspora Policy provided a framework for tapping into what was a rich human capital in the Diaspora.

Role of Cooperatives/ Saccos as Investment Platforms - Titus Karakuja, Cooperative Bank

Standing in for Dr. Gideon Muriuki, CEO Cooperative Bank, Mr. Karakuja vividly explained how to channel resources in an effective manner by using cooperatives as a platform for investments by the Diaspora. Kenya's cooperative movement was the largest in Africa with a membership of over 10 million with over 15,000 registered cooperative societies and over 7,000 of them being Saccos. Mr. Karakuja noted that the societies had been able to mobilize over Kshs.400 billion in Kenya. Considering there has been no cooperative collapse in the last 10 years, the success rate was excellent.

Further achievements that denoted the viability of cooperatives and Saccos as investment platforms included the key landmark buildings owned by Saccos such as the renowned Afya

Centre. At the county level, Kericho town best illustrates the fruits of these societies with the two largest buildings being owned by cooperatives, a pattern that was replicated in many towns. The prowess of Saccos cut across various sectors from the housing sector, banking sector (with the third largest bank owned by cooperatives), transport sector, to the insurance sector (with the Cooperative movement owning 70% of the CIC Insurance Group).

He concluded by urging the Diaspora to venture into investment through trusted channels which guaranteed safety for Kenyans from all walks of life and encouraged the Diaspora to consider infrastructure projects which would accept all amounts.

Remittances for National Development - Richard Meseko, World Remit

Mr. Meseko of World Remit informed the Conference that there had been a steady increase in remittances to Kenya according to the World Bank. Despite this, World Remit, headquartered in UK, felt the growth was hampered by the inefficiencies of the traditional agent-based money transfer model which was outdated. The high cost of operating agencies translates to high fees which were passed on to consumers. Furthermore, customers experienced long waits to send and to receive money, in addition to the inconvenience of travel and potential safety concerns. For these reasons, this agent-based model was not conducive to personal participation in supporting the growth and livelihood of Kenya and its Diaspora communities. These inefficiencies thus inhibited the flow of resources to the country.

He further pointed out that the Digital Economy and World Remit had addressed these concerns by offering a digital money transfer solution for all Kenyans abroad by creating a digital platform that catered for all groups at affordable costs. By facilitating the ease of transactions at a cheaper rate, the platform would encourage remittances from immigrant workers with small amounts to remit.

The Role of Diaspora in Promoting Tourism Abroad - Lucy Karume

While speaking on the role of Diaspora in promoting Tourism abroad, Ms. Karume, Chairperson of the Kenya Tourism Federation, pointed out the vision- *To be the authoritative voice for Kenya's tourism industry private sector* and mission statement- *To promote a sustainable tourism sector through effective representation of private sector stakeholder interests on a national level*. Ms. Karume was one of the 7-member team of the Kenya Tourism Federation. The association had a varied membership that includes the Kenya Association of Tour Operators, the Kenya Association of Travel Agents and Eco-Tourism Kenya, among others. She gave a UNWTO definition of tourism: *Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes*.

Ms. Karume noted that the Kenyan Diaspora was the first image of Kenya foreigners in the host country who were yet to visit Kenya and had little knowledge beyond what was aired on

international media. Kenyans in the Diaspora therefore played a key part in confirming or refuting what was reported in the media.

In a bid to re-craft the tourism narrative, Ms. Karume advised on the need to have people who had non-commercial and non-political interests in tourism and the country to drive the tourism agenda given that Kenya had been dependent on non-citizens to package, manage, market and consume tourism as a product and was now suffering the consequences. While expressing her grief on the blow dealt to tourism by terrorism and Ebola, Ms. Karume talked of the 'One Diaspora, One tourist drive' that would attract about 3 million tourists, this being a way for Kenyans to tell the country's story and tell it correctly. This effort was aimed at encouraging each Kenyan living or working abroad to recommend Kenya to one person who, as a result of the recruitment, goes to Kenya as a tourist.

She extolled the good work by Diaspora during the Ebola crisis by giving geographical lessons on Africa as most westerners did not have a clear understanding of the continent and distances between countries in Africa.

UK Diaspora Representative - Sophie Gitiba

While acknowledging that the Kenyan Diaspora was diverse, she said that the Diaspora in UK was unique for historical reasons. This historical connection between Kenya and the UK leads to anomalies such as meetings being organized to discuss Africa yet no Africans in the United Kingdom are invited.

Ms. Gitiba also called for consideration of second generation Kenyan migrants who may lose touch due to lack of opportunities to create bonds with home. She urged that the Diaspora Policy should create a vehicle that would serve future generations of the Diaspora and noted the need to liaise with other African Diaspora so that there was a lot more to offer. Africa was rising and the Diaspora must know in which way Africa was rising so that they can tap into the opportunities.

Questions, Observations and Answers

Question: Habakkuk Wamududa of the Kenya Qatar Diaspora Sacco requested for more information on the safety of Diaspora funds.

Answer: The banking system was secure and the banks in operation were very clear on the importance of customer service. World Remit had offered a one-month same day free money transfer to Kenya for the month of April.

Question: John Oucho called for more Diaspora action since most issues discussed were speculative and called for a commission to study the Diaspora fully. He further noted the need

for more research on Diaspora immigrants from Kenya to identify patterns so as to serve them better.

Answer: It was acknowledged that data was critical for the Diaspora. The Kenya School of Monetary Studies through the African Institute for Remittances would undertake more studies to try and understand the Diaspora better and have better/credible figures.

Question: David Njoroge asked how the Diaspora welfare issues were being addressed, particularly issues regarding female domestic workers in the Middle East. Were there bilateral labor agreements? He called for a Diaspora Act to focus on other issues so as to avoid giving the impression that only money issues were being addressed.

Answer: On the welfare of the Diaspora, the Government should ideally create employment opportunities so that there were no immigrants. However, if Kenyans must leave in search of opportunities, they should be trained similar to the Philippines model. The Diaspora and Consular Affairs Directorate responded to Kenyans in the Diaspora when they are in difficulties. However, in return, the Diaspora had a responsibility to assist the Government in implementing policies concerning the Diaspora.

Observation: Dr. Some commented that there was need to develop comprehensive processes which would facilitate active and meaningful participation by the Kenyans in the Diaspora so as to advance their interests.

Answer: Effective participation by Kenyans abroad should reflect the dynamic Constitution but there was still need to provide opportunities for Diaspora to participate in elections.

Question: Why do Kenyans in the Diaspora get harassed at the airport and other nationals seem to go through without difficulties?

Answer: Things were getting much better than they were before and there are clear procedures to go through in entering the country. One of these procedures relates to duty. Like everyone else, Kenyans in the Diaspora are required to comply with this requirement.

Question: Rev. Oriri observed that there was the perception that the Diaspora was only needed for its money. Ideas from the Diaspora were not taken seriously. How sure was the Diaspora that Government wanted to truly engage instead of just looking for funds?

Answer: The issues were being taken seriously and proposals for the next financial year had incorporated views from the Diaspora. Those proposals also incorporated recommendations from studies by Brookings Institution.

Question: Edward Sewa noted that export business could not compete because the policies of the Central Bank and money laundering inhibit the growth of Diaspora remittances. For example, thresholds of access to foreign exchange were too low.

Answer: Threshold limits had improved. Controls cannot be eliminated but better verification methods were being evaluated. Anti-money laundering and international obligations were important. To honor its international obligations, the country had to be on the right side by ensuring that only legitimate funds came into the country and Kenya was not used for money laundering. By convention, without demonstrable effective anti-money laundering procedures, no country could use such critical options as floating a sovereign bond. Diaspora participation in exports was important but it was indeed true that tea and coffee markets are owned by cartels.

Question: No serious efforts were being made to encourage Kenyans to come back and enjoy the tourist sites. There was no serious outreach towards Kenya to enjoy the coast so that the industry was self-sustaining.

Answer: Definition of tourism had changed and the concept was changing so that Kenyans and Africans were encouraged to travel to tourist sites. Domestic tourism should not be a stop gap measure but a sustainable way of attracting tourists. The new strategy was **Diaspora Tourism**. Recovery and transformation of tourism includes an element of Diaspora marketing for Kenya as well as inviting the Diaspora to be tourists. Second generation Kenyans in the Diaspora offer a great opportunity for tourists because they travel in groups.

Question: Alex Maina observed that the conference was not well advertised and friends in the Diaspora did not know about the event.

Answer: A large segment of the population does not access the Ministry's website and other informative pages. However, more marketing and more channels of reaching the Diaspora needed to be embraced so that many more are reached with relevant information.

PLENARY SESSION 2: PROMOTING PUBLIC PRIVATE AND DIASPORA ENGAGEMENT IN NATIONAL DEVELOPMENT

Jeff Odundo, Moderator, CEO Nairobi Stock Exchange

Mr. Odundo the moderator began by reiterating the impact of remittances and the contribution of the Diaspora to the Kenyan economy. He mentioned that remittances had seen a significant growth in 2014 from 2010 by 1.5 billion USD. This, he said, was a clear indicator that the Diaspora was a key avenue for economic growth. He also highlighted that the economic growth had rebounded from the global financial crisis in 2008 and had grown to hit double digits.

In addition, Mr. Odundo went on to highlight the key factors that spurred this economic growth. He mentioned the increase in the number of emigrants and the salary increase in the host country markets.

He also indicated that there were regional variations in remittances by Kenyans overseas. North America accounted for 47.4%, Europe had 27.3% and the rest of the world followed closely with 25.3%. In his concluding remarks with respect to the impact of remittances he noted that money from the Diaspora had gone into local consumption and investment primarily in real estate development. Additionally, the government had earned huge quantities in foreign exchange and the remittances rivaled tea and tourism as sources of foreign exchange.

In the case of Capital Markets, Mr. Odundo remarked that there were significant opportunities in the capital markets and noted that there had been large amounts of foreign inflows supporting stocks. He concluded by saying that Capital Markets had huge potential for growth.

Mr. Odundo introduced the panel of discussants for the session.

Forging Successful Public Private Partnerships - Eng. Stanley Kamau, Public Private Partnership

Eng. Kamau commenced by explaining that the Public Private Partnerships was ideal to address such challenges as getting reliable power without constant outages or better infrastructure. He mentioned that in infrastructure, there was a shortfall in investment of about US\$2 billion every year. In practice this means that many infrastructure projects were not implemented with consequences such as persistent power shortages and traffic jams. To fill this gap, he noted that the government had to get money from the private sector as revenues from taxes were not sufficient enough to fund necessary investments.

According to Eng. Kamau, Public Private Partnerships were not just any undertaking between the public and private sector. PPPs needed to be understood as the private sector undertaking government business or delivering some services and in return, receive payment for work done. There was a legal framework to manage that process. He further explained that the government

engaged the private sector through a competitive process or through private party initiative proposal where the private party identified a project then sought to undertake it.

In this regard, the Public Private Partnership Unit (PPPU) acted as the legal arm and helped to structure the engagement. Eng. Kamau mentioned a few ongoing PPPs including:

- **Student Accommodation:** This involved setting up hostel accommodation in the Public Universities by the private sector and thereafter collecting hostel fees. This was currently in progress at Kenyatta University. Similar projects were to be undertaken in other institutions of higher learning.
- **The 10, 000 km Road Network:** He highlighted that the government was bringing in the private sector through contractors and other investor with capital to build roads and then paying them in form of mortgages.
- **The 5, 000 Mw Power Sector:** Eng. Kamau indicated that most power plants under the Renewable Energy Programme were being done by the private sector. He stressed that the energy sector was a very attractive investment opportunity for Kenyans in the Diaspora.

In conclusion, he noted that products were being developed into which the Diaspora could invest. Finally, he informed that the PPPU was working with Capital Markets Authority to bring these products to the market because they were lucrative investment opportunities.

Diaspora Investment Products - Diana Gecaga, Britam Group-Asset Management

Ms. Gecaga started by explaining that Britam was managing slightly over US\$800 million worth of assets and this was expected to grow given the products they had in line. She noted that her discussion would be based on how to engage with the Diaspora and how to partner with organizations and groups.

Ms. Gecaga said the aim of Britam was to channel investments to areas of high return. Such areas included infrastructure sector and real estate, either developed or buying property. She went on to explain that being abroad, it was quite a challenge to securely and safely send money back home. She noted that Britam had an engagement site that was available for individuals and groups through which it provided client specific products. They also provided an objective, safe and secure channel for investment in any of the public private partnership areas. Furthermore, she mentioned that Britam was able to invest on behalf of the Diaspora, bring in global asset and global managers.

With regards to the gaps, Ms. Gecaga stated that government assistance was essential in ensuring flexibility of channels. She noted that there ought to be a provision to expedite online payment for Kenyans in the Diaspora for services rendered in Kenya.

Some investors expected to start earning interest immediately after making a transfer. In practice, it took some time before the investment could start to earn interest. These delays were caused by the inflexibility of the transfer systems and were, to some extent, inevitable. She remarked that Kenya being an innovative country, it was possible to find a way to leverage on mobile money technology to be able to have almost instantaneous transfer of money for investment.

In conclusion, she noted that Britam wished to institutionalize the investment process and move away from using informal channels for remitting funds for investment and development. Instead, Saccos and asset managers could transfer funds to areas where proper development was needed especially in infrastructure.

US Diaspora Sacco - Simon Nyagah, Diaspora Representative

Mr. Nyagah began by indicating that the US Diaspora Sacco was established roughly 2 years ago with a goal of harmonizing and channeling investment funds. US Diaspora Sacco was aware that the Government wanted to tap into the investment funds of the Diaspora.

Mr. Nyagah pointed out that the Government could engage with Saccos such as US Diaspora in the US, whereby the Government could ask 20% of them (100, 000) to invest US\$1, 000 each in the Diaspora Bond which would add up to US\$100 million or Ksh.9 billion.

He further noted that these numbers showed how strong Diaspora engagement could be, adding that there ought to be a well-organized and strategic way of the Diaspora coming in to partner with Government. He mentioned that the way forward was the creation of Saccos to enable the channeling of funds. As a by-product, Saccos could be a source of information for the Diaspora Database. He concluded that the creation of Saccos was spurred by too many incidents in which Kenyans in the Diaspora lost money trying to invest in Kenya.

Promoting Diaspora Investments, KCB Experience - Sam Makome, Chief Business Officer Managing Director, KCB Kenya

Mr. Makome started off by informing the Conference that the approach to attracting investments from the Diaspora had changed from travelling to major towns in popular destination countries and presenting overviews to going to the actual places where the Kenyans abroad lived and worked. This targeted approach required knowledge as to who these Kenyans were, where they were, and their specific needs.

He reported that the KCB Diaspora team had spent 2 months in the US as they visited towns that had significant concentrations of Kenyans making sincere efforts to understand their needs and how they were organized. He stressed on the need to understand the needs of Kenyans in the Diaspora on specific issues such as security or access to services. To cater to such needs, KCB had developed online support for banking services available at different times corresponding to

different time zones around the world, as well as enhanced the safety for investments from the Diaspora.

Mr. Makome further reported that KCB had partnered with prominent property managers and contractors who participated in engagements with Kenyans abroad. KCB also has a website that was dedicated to serve Kenyans in the Diaspora who wished to buy houses. As a result of these dedicated services to the Kenyans overseas, there had been a growth from Ksh.16 billion to Ksh.20 billion in terms of inflow of investment through KCB.

In conclusion, he indicated that there was still a need to organize Kenyans in host countries. KCB preferred to link up with networks that were organized and established such as the UK Diaspora Sacco with which there was already an engagement valued at Ksh.10 billion. The key point was that the group was organized and was registered and therefore was able to engage with KCB.

Furthermore, he concluded, collaboration between the Government, Missions and the Diaspora was needed to create a database of Diaspora. Such a database would inform decisions on who to engage.

One-Stop-Shop Service Center for Diaspora - Kent Libiso, Kenya National Chambers of Commerce and Industry

Speaking about a one-stop-shop service center for Diaspora, Mr. Libiso mentioned that Kenya National Chamber of Commerce and Industry (KNCCI) was an umbrella organization that promotes business but works closely with government especially the MoFAIT despite being a private sector player. He noted that the one-stop-shop service center would be a culmination of a few years of work spent travelling around the world handling issues with Diaspora.

The center would serve as a contact zone for all issues that had been raised throughout the conference. He pointed out some of the needs such as accountability of money being transmitted and the effectiveness of missions.

According to Mr. Libiso, one-stop-shop service centers would push for:

- The introduction of bilateral agreements that would facilitate transfer of Social Security;
- savings by Kenyans abroad;
- Health insurance contribution;
- Harnessing Diaspora skills (KCB had 8 Kenyans from the Diaspora)

To create opportunities for the Kenyans in the Diaspora, KNCCI signs Joint Business Councils (JBC) with countries that have bilateral agreements with Kenya in place. JBCs are very important channels for business and Mr. Libiso urged Kenyans in the Diaspora to contact them where they exist for help in facilitating trade and investment facilitation. JBCs already exist in Nigeria, Sri-Lanka, Turkey, Egypt, South Africa, UK had just been signed, while that of the US, Japan, Korea and Morocco were under discussion.

He concluded by pointing out that the KNCCI had offices in all the 47 counties in the country that compiles statistics about the business opportunities available. He concluded by urging all the Heads of Missions and Kenyans abroad to promote the availability of information that KNCCI was spending a lot of money researching as this could help in business decision making for the Diaspora.

Question and Answer

Question: Maureen, a resident in Tanzania, indicated that opening an account and requesting for cheque books took too long at the Kenya Commercial Bank (KCB). This inhibited transactions which would be easily facilitated and also made it difficult to remit funds back to Kenya.

Answer: Kenya Commercial Bank indicated that further investigation would be conducted to understand the exact cause of the problem because under normal conditions, accounts were opened in matter of days. However, KCB was also engaging with the East Africans in the Diaspora to ensure that they were included in services offered.

Question: Kenyans in the Diaspora were a bridge between Kenya and foreigners. However, the Diaspora lacked vital information on issues such as sanitation and safety. The KNCCI should interact more with Kenyans abroad and, in the process, provide the kind of information that could be used to respond to questions by potential tourists.

Answer: KNCCI offered to share all information and furthermore, it indicated to MoFAIT its readiness to share all information available with Kenya's missions and hence with the Diaspora.

Question: To be able to invest back home it may be better to have 4P's namely *Public, Private, and People Partnerships*. In this context People would represent the Diaspora. An example of such partnership was the African Diaspora Coalition which invests heavily on people to enable them to have a footing on the African continent.

Answer: The idea was good. Throughout the Conference, Kenyans in the Diaspora had been encouraged to join Saccos for better partnerships and higher returns on investment. In addition, the Conference had made repeated calls for Kenyans in the Diaspora to invest back home in Kenya because the returns were much higher than in most host countries.

Question: Some Kenyans overseas did indeed consider investing back home. However, the process of investing in host countries was much easier than in Kenya. Was it possible for the banks to look into simplifying the process of helping Kenyans to invest in host countries?

Answer: The banks in Kenya were looking for opportunities for growth. It would be possible to support Kenyans in the Diaspora in the same way the Chinese Development Bank was helping the Chinese to acquire all properties on entire streets in places such as Vancouver. In principle, Kenyans could seek investments overseas if laws in host countries permit. If Kenyans in the Diaspora identify specific areas in which they wished to invest, Kenyan banks would find ways of making this possible especially if the Kenyans formed investment groups. However, it was

important to remember that returns on investments were much higher at home. Kenyans and East Africans abroad were encouraged to put their money where there was maximum growth: East Africa.

Question: How can the Kenyan products get to the Diaspora?

Answer: Those in the Diaspora could be distributors and dealers in Kenyan products in host countries. Opportunities to become agents can be publicized during missions overseas and shared with groups representing the Diaspora. KNCCI was willing to share the opportunities available.

PLENARY SESSION 3: BUSINESS, INDUSTRY AND INVESTMENT OPPORTUNITIES

Moderator - Mr. Munir Sheikh Ahmed, Chief Executive Officer, National Bank of Kenya

Business Opportunities in Kenya - Ambassador Nelson Ndirangu

Ambassador Ndirangu made a presentation on behalf of the Principal Secretary, Ministry of Foreign Affairs and International Trade.

Ambassador Ndirangu clarified that the Ministry focuses more on framework and policy to deal with ease (cost) of doing business, access to markets, expanding markets and how Diaspora could be marketing agents. He elaborated that the role of missions should be reconfigured so that they become economic rather than diplomatic hubs. Therefore more commercial and economic diplomatic engagement was critical. The Ministry also influences how the country was performing at international trade by influencing decisions made internationally. These are done through discussions at WTO where Kenya is represented by its mission in Geneva.

Ambassador Ndirangu explained that the WTO regulates conduct of International Trade and all the Ministry does should lead towards increasing exports to the rest of the world. Kenya as a member of WTO was a key player in discussions. For example, during the HIV/AIDS negotiations to produce generic drugs due to national and regional problems, Kenya joined other member states to support drug production rules that were in line with domestic and regional policies. The ongoing tripartite arrangements for EAC, COMESA and SADC would synchronize drug production policies and thereby increase opportunities much like Economic Partnerships Agreements which have the effect of creating additional opportunities for producers.

Ambassador Ndirangu said that the current industrial base was dictated by Intra-Africa Trade hence the drive to increase the trading arrangement was critical. Bilateral trade agreements were still being signed with those countries which had potential, but Kenya already had agreements with Egypt, South Africa and Nigeria, plus a special status agreement with Ethiopia. The agreement with Ethiopia, for example, offers Kenyans in the Diaspora as well as those in Kenya an opportunity to do business in Ethiopia especially in the banking sector.

However, he explained that certain issues must be put in context. Exploitation of new resources can only be done in collaboration with government other than through foreigners. Export promotion was being refocused to make Kenyans in the Diaspora agents for Kenyan manufacturers. He singled out Geoffrey Kinyanjui of Africa Delights who had sole rights to sell Royco in USA. He indicated that some Kenyan products are unique. For example, Kenyan cut flowers last longer than any other flowers in the world: Kenyan flowers wither after 2 weeks as opposed to one week for those from other areas. He added that Kenyan tea and coffee are unique but commonly adulterated and blended to improve other teas. Instead of selling bulk tea the

country was seeking investors to add value and sell. This could be achieved through bilateral agreements which would dictate that all products sold must have value addition.

Secure Investment Vehicles for Diaspora - Mr. Felix Gichaga, Regional Head of Business Development, Stanlib East Africa

Mr. Gichaga affirmed that the Diaspora seeks secure, safe, convenient and cost-effective investment vehicles. He clarified that Stanlib was currently focusing in South, East and West Africa, and manages US\$ 60 Billion worth of investments. Stanlib therefore provides solutions in investments. The African story was that the fastest growing economies in the world were in Africa, and particularly East Africa. The average GDP growth was 5-7%. This was presupposed to be the emerging market story for next 20 years. He therefore encouraged those in the Diaspora to invest at home and become part of the story. He further encouraged the Diaspora to look at Africa not just Kenya. Attractive and expanding economies include South Africa, Kenya and Nigeria. Stanlib offers options for investments especially collectively for the Diaspora through Mutual Funds and tailor-made investment solutions.

Investment Opportunities in the Energy Sector - Mr. Isaac Kibe, Ministry of Energy

Mr. Kibe stated that the Mission of the Ministry of Energy was to facilitate the provision of clean, sustainable, affordable, competitive and secure energy for national development, while protecting the environment. The Vision was to provide affordable, competitive quality energy for all Kenyans.

There are three main priority projects in the energy sector. The first project was the Power Capacity Growth which entails a 5,000+MW generation programme; an infrastructure development of transmission and distribution to support evacuation, distribution and retailing of power; and creation of demand to utilize generated power. The second project was the Last Mile Connectivity. The third one was the School Laptop Project.

On the Status of Petroleum exploration in Kenya, Mr. Kibe indicated that sedimentary basins in the country were divided into 46 blocks of which 41 of these were licensed to 22 international oil exploration companies.

So far, a total of 51 oil exploration wells had been drilled. Hydrocarbon discoveries had been realized in five Blocks: 10BB, 13T Tertiary Rift Basin, Block 9 Anza Basin, Blocks L8, and L10A in offshore Lamu Basin.

Four (4) blocks out of the total gazetted 46 blocks were open and would be scheduled for licensing alongside the others being relinquished by oil companies as the respective exploration contract terms expire.

To transport the petroleum downstream, the Kenya Pipeline Company (KPC) was constructing a 20 inch parallel pipeline from Mombasa to Nairobi. KPC would also construct a 14 inch parallel

pipeline from Sinendet to Kisumu and an additional 144,000 cubic meters of storage of petroleum products in Nairobi. A crude oil pipeline from Hoima via Lokichar to Lamu was to be constructed under the LAPPSET project. Plans were underway to construct additional storage facilities in other upcountry towns for both Liquid Propane Gas and other petroleum products.

On Coal resources, Mr. Kibe said that the coal reserve was anticipated to provide at least 2,700 MW of the power requirements for Vision 2030. Coal from Blocks C and D were to support development of the Kitui (Mui) and Lamu 960 MW each power plants being developed by private sector firms. The Government of Kenya signed Benefit Sharing Agreements for Blocks C and D with Fenxi Mining Industry Company of China on 23/12/2013. Procurement of concession of Blocks A and B was on-going. The Ministry of Energy and Power had delineated 31 new coal exploration blocks for gazettelement, and thereafter licensing to private investors for detailed exploration leading to possible development. The Ministry was conducting coal exploration in Isiolo, Meru, Kwale and Kilifi Counties.

Mr. Kibe informed the Conference that the Diaspora could participate in the projects in several ways. These included Procurement & Construction (EPC) contractors, consultancy services and competitive bidding. The competitive bidding may be through PPP arrangements and advertisements for the PPPs are normally in the press and in websites of the Ministry and Agencies. The other competitive bidding was through Feed-in-Tariff of renewable energy projects to be undertaken in the Feed-in-Tariff Policy. The Feed-in-Tariff policy was an instrument to promote generation of electricity from renewable energy sources. This policy was established in April 2008 and reviewed in January 2010, and December 2012. There were ongoing reviews to accommodate new technologies, as well as changes in cost of equipment and money. Model PPA and Connection guidelines have also been developed.

An Outline of Investment Opportunities in the Counties - Pius Rotich, KenInvest

Mr. Rotich said that Kenya Investment Authority (KenInvest) was a statutory body established in 2004 through an Act of Parliament (Investment Promotion Act No. 6 of 2004) to promote and facilitate investments for both domestic and foreign investors. Its vision is to be *‘A global leader in investment attraction.’* Its Mission is *‘To promote and facilitate domestic and foreign investment in Kenya by advocating for a climate that is conducive to investment, providing accurate information and offering quality services for a prosperous Nation’.*

KenInvest also promotes investments, facilitates Joint Ventures between local & foreign investors, undertakes investment facilitation, and policy advocacy. Furthermore, the President directed immediate establishment of a state-of-the-art One-Stop-Centre for investors where senior officers who can make immediate decisions representing various public agencies would be seconded to facilitate the smooth entry of investors.

On investment opportunities, Mr. Rotich pointed out that Kenya Vision 2030 had generated numerous investment opportunities. In 2013-2017 alone, there were 182 flagship projects. These

flagship projects ranged in size from mega to small and were available in all sectors and in all the 47 Counties.

Mr. Rotich further mentioned the different sectors which have potential: Agriculture, Livestock and Fisheries; Tourism; Manufacturing; Wholesale & Retail; Business Process Outsourcing (BPO) and IT-Enabled Services (ITES); Financial Services Sector (FSS); Oil and Other Mineral Resources Sector; Energy Sector and Infrastructure not forgetting Building & Construction which was the Diaspora favourite.

Noting that these projects needed funding, Mr. Rotich pointed out that potential source of finances for investment purposes may include the following: Public funds from taxes or borrowing; Joint Ventures; PPPs; Co-operatives; Investment groups; Individual entrepreneurs; Contract financing; Procurement –LPO financing; Microfinance and credit; and Venture capital business angels.

Mr. Rotich noted that KenInvest was offering support to County governments by augmenting County development objectives, strategies and measures aimed at ensuring increased investment flows into the Counties; offering capacity building on investment promotion and facilitation; and developing One-Stop-Shop for investor facilitation. Other support efforts include investment profiling and packaging and engaging Counties in improving investment climate.

On taxation, Mr. Rotich clarified that Tax Remission for Exports of taxable goods applies to investors operating outside an EPZ but was also allowed in respect of capital goods (excluding motor vehicles) imported or purchased for investment in industries such as oil exploration or prospecting for minerals. There was also VAT remission on low income housing projects, Industrial Building Allowance (I.B.A), Investment Deduction, Shipping Investment Deduction, Mining Allowance, Favourable Depreciation rates and Double Taxation Treaties.

There were therefore several compelling reasons why investors would choose to invest in Kenya at that time more than at any time before as outlined by Mr. Rotich. Empowered by a new Constitution and administration, the National and County governments were approaching the private sector as a central partner in the development and growth of the Kenyan economy. Empowered by the new Constitution, devolution offered an opportunity for investment through localized innovation with scale through collaboration by building commercial ecosystems in each County which further expanded employment opportunities and empowered local communities. With strong economic growth buoyed by falling oil prices, Kenya's growth was projected to rise from 5.45% in 2014 to 6-7% over the next 3 years (2015-2017), making it one of the fastest-growing economies in Sub-Saharan Africa according to the latest Kenya Economic Update (KEU) published by the World Bank.

The new Jubilee Administration regards the private sector as central to economic and social development and had signaled this shift in government's orientation through the divestment of its majority shareholding in state commercial companies through the Nairobi Securities Exchange. He noted that Kenya had fully liberalized its economy and removed all obstacles that previously hampered the free flow of trade and private investment, such as exchange controls, import and

export licensing, as well as restrictions on remittances of profits and dividends. Kenya was making efforts to lower the cost of doing business by conducting extensive business regulatory reforms intended to substantially reduce the number of licensing requirements and to make the licensing regimes more transparent and focused on legitimate regulatory purposes.

His message to the Diaspora was that KenInvest would continue to facilitate business across borders and called on the Diaspora to assist Kenya in speeding positive flow of information and to facilitate deals. He implored the Diaspora to continue sharing the business information in their countries of residence since knowledge of local culture enhanced investment flows and spread of ideas. He called on the Diaspora to bring back acquired knowledge, contacts and experience home, remit and spread money home across Counties in investments and assist companies in the host country to operate in their home country.

His message to diplomats was that in order to continue attracting investors, there had to be good teamwork between KenInvest, the missions & other stakeholders. He lamented that poor coordination could inhibit investment projects. He pointed out that drafting account plans that specified responsibilities and actions with regard to individual companies could help avoid duplication between stakeholders with an interest in the same company.

Diaspora Opportunities in the Manufacturing Industry - Ms. Fridah Mbugua, Legal and Regulatory Affairs, Kenya Association of Manufacturers

While representing Ms. Betty Maina, CEO Kenya Association of Manufacturers, Ms. Mbugua stated that the Kenya Association of Manufacturers (KAM) was established in 1959, and it boasted about 850 members in 16 Sectors. It was a leading business membership organization in East Africa. It had 7 Chapters around Kenya; Athi River, Mombasa, Kisumu, Eldoret, Central Kenya Chapter, Nakuru and Industrial Area-Nairobi.

The Association provides a link between members and government through research, policy advocacy, seminars & workshops, specialized training, firm-level interventions, energy audits, work permit, AGOA visa processing, EAC duty remission, business information, communication, CSR services and customer delight. The Mission of the Association is to promote competitive local manufacturing within the framework of a liberalized global economy and the vision is to be a world class BMO effectively delivering services to members wherever they operate.

The Kenyan manufacturing sector had attracted both local and international investors through FDI and Joint Ventures. The manufacturing sector, particularly within global production networks, provided domestic firms and workers with exposure to foreign technology and knowledge. This may come through FDI in the sector, through the import of capital equipment embodying foreign knowledge, exporting to international buyers, or competing with foreign firms in regional and global markets.

She informed the Conference that the manufacturing sector in Kenya grew by 4.8 per cent in 2013 compared to a revised growth of 3.2 per cent in 2012 as given in the country's rebased

statistics released last year. This was against an expected growth of 10 per cent per annum targeted in Vision 2030. KAM continues to engage Government towards securing investment in the manufacturing sector and towards a guaranteed stable policy environment and investment climate that facilitates growth of the industry. In the 2014 Economic Survey, the value of Kenya's total export rose from Kshs.512.6 billion in 2011 to Kshs.517.8 billion in 2012 but fell to Kshs.502.2 billion in 2013. Kenya's top markets for exports are in Africa, taking a market share of Kshs.231.4 billion (46.1%), followed by Europe Kshs.123.2 billion (24.5%) and Asia Kshs.107.5 billion (21.4%).

On Diaspora opportunities, Ms. Maina indicated that Kenya was promoting development of;

- Special Economic Zones (SEZ) and the SEZ Bill was in the National Assembly,
- Industrial parks steered by both National and County Governments, and
- Small and Medium size manufacturing especially with the passing of the Medium and Small Enterprise Act and establishment of the MSE Authority etc.

Devolution had spurred economic growth in the country and this was the opportune time to invest as there were favorable procurement regulations. The Government was also developing a policy on "*Buy Kenyan build Kenya*". There were prospects for increased local demand for locally produced goods and services. Regional markets are accessible for Kenya's manufactured goods owing to its membership to EAC and COMESA. Public Participation had increased manufacturers' involvement in policy and legislation formulation in all the levels of Government.

Ms. Maina reiterated that the tripartite Free Trade Area being negotiated for COMESA, EAC and SADC promised many opportunities for local industry and the economy. Opportunities existed to produce in Kenya and export products to the USA under the provisions of the AGOA. A favorable Constitution was in place allowing dual citizenship and boosting enterprise development in the country. Investment opportunities existed for direct and joint-venture investments especially with the Private Public Partnership Act and Regulations. Improved infrastructure and devolution of 14 functions to County Governments encouraged manufacturers to set up anywhere in the country. There were therefore opportunities for the Diaspora to contribute towards growing the manufacturing sector by attracting foreign investors to set up firms, act as mentors to local firms, offer technical support to the sector, and so on.

In conclusion, Ms. Mbugua stated that KAM was ready to partner with the Diaspora to grow the sector. She called on the Diaspora to work with KAM to expand the manufacturing sector in the country. Being the first point of contact with foreigners, she implored the Diaspora to preach the good news of Kenya as a preferred investment destination and urged the Diaspora to choose manufacturing as an investment option at home.

Connecting with the Diaspora: Mr. Ahmed, Dahabshiil Limited

Mr. Ahmed stood in for the CEO of Dahabshiil Limited, Mr. Abdirashid Duale. He started by expressing his gratitude to the organizers of the Diaspora conference as way of encouraging the Diaspora to invest in Kenya and thus aid in economic development.

He indicated that Dahabshiil helped the Diaspora transfer funds by providing an environment that enabled them remit funds to the country through very competitive and secure means. Furthermore, Dahabshiil had wide experience as a money transfer organization internationally in over 86 countries in collaboration with banks or other local money transfer agencies. Moreover, with very fast and efficient systems, Mr. Ahmed noted that money transfer was done comfortably and safely while complying with all international standards.

In conclusion, Mr. Ahmed advised that Dahabshiil had attended the Conference to offer the Diaspora a channel to get their investment into the country.

Question and Answer

Question: Are there Kenyan banks in Middle East?

Answer: No but the process of negotiations are under way.

Question: Was Stanlib any different from other banks that have lied to Kenyans in the Diaspora? Was Stanlib offering a real choice?

Answer: Stanlib was African and understood how to navigate Africa; its products were tailored to the requirements of Africa.

Observation: It is very difficult to do business in Iran and Nigeria.

Answer: At the time doing business with Iran was difficult because of the sanctions that are in place against Iran. However, the Cooperative Bank had established a fund to facilitate payments. Therefore, there were opportunities but depended on what Iranians were buying from Kenya and what Kenyans were buying from Iran. Once the prevailing sanctions are lifted, opportunities can be exploited.

Nigeria consumer products were banned but it was agreed that trade would resume after an agreement was negotiated and put in force. It was anticipated that opportunities would emerge in re-packaging tea in Nigeria. It was noteworthy that Nigeria imported fish heads from Iceland and this offered immense opportunities for the Kenyan fish sub-sector.

PLENARY SESSION 4: EMERGING OPPORTUNITIES FOR THE DIASPORA IN ICT AND KEY ENABLING TECHNOLOGIES

Emerging Opportunities for ICT - Dr. Kate Getao, ICT Secretary, Ministry of Information, Communication & Technology

Dr. Getao affirmed that people were the biggest opportunity in the ICT sector. The youth were very innovative but needed to be given a regulatory framework that was conducive to enable them to build a thriving manufacturing sector and ICT. At the time, there was a supportive policy and legal environment at the National and County levels. The Smart Kenya Master Plan offered investment opportunities through the five undersea cables while the 5,000kms national fibre offered a backbone although the country was aiming for 20,000kms.

Harnessing Youth ICT Skills for Kenya's Digital Revolution - Mr. Josiah Mugambi, Executive Director, Nairobi Innovation iHub

Mr. Mugambi said that the Mission of iHub is to harness youth ICT skills for Kenya's Digital Revolution. iHub aims to catalyze the growth of the Kenya's Technology Community. This would be achieved by connecting people, supporting start-ups, surfing information, as well as tracking trends and enablers.

In the last ten years the ICT sector in Kenya had experienced drastic changes. These included the advent of Broadband Internet, the establishment of multiple undersea cables connecting Kenya to the rest of the world, and the drop in cost of broadband access, the growth of mobile payments and in particular the widespread use of mobile payment services (MPESA primarily), the subsequent proliferation of solutions leveraging these services, and the drop in prices of smart devices with a reasonably good smart phones costing less than Kshs.10,000.

Over the years, Kenya had also seen huge investments in mobile communications infrastructure and services such as those by Safaricom, Wananchi (Zuku), Liquid Telecom, and Jamii Telecom. In this context, there was the target date of 31 December 2015 to complete connecting all 47 counties to the National Backbone which was designed to be used by public and private players.

There had also been significant changes in technology for improved service delivery. Banks initially resisted mobile money as pioneered by MPESA but most, if not all, have an interface with mobile money. The acceptance of mobile money and related services was growing rapidly with mobile payments/merchant interfaces such as Pesa Pal, Jambo Pay, Kopo Kopo.

This had spawned new products as a result of adapting existing technologies. These included Jumia (in multiple countries), SleepOut.com (similar to AirBnB), sendy.co.ke - on demand errands (via phone), Angani.co - Public Cloud Service Provider, and BRCK, a- rugged internet for people and things.

Mr. Mugambi said that the future was the ‘Internet of Things’. There would be wide spread broadband internet, not just for people but also devices. In future, innovation would also cost less because of the availability of hardware which would enable anyone to identify a problem around them, and with the right resources and tools, create a solution. This trend was already there with things such as information and data-driven smart farms, weather stations, pollution monitors, etc. The ability to collect huge amounts of data opened new horizons of understanding by correlating the data across different domains for better decision making. This did not mean all these developments were positive. Some were disruptive as had been demonstrated by the emergence of crypto currencies such as BitCoin which defrauded clients to the tune of millions of dollars. On the positive side, BitPesa.co allows the transfer of money from the US to an MPESA account in less than five minutes. The same technology posed challenges for some traditional service providers. For example, anyone with content could start a digital terrestrial TV station such as Hyper local as well as a more general and broader TV.

With respect to the youth and technology, Mr. Mugambi observed that the youth tended to be early adopters of technology. It was therefore critical to continue to invest in people, particularly young people as they form the bulk of the population. In this context, experience shows that to spur innovation it was best to expose the youth to technology as early as possible. Early exposure prepared people to keep up with technological changes and innovations. It also increased the likelihood that some of the early adopters would become entrepreneurs.

A key focus for iHub was equipping young people with what they needed to turn their ideas into innovative products and services that solved problems around them, or that could become businesses and grow, not just in Kenya, but beyond. iHub therefore worked with initiatives that were not necessarily linked with the education system such as:

- Waza Experience with 10-15 year olds
- Talent Building Initiatives

iHub also built talent and there were many initiatives in Kenya that were intended to nurture talent and foster creativity. These included:

- Presidential Digital Talent program
- Huawei- Telecoms Seeds for the Future
- SAP Skills for Africa

Such initiatives had been precursors for Enterprise Kenya which was a Public Private Partnership that may have been of interest to investors in Kenya’s Diaspora. It focused on commercialization of ideas, access to funding, and rapid up scaling of ICT/Digital Skills Base. The role of the private sector and the Diaspora was to invest in and build up companies. More specifically, Kenyans in the Diaspora were to participate by providing capital as angel and seed capital, mentorship, giving Kenyans access to networks overseas. Experience showed that successful

companies tended to have a founder or founders with a wide network to tap into in the form of capital, access to markets, experience etc.

In conclusion, unlike past revolutions in technology, the ICT revolution promised to continue to be driven by the youth. As the UN Secretary-General, Ban Ki Moon said in his address at the iHub entitled '*Talking About Youth*' in October 31, 2014, "the youth are the hope of Africa".

Building Online Business Opportunities for Diaspora - Mr. Charles Murito, Google Country Manager

He noted that ICT was a way of crafting and owning business; it was both a research tool and a platform. Technology had changed how messages were sent and the time it took to receive. He called for increased use of ICT to serve customers. In general, Google's strategy was to acquire information on what was most searched and to provide that service. Location was no longer a constraint. Technology was used to drive awareness and for networking online sometimes with unexpected results. For example, there are online art galleries which enable people to go through an online gallery.

Emerging Opportunities for Diaspora in ICT and Key Enabling Technologies - Mr. George Njoroge, Chief Executive Officer, East Africa Data Handlers

He mentioned that his loss of data while at the university led to the realization that many other people must have experienced the same loss and could use the specialized services for recovering data. His loss of data in effect created an opportunity and made him realize that a problem always offers an opportunity.

One of the challenges that Kenya faced was the lack of online Kenyan Diaspora Database on skills. Such a database could be the basis for knowledge and technology transfer. The challenge was that information on Africa is not in data form: there was very little African content that was available online. Consequently, it was largely the West telling the world about Africa; telling our story. This had to change and East Africa Data Handlers was willing to assist MoFAIT in creating the database. Kenya could learn from India which had utilized Overseas Indians to transfer knowledge and skills and to develop their country.

Opportunities in Konza - Mr. John Ngumi, Chairman, Konza Development Authority

Mr. Ngumi started by indicating that between 2001 and 2013 he worked with Michael Joseph in Safaricom to bring Kenyan investors into the supply chain.

Konza represents a bold move by the Government for a physical IT hub. The creation of the hub was under way with three critical ingredients: people, location and legislation. The opportunities that Konza was creating were divided into two: one; government providing infrastructure, legal framework, and financial incentives for investors and two; Konza's hard infrastructure which was for rent to companies. Konza had created opportunities for putting up buildings. Finally, financiers such as Stanlib were available and all that they required were bankable concepts.

Dr. Mukhisa Kituyi, Secretary-General of the United Nations Conference on Trade and Development (UNCTAD)

He noted that from a demographic perspective, Africa was growing while the rest of world was shrinking leading one to expect some dividends for Africa. However, Africa was not taking full advantage of its dividends; it needed to do so by harnessing African talent which was often world class. Failure of Africa to harness African talent often meant that this talent went to fill management gaps in the West.

With respect to international jobs, it was essential to maximize the exposure of Kenyans. One way to accomplish this was to prepare the youth through paid/sponsored internships.

Kenyans should be complemented for their push to attain higher development. In this quest, it was easy to think of limited resources as the main constraint yet very often, the constraint had little to do with the availability of resources. Sometimes, it was a simple question of making information available (like posting a notice which informed visitors that some airport facilities were unavailable temporarily due to fire). Making that information available was development. In general, development requires predictability. Kenya should endeavor to create a predictable society at all levels such that actions and consequences can be predictable.

Question and Answer

Question: Are all factors available to make the KONZA initiative a success?

Answer: The 5000 acres of Konza are owned by the Government. Kenyans in the Diaspora were therefore implored to provide businesses that would use the facilities that were being created in Konza City. Ideally, Konza City was meant to become the hub for Kenya's online business and a center for innovation in ICT. This required courage and innovation. Konza would be a watershed for online business in Kenya. It was important to remember that an original idea like Amazon changed small businesses in the West. It was the hope that Konza would play a similar role. Over 10,000 small businesses were already online in Kenya and the numbers were growing. The cost

of launching an online business was still a challenge. To address this challenge, Google.ke, for example, offered more affordable rates so that more companies could be online. However, there was still a constraint because Kenyans had not fully embraced a payment system based on credit cards. There were only 200,000 credit cards in Kenya. This low credit card base was being addressed through e-commerce and technology to overcome payment challenges.

Question: Would Konza City partner with universities for more skills training?

Answer: The idea of Konza and university partnership was a good idea. Indeed the Presidential Digital Talent Intern Program was already underway in partnership with Google and top ICT companies with H.E. as the Patron. This program was intended to train people so as to fill skills gap in government. The next intake was later in 2015 with an expected 500 students.

Question: Edwin Nderitu: How is the list of top-ten startups availed to Kenyans in the Diaspora?

Answer: This would be done by the Hub in Konza City. However, Google.ke offered to assist in this endeavor.

Question; How could the Diaspora be encouraged to embrace technology use in Kenya?

Answer: Kenyans in the Diaspora needed to identify the opportunities that were created through the technology that was in use in Kenya. The Kenyans overseas could then take the lead in exporting the technology to others especially the rest of Overseas Africans. Equally, Kenya had a rapidly growing skills base which could collaborate with Kenyans abroad so as to enhance that base by tapping into Kenyans in the Diaspora.

Question: Solomon Ruhii. (He directed his question to Dr. Mukhisa Kituyi) Had the strategies used by other countries in UN to get employment opportunities been shared with the Kenyan government?

Answer: Dr. Kituyi indicated that he was consistently in touch with government that there was need to strategize for international jobs. He called for the expansion of education in Kenya to include foreign languages but also to invest in best institutions for best students even abroad. Dr. Kituyi indicated that as a point of departure it was necessary to create a Database of people with competence and skills which could be drawn upon. Foreign languages must be taught in schools to be able to secure international appointments.

On a different note, Dr. Kituyi also noted that all taxes and tariffs needed to be rationalized. Foreign investors should not enjoy all the tax breaks as incentives for investing in Kenya while Kenyans in the Diaspora were denied such incentives. He further indicated that Kenya was losing large amounts of money due to breach of contracts and called on the Government to reign in Ministers who may be implicated in letting foreign investors breach their contracts which resulted in the large losses in revenue.

Question: Can Kenyan products be put in a portfolio that can be sold to Kenyans abroad?

Answer: Yes it was possible to compile a list of Startups and google.ke was willing to put together such a list.

Question: There are job opportunities in Germany under the 'Make it in Germany' programme. Could Kenyans tap into these opportunities?

Answer: Yes such programs were necessary for skill transfer. In order to secure these jobs, it was noted that there was need to learn German or Dutch. There was a proposal to have a similar programme called 'Make it in Kenya' to attract skilled professionals back into Kenya noting that of the 35,000 jobs that were already available in Konza City, more than 3,000 were in ICT. It was further noted that Konza was paying US\$25 million to attract expertise to create a 'high tech city' and Kenyans would be considered for these jobs. Kenyans in the Diaspora would be tapped to fill these vacancies and the first step in that direction was to create and constantly update a Diaspora Skills Database.

PLENARY SESSION 5: POLICY RESPONSE TO EMERGING DIASPORA ISSUES

Moderator: Advocate Paul Ng'arua. The session was moderated by advocate Paul Ng'arua who in his opening remarks reiterated that policy is the interface between needs, experiences and the Kenyan dream. He then called upon the presenter to take the podium.

National Policy on Recruitment and Employment Abroad: Agency Responsibility Contracts- Content and Enforcement Mechanisms - Mr. Ali N. Ismail, Principal Secretary, Ministry of Labour, Social Security and Services

The Principal Secretary informed the Conference that for the country to have productive, decent, and sustainable employment there was need to create a skillful, productive, competitive and adaptive human resource base that also met the needs of the foreign labour markets. Foreign employment was a key source of livelihood for thousands of Kenyans who could not secure employment locally, as well as a source of remittances and Foreign Direct Investment.

The number of Kenyan migrant workers in the Gulf Region was estimated at about 100,000.

Foreign employment administration and labour migration is handled by a number of Government agencies. The Ministry of Labour, Social Security and Services manages licensing, accreditation and regulation of the employment recruitment agencies, attestation of foreign contracts of services, and provides labour immigration global perspective.

There was an ongoing debate on the nexus between migration and development. For example, the Global Forum for Migration and Development fora are held annually under the auspices of the ILO Multilateral Framework on Labour Migration. There was also the Report of the ILO Director General, 2014 focusing on Fair Labour Migration and the African Union Commission Labour Migration Framework for Africa, as well as the East African Community Protocol on Common Market.

On private employment agencies, the Principal Secretary outlined the role of the Ministry of Labour and Social Security and Services in promoting foreign employment which had significantly increased and gained international recognition (ILO Convention No. 181 on Private Employment Agencies). Private employment agencies emerged in the 1990's as private sector initiative to address local and foreign employment promotion. The agencies had proved effective in quickly sensing skills shortages in the labour market, finding labour to fill the void and providing flexible and appropriate responses as economies became more complex. In Kenya, the number of agencies increased from five (5) in 1998 to over 1,000 in 2015. This rapid increase created challenges in regulation of the activities of these agencies hence the need for close supervision and regulation of their activities.

Mr. Ismail indicated that there was an elaborate legal framework which underpinned the work done by the Labour Ministry such as:

- the Labour Institutions Act, 2007 Sections 55-60 which empowered the Ministry of Labour, Social Security & Services to register and regulate the activities of private employment agencies.
- Sections 82-86 of the Employment Act, 2007 on Foreign Contracts of Service outlined the form and attestation of foreign contracts of service, requirements before attestation, security bond in foreign contracts of service, and offences.
- Section 42 of Security Laws, (Amendment Act), 2014 established an Inter- Ministerial Committee on vetting of agencies.

He further explained that a foreign contract of service would be in the prescribed form, signed by the parties thereto, and needed to be attested by a labour officer upon satisfaction that the consent of the employee to the contract had been obtained as follows:

- there was absence of any fraud, coercion or undue influence, and any mistake of fact, or misrepresentation which might have induced the employee to enter into the contract;
- was in the prescribed form;
- the terms and conditions of employment contained complied with the provisions of the Employment Act and had been understood by the employee;
- the employee was medically fit for the performance of his duties under the contract

In addition, the employment agency:

- had to keep records for a period of not less than three years and was required to produce such records on demand for inspection by an authorized person,
- furnished the Director of Employment with monthly returns in a prescribed manner,
- did not charge any fees or payments unless provision had been made for charging of such fees and did not alter the contents of a contract without the consent of the employee

As with any other sectors, Mr. Ismail admitted that challenges existed in enforcement of the regulations. These included:

- lack of a national policy on labour migration;
- lack of bilateral labour agreements;
- cases of substitution of contracts upon arrival at destination country;
- cases of migrants exiting without proper contracts;
- absence of proper labour standards in some countries;
- low penalties for offenses, as well as;
- limited capacity (e.g. absence of Labour Attaches in missions)

The Principal Secretary offered a way forward indicating that proper management of labour migration would require short term, medium term and long terms measures. The immediate objective was to address the plight of migrant workers facing challenges including those in distressed situations. Long term measures would require legal, institutional and policy

interventions. A Task Force to review foreign employment administration and labour migration management was currently in place.

Proposed short and medium term measures included:

- mandatory clearance of unskilled Kenyan migrant workers by the Ministry of Labour, Social Security and Services;
- more representation at Kenyan embassies and consulates;
- special foreign contract form of service for domestic and low skilled workers;
- compulsory pre-departure training and orientation programme for all outbound migrants;
- introduction of a wage guarantee system for Kenyans being recruited as domestic workers, and
- compulsory insurance and medical cover for all migrant workers

New regulations had been developed on registration of employment agencies to enhance protection of migrant workers. An Inter-Ministerial committee to vet all agencies had been constituted and commenced the vetting process.

Proposed long term measures included:

- review of the relevant provisions of the Labour Institutions Act, 2007 and Employment Act 2007 to accord more protection to the migrant workers;
- ratification and domestication of the international conventions on migration;
- fast-tracking negotiation and conclusion of bi-lateral labour agreements with key labour destination countries;
- posting of employment attaches to key labour destination countries;
- establishment of a fund for the welfare of the migrants;
- establishment of an Overseas Workers Resource Centre to disseminate information on migration issues;
- Responding to and monitoring complaints received from emigrants and addressing grievances raised.

Providing Efficient, Effective Consular/Immigration Services for Diaspora - Maj. Gen. (Rtd.) Dr. Gordon Kihlangwa, Director, Immigration

The Director informed that the Department of Immigration was mandated with the following functions:

- control and regulation of entry and exit of all persons at airports, seaports and land borders;
- control and regulation of residency through issuance and renewal of work permits and other permits as prescribed by law;
- consideration and granting of citizenship to eligible foreigners as prescribed by law;
- regaining of citizenship;

- revocation of citizenship acquired other than by birth;
- issuance of visas as provided for under the act;
- registration of non-citizens resident in Kenya;
- removal of prohibited immigrants;
- investigation and prosecution of persons who contravene the immigration laws and regulation;
- issuance of passports and other travel documents;
- maintaining liaison with other state organs, and
- Provision of consular services in Kenya Missions abroad.

The types of passports and travel documents as advised by the Director were:

- ordinary passports,
- diplomatic passports,
- East African passports;
- emergency travel documents and temporary permit;
- UNCTD and certificates of identity and nationality.

Persons who qualified for diplomatic passports were listed in the third schedule of the Immigrations Regulations. The Cabinet Secretary could, where he considered necessary, authorize the issuance of a diplomatic passport to persons who did not fall under this schedule.

The department was in the process of introducing e-passports by 15th August 2015. The current system was to be upgraded at a cost of Kshs.500 million. Applicants would then apply for passports from seven designated centers but approval and printing would be done from a central point.

Passport issuance offices were headquartered in Nairobi with regional offices in Mombasa, Kisumu, Washington DC, London, Berlin, Dubai and Pretoria. As of 30th April, 2015 all passports applications were to be done online. The Director indicated that online applications for visas were to commence on 1st June, 2015. Types of visas were ordinary visa, transit visa, diplomatic visa and courtesy/official visa. He further stated that visas were not all the same and that there were three categories.

Category 1 – This included countries whose nationals did not require visas to enter Kenya; persons who did not require visa to enter Kenya; countries that had visa abolition agreement with Kenya.

Category 2 - countries whose nationals were issued with visas on application.

Category 3 - countries whose nationals had to refer all visa applications to the Director of Immigration Services for processing.

The Director affirmed that Kenyans in the Diaspora contributed immensely to the social-economic development of the country through remittances and investments. He noted that the

Government appreciated and encouraged the participation of the Kenyan Diaspora in national development. In order to serve the Diaspora better, the Director quoted Section 22 of the Citizenship and Immigration Act which stated that a citizen was entitled to any document of registration or identification issued by the state. Under the Bill of Rights (section 39) on freedom of movement and residence, every citizen had the right to leave Kenya and every citizen has the right to enter, remain in, and reside anywhere in Kenya.

On citizenship, he stated that the Constitution of Kenya allowed for dual citizenship. A citizen of Kenya by birth who ceased to be citizen of Kenya by acquiring citizenship of another country had the option to regain Kenyan citizenship on application. Dual citizens were entitled to use either passport to enter or exit Kenya. Permanent residence could be granted to Kenyan citizens by birth who renounced their Kenyan citizenship as well as spouses of Kenyan citizen married for at least three years.

On what constitutes consular duties the Director clarified that these included:

- issuance or facilitation of travel documents,
- issuance of visas to foreigners intending to visit the country,
- making consular visits,
- liaising on matters of immigration, authentication of Kenyan documents, certification of Kenyan documents,
- maintaining a record/register of Kenyans in the host country,
- arranging for repatriation of Kenyans in distress and any other duties as may be assigned by the Head of the mission

In conclusion, the Director said that the Department of Immigration had come a long way in its aspirations to be one of the best immigration providers in the world. It strived to offer services which met the expectation of its clients and although positive results had been achieved over the years, challenges still existed. The performance of the Directorates' duties therefore entailed a balance between facilitation and security. In the event of a clash between the two, security took precedence.

Diaspora Participation in National Elections - Mr. Ezra Chiloba Simiyu, Chief Executive Officer, IEBC

Mr. Simiyu reiterated that the 2010 Constitution changed rights to vote and gave those living abroad the right to vote and to progressively participate in political processes. Elections Act Section 4, provided for the registration of the Diaspora. In the 2013 elections, the Diaspora outside the EAC did not vote because logistics had not been established outside the Community.

The experience of extending voting to Kenyans in the East African Community gave valuable lessons including:

- The importance of strengthening data gathering and storage so as to have realistic figures.
- Operational challenges existed in extending the vote especially budgetary constraints.

The Diaspora Policy, and Article 82 of the Constitution, provided for progressive extension of voting to Kenyans in the Diaspora. To achieve this, the IEBC was mapping out Kenyans in the Diaspora so as to establish the number and location of Kenyans. At the time, only 117 had registered through IEBC. MoFAIT had its own portal through which only about 1,000 Kenyans abroad had signed up. In other words, the estimated number of 3 million voters did not tally with registration. This called for more aggressive ways in the dissemination of information through missions. It was also important to determine the reasons for the low level of registration. Going forward, Kenya missions were to be incorporated to assist in planning for the next voting.

There was the call to invest in technology to create a reliable online voting system. However there were institutional and legal constraints that inhibited online voting. Kenyans appeared to have little confidence on digital platforms particularly for voting. It is therefore possible that the country would waste resources in creating a digital platform for voting which would not be used. In general, IEBC welcomed suggestions on how best to encourage the Diaspora to register for voting.

Tax Regulations for the Diaspora - Mr. Joseline Ogai, Commissioner, Kenya Revenue Authority (KRA)

Mr. Ogai started by reiterating that the Diaspora conference was a key event as it recognized the important role of the Diaspora in supporting the nation's development through remittances, investment and knowledge transfer. In 2014, for example, the remittance inflows to Kenya exceeded Ksh. 100 billion signifying the importance of the Diaspora community in supporting economic development.

Mr. Ogai explained that KRA was the Government's principal revenue collector and the revenues collected by KRA account for over 97% of the Government's Exchequer revenue. In carrying out its mandate, KRA administered 17 revenue Acts. The main ones that were relevant to members of the Diaspora were:

- the Income Tax Act, (cap 470);
- the East African Community Customs Management Act (EACCMA);
- the Value Added Tax (VAT) Act (Cap. 476), the Customs and Excise Act (excise provisions) (Cap. 472) and;
- the Traffic Act (Cap. 403)

KRA also collected a range of Agency revenues for Government agencies, the most important being the Road Maintenance Levy Fund (RMLF). In addition to the purely revenue functions, Mr. Ogai reported that KRA had additional roles relating to border security, trade, investment facilitation and protection of the environment mainly through interdicting banned substances and restricted imports and exports.

Critical aspects of relevance to the Diaspora in relation to taxation were:

- taxation when abroad,
- taxation for returning residents, and
- facilitation of investment and trade

With respect to tax obligations when abroad, he noted that it was imperative for members of the Diaspora to understand that taxation practice worldwide was to tax worldwide income. However, the Income Tax Act section 39 (2), provided for tax credits for taxes paid in countries of residence. In this regard he urged all members of the Diaspora to be familiar with this provision. Moreover, he indicated that Kenya had signed several Double Taxation Treaties (DTAs). The objective of a DTA was to ensure the investor did not suffer taxation on the same income in 2 different jurisdictions. DTAs extended certain tax incentives including lower withholding tax rates, tax credits or exemptions for taxes paid or income taxed in contracting states. Kenya had signed 14 DTAs while there were ongoing negotiations with Spain, Holland, Belgium, Thailand, Korea and India (the latter for revision) at the time.

With regard to returning residents, Mr. Ogai noted that the Government had ensured that such returnees were able to return with their personal effects without these being subjected to undue taxation. The 5th schedule of the EACCMA allowed for used personal effects to be duty free. In addition, with respect to motor vehicles, the EACCMA (5th Schedule, Part B, item 5(3)) allowed for importation of one motor vehicle duty free, when the vehicle had been personally owned and used outside a partner state for at least 12 months prior to shipment or arrival overland.

The government had gone further on this matter and recognized that many Kenyans were resident in countries that operated left hand drive vehicles. The Government had therefore revised guidelines to allow residents from those countries to import duty free right hand drive replacement vehicle from any other source subject to certain conditions.

Turning to investment, Mr. Ogai noted that the country had a range of investment incentives. KRA's role however, was not to make policy but to implement policy. In this regard, KRA had become a key player in improving the investment climate in the country. The Ease of paying taxes had been one of the major challenges affecting Kenya's Doing Business ranking. The Country was ranked 136 out of 189 in 2015. However, in 2014, Kenya was able to improve its ranking in the Paying Taxes indicator from 146 to 102 on the backdrop of modernization and service improvement initiatives carried out by KRA. Areas of improvements included reducing the number of tax payments from 41 to 30, and the total time to pay taxes from over 300 hours to 202 hours, the latter through a focus on reducing VAT compliance time. KRA targeted the reduction of VAT payment time further from 108 to less than 50 hours by 2016.

KRA was also a key player in the trading across borders indicator. Customs processes were cited as cumbersome and costly. In this regard, Kenya was a signatory to the Port Charter which focused on reducing time to clear goods through the Port. The commitments in the Port Charter related to reducing customs clearance time to 6 hours, ensuring pre-arrival declaration for at least 70% of imports and implementation of the Single Window to reduce import declaration logistics by providing a single electronic portal.

From the foregoing, it was quite clear that KRA had a fairly ambitious agenda with respect to improving the investment climate and had achieved notable success including the following:

- i.) Implementation of the iTax system. The iTax system allowed taxpayers to file returns under Pay as You Earn (PAYE), VAT, Individual Annual Income Tax Return, and Agency revenue that included Sugar Development Levy, Kenya Bureau of Statistics and the NSSF. The key focus of KRA was to drive iTax uptake to 80 percent by December 2015 and to achieve this, KRA had partnered with the MoFAIT to market iTax in foreign jurisdictions;
- ii.) KRA had partnered with 28 commercial banks which facilitated all payments made through the iTax system gateway. The partnership had drastically reduced the time taxpayers took to transact with KRA and had also hastened processing of related services among them issuance of tax compliance certificates, refunds, amendments, waivers and tax exemptions;
- iii.) Automation of the electronic platforms had cut down total VAT payment time to 108 hours in 2015 from 214 hours in 2014. The target was to further cut down to 50 hours by 2016;
- iv.) The Top 95 Authorized Economic Operators (AEO) Importers were already using the pre-arrival declaration programme;
- v.) KRA was modernizing the customs automated system through development of a new Customs Management System (iCMS) which was expected to go online by June 2016;
- vi.) With respect to VAT refund delays which had undermined investor cash flow, KRA was working to address VAT refunds whose backlog was Shs.30 billion as at 31 December 2014. The Authorities' initiative was to eliminate backlog by June 2015. KRA was putting systems in place to ensure that after July 2015, VAT refunds would be settled within 90 days.
- vii.) Even as KRA embarked on modernizing systems and automation, it was also addressing service delivery through implementing a Culture Change programme which was to transform the authority from enforcement to facilitation-based system. The programme aimed at changing staff attitudes and behavior towards more positive engagement and facilitation of business.

Kenya was geared towards the revitalization and re-engineering of the public sector through improved provision of service and reduction of bureaucratic red tape to lower costs of doing business. KRA was therefore leveraging on these strong points to enhance investor confidence in the country.

Experiences of a Diaspora Representative - Mr. Chomba Chuma from South Africa

Mr. Chuma gave an anecdote of moving from Kenya at considerable personal risk which included using the services of operators who helped people to cross the South African border illegally (Sangoma). The Sangoma helped illegal immigrants cross the Limpopo River into Kruger Park where they were abandoned to their own plans. Mr. Chuma indicated the main

reason for taking such risks was the search for a better economic status. Social or political reasons were of less significance as reasons for leaving Kenya.

Once a Kenyan arrived in a destination country, success depended on integration into the local society. In this context, belonging to Diaspora associations was important because it helped to socialize migrants giving them social skills needed to survive in their new environment. Of course many Kenyans in the Diaspora had to contend with discrimination.

It was important to look beyond remittances so as to recognize that the Diaspora was a source of skills and there was need to create a formal way of transferring skills.

By and large, Kenya's cultural identity is distinctive. The Kenyans in Diaspora were the best advertisement for tourism.

It was important to remember that many Kenyans in the Diaspora were keen to assist during disasters. Some were also engaged in philanthropy to benefit Kenyans.

The experience of Kenyans abroad included many challenges and opportunities. One of the most enduring challenges was the gradual and disheartening decay of the mother tongue on the part of children born overseas.

Comments/Questions and Answers

Comment: It is important for the IEBC and the Task Force to involve Kenyans in the voter registration drive. Overseas Kenyans were not registering because many were hesitant to give out personal details. This was because they had negative experiences in their countries of residence some of which had high rates of cybercrime. The IEBC was called on to work with Kenyans in the Diaspora to redesign the information collected so that only basic information was required for registration, and additional information was collected during the actual voting exercise.

Question: What are the timelines and polling venues for the Kenyans in the Diaspora? For some in the Kenyan Diaspora, there were two questions for the IEBC, namely, the timelines, and voting locations.

Answer: The IEBC is currently undertaking a mapping exercise that would be used to determine polling venues and timelines.

Question: It may help the process if finger prints were maintained in the voter register database.

Answer: Based on experience, some corrective measures had been taken to build the fingerprint data base and other data bases. For instance, where people had given wrong birth dates in their identification documents, January 1 has been the default substitute date.

Question: Some countries make it particularly difficult to obtain visas yet it is very easy for their nationals to get Kenyan visas.

Answer: MoFAIT was trying to address issues of reciprocity on visas with governments such as South Africa.

Question: There was a need to provide passports for orphans not born in England.

Answer: The Ministry needed more information to be able to understand and respond to the question.

Question: In Burundi, the youngest EAC member, Kenyans were still required to obtain resident visas and work permits yet the EAC protocol was supposed to be in force.

Answer: There appears to be no bilateral agreement between Kenya and her neighbours. For example, the Tanzanian parliament had passed a ban on all jobs to foreigners unless no suitable Tanzanian was available. It was not clear if EAC protocol was being implemented in this case.

Question: Is it a legal right to have a passport?

Answer: Yes, as it is provided for in the constitution.

Comment: It is the responsibility of the Ministry of Labour, Social Security and Services and recruitment agencies to ensure that regulations on recruitment are respected.

Comment: Mandatory clearance and compulsory pre-departure training of outward-bound Kenyans are critical. It is also important to re-vet employment agencies.

Question: Recruitment agencies wanted to be included in all future events such as this one.

Answer: That would be the case and the oversight was not intentional.

Comment: By having the IEBC creating its own database while MoFAIT continued its own registration, Diaspora mapping was effectively duplicated.

Comment: It was important to remember that a proof of disposal of a used left-hand drive car was required to qualify for duty-free entry of a similar right-hand drive car.

THE OFFICIAL CLOSING CEREMONY OF THE KENYA DIASPORA EASTER INVESTMENT CONFERENCE 2015, 2ND APRIL 2015

Dr. (Eng.) Karanja Kibicho, Principal Secretary, Ministry of Foreign Affairs & International Trade

Dr. Kibicho noted that the closing ceremony was for two occasions, the Ambassadors and High Commissioners Conference and the Diaspora Conference. The Ambassadors and High Commissioners Conference started in Kwale and provided an opportunity to engage with Heads of Missions and to discuss Foreign Policy and Strategies to be used before the next conference. This was followed by a one day engagement in Nairobi to interact with retired ambassadors followed by a golf tournament.

The PS indicated that the Diaspora Conference was exciting because it provided the Ministry with useful feedback and gave the Diaspora a chance to visit some of private sector companies at the exhibition to be informed of available opportunities. This showed the good partnership between Government and the private sector because most activities were sponsored by the private sector. The Ministry was therefore thankful to the private sector. He thereafter invited the Diaspora representative to address the delegates.

Mr. Aggrey Ogutu, UAE Diaspora Representative

Mr. Ogutu thanked the organizers and said that during the conference, the Diaspora engaged with and learnt from each other. A common factor was that the delegates were Kenyans who loved Kenya and made no apology for being in Kenya and were committed to coming back to develop Kenya. Therefore the request by Kenyans in the Diaspora was for an enabling environment that could help them participate fully in development. Mr. Ogutu reiterated that the Diaspora was offering to assist and were not asking for any assistance in return. They hoped to have their dreams, their children's and grandchildren's dreams realized through the partnership with the Government.

Mr. Ogutu noted that with the implementation of devolution, a lack of capacity in some counties was evident and noted that many in the Diaspora were willing to assist the county Governments achieve their objectives. In this regard, he called for a moratorium for Governors to reserve 15% of available jobs for Kenyans in the Diaspora. This was not because there were no other Kenyans who could do the same work, but because of the exposure the Diaspora had which filled the shortfall in education. There was much more that could be learnt from outside Kenya to enhance service delivery.

On behalf of the Diaspora, Mr. Ogutu appreciated the ambassadors and high commissioners efforts and commended their service delivery which he had observed in his 24 years abroad. He further noted that Kenya's diplomacy had shifted to economic diplomacy and therefore urged that when staffing especially in areas targeting trade, officers who understood the subject and knew how to engage so as to deliver effectively should be considered. The essence of the work of Kenya's diplomats was economic diplomacy therefore Mr. Ogutu urged the Government to

give the line ministries professionals who understood economic diplomacy and knew how to deliver effectively. This was especially important when targeting trade relations.

Mr. Ogutu added that the Middle East was likely to host the fastest growing Kenyan Diaspora community following the agreement with the Government of Abu Dhabi to offer opportunities for more than 100,000 Kenyans. It was important that in sending these Kenyans abroad, the right protocols were observed so as to ensure the welfare of the Kenyans were guarded. All too often, the social welfare component was neglected leading to hardships overseas.

Some orientation or preparation was also necessary so as to avoid sending otherwise well-educated Kenyans into environments where they could not deliver. Outbound Kenyans needed proper orientation to equip them with skills that were needed to integrate in their host societies; they also needed basic skills so that, for example, they did not wind up with excessive credit cards that they could not service. He therefore called on the Labour Ministry and Immigration Department to find a way of introducing a section that streamlined the recruitment process and also to consider pre-departure seminars.

On the issue of visas and the principle of reciprocity, he called on the Government to seek ways to facilitate ease of travel. He however commended the current MoFAIT for being the most engaging. In this regard, he called on the ministry to ensure that the Key Performance Indicators (KPI) for officers who are deployed overseas included registration of Kenyan welfare associations and Kenyan business councils. On behalf of the Diaspora he pledged that the Diaspora would assist the envoys in achieving these targets.

After Mr. Ogutu's speech, the Principal Secretary invited the Deputy President and the Cabinet Secretary to the Question and Answer forum.

Question and Answer

Question: Rev. Mweu was a returnee from the Diaspora and wanted to know if there was a desk that took care of Diaspora issues at the Ministry and if Diaspora could be considered for engagement by the missions, even on voluntary basis?

Answer: So as not to reduce the Diaspora issues to a desk officer, overseas Kenyans were called on to make more robust contributions and engagement vigorously with the missions. It was true the Government had not appreciated the importance of Diaspora in the past. However, it was a growing reality in government that the Diaspora was a critical component of the country and to enhance the engagement, last year a Diaspora Policy and Diaspora Web portal was launched.

Question: Mary Njeri who had lived in Germany for 10 years indicated she has 2 children but broke down and couldn't pose her question.

Question: Regina from Washington DC: She noted that youth matters were not included in the Diaspora Conference yet they were a critical component of the Diaspora. She therefore proposed that their issues be included or consideration be made for a youth conference.

Answer: The Deputy President admitted that the observation was correct and indicated that the ministry would look at the modalities of addressing the youth through progressive increase in youth participation.

Question: Whereas the Government was encouraging Diaspora to register SACCOs, registration took too long. The representative indicated that his organization submitted documents for registration in November 2014 and hadn't been processed.

Answer: The question of registration of businesses and organizations was a big problem and the Government was in the process of changing the laws which in some cases were 100 years old. The old laws are obviously hampering registration and hence affecting Kenya's doing business index.

The Deputy President promised that within a month, time would have been created in legislature to pass the laws required to make it easy to register, for insolvency and for companies to do business. Most registrations required physical presence but the Government had moved to a digital platform and Kenyans in the Diaspora were able to fill forms from wherever they were, and in addition, payments were also being moved to a digital platform.

It was estimated that by the end of 2015, Kenyans abroad would be able to transact government business online. The Government was also considering modalities of paying for Government business through credit cards. M-pesa was Kenya's success story and the Government needed to take advantage of the acceptance of the mobile payment system and embrace payment for government services by M-pesa. On the matter of the registration certificate, the Deputy President assigned the Cabinet Secretary to ensure the certificate was issued.

Question: There was need for clear separation between Government and politics so that overlap was minimized.

Answer: The overlap had been reduced with change from a Cabinet of elected representatives to a Cabinet of technocrats. The Executive understood that the same needed to be done with the judiciary. The whole approach was a positive way of managing government.

Question: Lagos, Nigeria had no representation yet it was the commercial capital. Kenyans were served in KQ offices which also served as the consular office.

Answer: Yes the issue was being addressed.

Question: We had heard that the Government was increasing capacity to treat cancer in county government hospitals. Was it possible that those in Diaspora who had the skills and experience be considered to facilitate training on voluntary basis?

Answer: The Deputy President appreciated the offer and welcomed Diaspora participation. A programme had been launched targeting cancer through the use of MRI and modernizing the ICU.

The programme had several objectives. The first objective was to undertake early diagnosis and detection so as to reduce the numbers of those who came in the last stages and thus incurring high costs of treatment. The second objective was to expand the accessibility of such treatment. From 1st April, 2015, NHIF was to cater for both in and out patients. The Government was working on a law so that between 4.7 million to 25 million Kenyans would access medication. Nevertheless, the reality was that there were gaps and the country needed to benefit from the experience that already existed among Kenyans in the Diaspora. Therefore, MoFAIT was to inform counties that there was capacity among Kenyans in the Diaspora including some who understood the workings of a devolved system and were willing to assist in service delivery.

Question: Was disaster management included in city planning and were there zoning laws for safety?

Answer: Yes there were.

Question: Water in Kenya was not safe for drinking (the delegate was offering water safety/purification equipment. It was observed that the delegate was advertising his company).

Answer: Apprehensions about safety in Kenya were misplaced, there was safe drinking water. If Kenyans in the Diaspora were truly patriotic, they were obliged to contribute to changing this negative image of Kenya; they needed to change the narrative about Kenya. It took collective effort to change the narrative. Some people with misconceptions do so out of ignorance, they read old books and watched old movies yet Kenya was a 21st century.

Kenya was rated 3rd fastest growing economy out of 57 countries that were sampled. Forbes ranked Kenya amongst 7 favourable investment destinations. This message had to be passed on by all Kenyans and envoys. Many envoys accredited to Kenya did not want to leave at the end of their tour.

Question: The sessions during the Conference would have been more productive if more interactive sessions amongst the Kenyans from the Diaspora and business entities were held and B2B meetings arranged with other professionals.

Answer: This was the first Conference where the delegates and Government exchanged views and lessons were learnt and ideas shared to help the Ministry serve the Diaspora better in consecutive conferences. In the next Conference, the Government intended to have more breakout sessions for people of different persuasions. The objective of this first forum which was to interact freely had been met and all issues would be addressed.

Question: How were the young professionals included in Diaspora policy?

Answer: All citizens had a role in taking Kenya to the next level. Young professionals in every sector could make a contribution. The Government was seized with planning how it could create a secure environment for investment through instruments which were a more sure way of

investing. As much as the frustration encountered while investing was recognized, there was assurance that Kenya had better returns on investment than other countries.

The Government was working to eliminate barriers in buying treasury bonds, and was designing infrastructure bills to create instruments that were denominated in other currencies to enable Diaspora to buy. The treasury was in the process of creating other instruments which could be used for better returns and these would be in place before the next Conference.

Question: Education was a challenge in Spain because Kenyan papers were not equal to their system.

Answer: The Kenyan education system is world class and MoFAIT was engaging to find out what needed to be done to make accreditation of grades easier. The Cabinet Secretary pledged to travel to Spain to discuss mutual recognition of certificates.

Question: Property in Mowlem Dandora had not been connected to electricity because Kenya Power insisted on seeing the property to connect power and requested the Deputy President to assist.

Answer: The Deputy President pledged that the property would have power in 48 hours. The connections in 2014 were 500,000 and the cost of connection reduced from Ksh70, 000 to Ksh35, 000. The intention was to further reduce the cost to Ksh15, 000. The cost of power had also reduced by 25%. The Government was committed to generating 5000MW and already had 600MW in the grid. By end of year, 1 million connections were expected to serve 3.5 million Kenyans.

The Deputy President indicated that an elaborate and comprehensive plan on power connections was in place and urged the delegates to recognize that the effort was driven by a new and more dynamic Kenya Power.

At the end of the Question and Answer session, Dr. Kibicho invited the Principal Secretary to address the delegates.

Ambassador (Dr.) Amina C. Mohamed CBS, CAV, Cabinet Secretary, Ministry of Foreign Affairs & International Trade

The Cabinet Secretary expressed her profound gratitude to His Excellency, the Deputy President William Ruto for finding time and for accepting to officially close the Conference. She noted that this was an indication of the immense importance attached to the role of Kenya's envoys in the strategic positioning of the country among the global community of nations, as well as that of the Kenyan Diaspora as a critical resource to the nation's development. She also sincerely thanked the delegates for engaging and for contributing wonderful ideas and input that would enhance the implementation of the Kenya Diaspora Policy.

Ambassador Amina noted that the Ministry held back-to-back Biennial and Diaspora Conferences following the official launch of the Kenya Foreign Policy and Kenya Diaspora

Policy in January 2015. The theme of the biennial conference '*Building Bridges for Effective Diplomatic Engagement*' and the Diaspora conference '*Development and Innovation: Opportunities for Diaspora*' was a clear demonstration of the interrelationship between achieving Kenya's foreign policy objectives through partnership between people and different institutions.

While noting that this was the first biennial Conference to bring together Kenya's envoys since the Jubilee Government came to power in April 2013, the conference offered many opportunities to interact and obtain first hand directions on Jubilee's Administration priorities for international engagements, together with the more than 600 members of the Kenyan Diaspora who attended the conference. The presence and involvement of the different actors in the organization and sponsorship ensured the successful outcome of the two Conferences, as the Government sought to advance the national interests globally through diplomatic engagements.

The Cabinet Secretary expressed her excitement by the fact that over 600 members of Kenyan Diaspora drawn from all corners of the globe had the opportunity to have a clearer and accurate picture about the latest developments in their home country. She further expressed her confidence that the information and knowledge gathered sharpened their ability to aptly portray the positive milestones achieved as well as to counteract the negative narrative about Kenya in their host countries.

She noted that the conviction that Africa, and Kenya in particular was now the new frontier for economic growth and investment was critical to propel Africa's renaissance that was underway. The delegates were informed about the many investment opportunities available in Kenya as well as the legal, institutional, infrastructural and immense human resource-skills which make returns on investment high. Amongst the many caps, the Government took pride in Kenya being rated the 7th best investment destination in the world by Fortune Magazine.

The Cabinet Secretary emphasized that the implementation of the Diaspora Policy targeting the Diaspora participation in national development would certainly improve Kenya's standing in the top five investment destination in the near future. Through the Ambassadors and High Commissioners and Kenya Missions abroad, she pledged that the Ministry would work closely with the Diaspora and other institutions to structure and mainstream remittances and critical skills from the Kenyan Diaspora in such a way as to reduce dependence on FDI and to fill the skills-gap, amongst others. In this regard, the Government remained open to new ideas and suggestions.

While recalling that the two weeks had been enriching for all the participants in the Conferences she hoped that the delegates learnt that even despite differences, all Kenyans wanted to contribute towards making Kenya an even greater country by building on the democratic, economic, social and political milestones that the country had achieved. She therefore noted that there was a consensus amongst the participants that all must relentlessly work together to build stronger relations between government, private sector and the Diaspora to transform and develop Kenya.

In conclusion, Ambassador Amina expressed her satisfaction with the outcome of the two Conferences. She observed a clear resolve by the Ambassadors and High Commissioners, government institutions, the private and corporate sector, Kenyan Diaspora to share and work together in positive messaging and investing in the country. She noted that such resolve was critical as an important bridge to overcome challenges that had the potential to derail the country from attaining Vision 2030 and transforming Kenya. She expressed her confidence that in the next biennial and Diaspora conference in 2017, immense progress would be reported in all areas that had been discussed during the Conference.

She then invited H.E. the Deputy President to address the delegates.

His Excellency, Hon. William Ruto, EGH, Deputy President, Republic of Kenya

The Deputy President expressed his pleasure at joining the delegates for the twin closing ceremony of the 17th Biennial Conference of Ambassadors and High Commissioners and the Diaspora Easter Investment Conference 2015.

He noted that the two Conferences brought together top ranking Government officials, Ambassadors and High Commissioners, the Kenyan Diaspora and Diaspora returnees, members of the diplomatic corps and other stakeholders to deliberate on pertinent issues regarding Kenya's development agenda.

The 17th Biennial Ambassadors/High Commissioners Conference which took place at Leisure Lodge under the theme: *Building Bridges for Effective Diplomatic Engagement* provided the Envoys with the opportunity to reflect on their role of projecting, promoting and protecting Kenya's national interest in a dynamic global environment. In addition, it provided a platform for participants to share a common and clearer plan on how to execute the principles and broad goals that underpin Kenya's external relations in striving to transform the economy towards greater prosperity.

The Deputy President further noted that the Diaspora Conference also provided an opportunity for the Diaspora to share experiences with government officials and the private sector and that the Conference attracted over six hundred Kenyans from different parts of the globe.

On topical issues, the Deputy President informed the delegates that the situation was under control (referring to the Garissa University terrorist attack), and that every equipment and resource had been mobilized and called on the delegates to pray for the country. On matters corruption, the Deputy President indicated that the Government had taken the position that no politics and no pressure or conveniences would stop nor hinder the process of making sure that all officials measured up to the integrity yardstick. He noted that it was important to pronounce the Governments position with clarity and that a new chapter was opened to resolve the issues of corruption which was eroding into progress made and the future. He noted that Government

services were not a favor but a right to all Kenyans. He further noted that all envoys were expected to adhere to the ethics code of conduct.

While indicating that it was befitting that the Conference took place soon after the Government launched the Kenya Diaspora Policy that sought to mainstream Kenyans living abroad into the national development agenda, he was confident that the Diaspora utilized the opportunity to build strong bridges to enable them effectively play their role in transforming the country to her rightful position in the global arena. He hoped that the bonds established during both conferences would enhance coordination to project, promote and protect Kenya's national interests and image globally.

To the Ambassadors and High Commissioners, the Deputy President expressed no doubts that they were well guided and better placed to perform their duties and to the Diaspora, he believed that the conference provided the opportunity to sample various investment options available from different sectors of Kenya's economy. He indicated that while the Government was committed to building the country, it was clear that the government could not manage alone and needed everyone's support. The Ambassadors and High Commissioners were needed to bring investors, to find markets for exports, to bring tourists, to sell Kenya as the preferred destination of investment, and to identify opportunities for Kenyans.

The Deputy President encouraged the delegates to collect market intelligence and communicate to the relevant arms of government and any other interested party to make informed choices. He indicated that the Diaspora was a tremendous resource in the integration and adaptation in a globalized environment and was a valuable resource that was yet to be fully tapped into. The Diaspora projected Kenya's best values abroad and injected fresh ideas back home and exported Kenya's best characteristics and imported new, better and innovative approaches. As a result, the country's enterprise, governance and diplomacy benefited immensely from the existence and contribution of a vibrant Diaspora community.

The Deputy President noted that many times, residents of the Diaspora were individuals who excelled at home and went forth in search of more advanced opportunities and were often well established and successful. It was important that their success was tapped into to catalyze the country's growth. The Diaspora community caused the Government to ask appropriate questions and to customize successful strategies to suit the country's unique context. The Government was therefore deeply conscious of the Diaspora contribution and strategized to give the Diaspora the confidence to do even more and boost their contribution to the national socioeconomic transformation agenda and in so doing become the destination of choice for Diaspora investments, innovations and social contributions.

The Government was working hard to boost the ease-of-doing-business indices. The objective was to become a highly competitive, low-cost investment destination. The Government was aware of the Diaspora needs and the importance of creating a legal, macroeconomic and socio-political paradigm that made Kenya a magnet for all Diaspora ideas and capital. In this regard, the Government sought the Diasporas approval and courted their contribution with the same zeal that foreign direct investment was pursued.

The Deputy President appreciated the Diaspora for representing Kenya well abroad and noted that their work ethic, professionalism, appetite for learning, excellent behavior and irrepressible imagination had turned the Kenyan Diaspora into an enviable global resource. In this regard he noted that an important component of Kenya's development model was innovation. The work at the innovation incubation hubs benefited immensely from the Diaspora experience and contribution. Many of the leading innovators and mentors of leading innovators had one foot at home and another in the Diaspora. Their brilliant ideas were a result of successful cross-pollination of modeling local and global needs, strategies and ideas. Innovation in and of itself was capital. Transformation was impossible without innovation and consequently the Government wanted to create an environment that compelled the Diaspora's best ideas to benefit the country locally.

The Deputy President noted that a big concern to the Diaspora was the soundness of the system in terms of security of property and ideas, the certainty of outcomes and how they affected efforts to invest back home. Corruptions, barriers to entry, unreliable legal system, lack of sound protection for capital (both intellectual and real) were a significant constraint to the achievement of this goal. Kenya's doing-business model had steadily and rapidly addressed these issues in a systematic, long-term way. He therefore encouraged the Diaspora to pay close attention to what the Government was doing in easing the business environment for their innovations and other investments to thrive. He informed that most critically, the Government craved feedback from the Diaspora.

In conclusion, he assured the Diaspora that the Government's initiatives were real, sustainable and aimed at ensuring that Kenyan's abroad continued to do an excellent job of building Kenya at home and all over the globe. He noted that the conference had recommended a number of solutions to these challenges and assured that the Government would pursue those recommendations and would support the Diaspora to overcome them. The Government valued all Kenyans and wanted everyone to succeed and also wanted everyone to participate in the affairs of their motherland without any hindrance. Most importantly, the Government welcomed every opportunity to engage with the Diaspora and implored them to work hard, knowing that their Nation had never forsaken them and that much was expected of them.

The Deputy President declared the 17th Biennial Ambassadors/High Commissioners' Conference and the Diaspora Easter Investment Conference 2015 officially closed.

The Principal Secretary Dr. Kibicho invited Mrs. Kinyi to move a Vote of Thanks.

Vote of Thanks by Mrs. Maureen Kinyi

Ms. Kinyi noted that in life some moments were recorded as point of reference. This Conference was one such moment. Kenyans in the Diaspora had declared their intention to work together with the Government.

Mrs. Kinyi then presented the Diaspora Consortium of Kenya which was led by regional heads and chaired by Emanuel Mutisya. Other members of the leadership included Chomba Chuma Mercy Kamau, Boniface Mutua, Sophie Gitiba, Johnson Mutuku, Aggrey Ogutu, Doreen Walseer Sore (Secretary), Dr. James Sang and Lucy Mundia. The Diaspora Consortium of Kenya was to engage with Government so as to bridge gaps between Kenya and rest of world.

Annex I: Participants Who Stood Up To Greet Delegates at the Conference

COUNTRY	REPRESENTATIVE
Zambia	Richard Njoroge
UK	Dr. Njee Ngarari
Tanzania	Maureen Kinyi
Rwanda	Boniface Mutua
Burundi	Bernard Gutto
Nigeria	Johnson Mutuku
Botswana	Kiilu George
USA	Robinson Gichui
New Jersey, USA	Martin Mbaya Grow Kenya Foundation
Boston USA	Dr. Mercy Kamau
Massachusetts, USA	Robert Gichuru The Beyond Magazine
UK	Sophie Gitiba Kenya Community Rebuilt
California, USA	Elizabeth Njenga Ushirika And Harambee Orgs
Laos Vietnam Cambodia Thailand	Lucy Mundia
Washington DC, USA	James Sang
Qatar	Benjamin Wambua Comish Sacco
USA	Philip Gitonga New England Kenya Diaspora
Israel	Simon Wanyoike Ken-Israel Org
UK	Janet Wainaina Uktv
Malawi	Eng. Kamau Kariuki
New York, USA	Ole Petet Kenya American Society
Tennessee, USA	Cheruiyot
UK	Simon Murachia Philanthropy
Belgium	Anna Martin
Dubai	Aggrey Omondi Ogutu
Botswana	Maina Kiai
Alabama, USA	Dr. Kefa Otiso
UK	Ngeno Wambio Kenya London News
	Juma Kids Beyond Sports
	Justus Muchoki

Annex II: Action Plan for Issues Raised at the Kenya Diaspora Easter Investment Conference

	Issues	Objectives	Indicator	Responsibility	Action Date
Opening Session					
1.	Establish a comprehensive database of skills and expertise of the Kenyan Diaspora to facilitate mainstreaming in to national development process.	<ul style="list-style-type: none"> Enhanced communication with the Kenyan Diaspora 	<ul style="list-style-type: none"> Database established Updated database 	<ul style="list-style-type: none"> MFA & IT Diplomatic Missions Abroad 	By 2017/18
2.	Design a Diaspora Remittances facility to mitigate against foreign exchange losses and high cost of remitting money	<ul style="list-style-type: none"> Reduced cost of remittances 	<ul style="list-style-type: none"> % Reduction in remittance cost % Increase in remittance inflows 	<ul style="list-style-type: none"> CBK National Treasury MFA & IT 	By 2017/18
3.	Enhance the role of the Diaspora, working together with the Missions to showcase and market Kenya as well as promotion of positive image abroad	<ul style="list-style-type: none"> Growth of Kenyan exports 	<ul style="list-style-type: none"> % Increase in volume of trade 	<ul style="list-style-type: none"> MFA & IT Diplomatic Missions Abroad 	Immediate
4.	Facilitate formation and registration of Diaspora associations and SACCOs	<ul style="list-style-type: none"> Increased investment inflows 	<ul style="list-style-type: none"> No of new Diaspora SACCOs registered % Increase in FDI 	<ul style="list-style-type: none"> MFA & IT Ministry of Industrialization Missions Diaspora associations/ organization 	Immediate
5.	Formulate of incentives and tailor-made investment packages and provision of sufficient information on available investment opportunities to the Diaspora as well as addressing bottlenecks	<ul style="list-style-type: none"> Enhanced Diaspora investments 	<ul style="list-style-type: none"> % Increase in FDI % Increase in remittance inflows 	<ul style="list-style-type: none"> MFA & IT – Diaspora Directorate Ken Invest 	Immediate

	that impede Diaspora investment.			<ul style="list-style-type: none"> • National Treasury • KRA • Missions 	
6.	Fast-track establishment of NADICOK and ensure adequate Diaspora representation in the Council to enhance their participation in the national development and democratic processes	<ul style="list-style-type: none"> • Enhanced participation of Diaspora in national development and democratic processes • Improved Diaspora Representation 	<ul style="list-style-type: none"> • Gazette Notice • Operational NADICOK 	<ul style="list-style-type: none"> • MFA & IT • AG 	Immediate
7.	Facilitate the Kenyan Diaspora to vote in the 2017 General elections through inclusion in the voters register	<ul style="list-style-type: none"> • Enhanced participation of Diaspora in democratic processes 	<ul style="list-style-type: none"> • Diaspora voters registers • No. of Diaspora participating in the 2017 general elections 	<ul style="list-style-type: none"> • IEBC • MFA & IT • Task Force • Diplomatic Missions 	By 2017
8.	Set aside a Diaspora Day where successful Diaspora can be recognized and honoured	<ul style="list-style-type: none"> • Enhanced engagement and involvement of the Diaspora 	<ul style="list-style-type: none"> • Diaspora award scheme in place 	<ul style="list-style-type: none"> • MFA & IT 	By 2017
9.	Facilitate linking of County Governments with Kenyan Diaspora to enhance investment in the counties	<ul style="list-style-type: none"> • Increased Diaspora investment in the Counties 	<ul style="list-style-type: none"> • No. of Diaspora investing in the Counties 	<ul style="list-style-type: none"> • MFA & IT – Liaison, Parliamentary and County • Diplomatic Missions 	Immediate
10.	National Housing Corporation in conjunction with the banking industry to construct housing facilities that are tailored to the needs of Kenyans living abroad.	Increased investments in the real estate by the Kenya Diaspora	<ul style="list-style-type: none"> • % growth of Diaspora investments in the real estate 	<ul style="list-style-type: none"> • National Housing Corporation 	Immediate

11.	Hold subsequent Diaspora Conferences biennially together with the Biennial Ambassadors/High Commissioners Conference	• Conference held	• Diaspora and Ambassadors/High Commissioners conferences held in 2017 • Number of Diaspora participating in the conference	• MFA & IT – Diaspora Directorate	By 2017
12.	Publish a regular Diaspora magazine to advance views of the Diaspora	• Publish a regular Diaspora magazine to advance views of the Diaspora	• Diaspora magazine in place	• Diaspora Directorate	Quarterly
13.	Conduct pre-departure or orientation sessions for Kenyans travelling overseas	• Increased awareness by Kenyans travelling	• No. of Kenyans trained	• Diaspora Directorate	Continuous
14.	Explore the possibility of establishing a formal mechanism to handle returnees and reintegration to the society	Diaspora returnees fully integrated into the society	• No of Diaspora returnees integrated • Reintegration mechanism in place	• Diaspora Directorate & Stakeholders	Immediate
15.	Facilitate issuance of Sovereign Diaspora Bond	Increased Diaspora investments	• % Increase in Diaspora investments	• National Treasury Central Bank of Kenya	By 2017
16.	Improve Consular services and appoint honorary Consul to expand outreach to the Diaspora in expansive countries;	• Kenya's Diplomatic presentation expanded and consular services enhanced	• No. on new Honorary Consuls appointed	• MFA&IT Missions	Continuous
Integrating the Diaspora in National Development					
17.	Analyze Diaspora welfare matters (i.e. Middle East/Gulf cases)	• Improved Diaspora Welfare	• Report on Diaspora welfare	• MFA&IT Directorate(s)	Continuous

18.	Expedite on bilateral labour agreement/Act to safeguard welfare of Kenyans working abroad	<ul style="list-style-type: none"> • Enhanced welfare of migrant workers 	<ul style="list-style-type: none"> • Labour Agreements In place 	<ul style="list-style-type: none"> -MFA&IT Directorate(s) -AG's Office -Min of Labor, Social Security & Services 	One year
19.	Upload list of research institutions for collaboration with Diaspora on knowledge transfer & exchange of skills	<ul style="list-style-type: none"> • Enhanced awareness on Diaspora matters 	<ul style="list-style-type: none"> • List of research institutions 	<ul style="list-style-type: none"> • MFA&IT & ICT Directorate 	Continuous
20.	Launch anti-money laundering policies for safety & reliability of financial transactions	<ul style="list-style-type: none"> • Reduced levels of money laundering 	<ul style="list-style-type: none"> • Progress report on anti-money 	<ul style="list-style-type: none"> • MFA&IT Directorate(s) • AG's Office 	
21.	Provide Diaspora with tools to market Kenya abroad & promotion of 2 nd generation Diaspora tourism	<ul style="list-style-type: none"> • Increased export markets and FDIs 	<ul style="list-style-type: none"> • Reports on trade and investment opportunities 	<ul style="list-style-type: none"> • MFA&IT Directorates • Diplomatic Missions abroad • Brand Kenya -KTB 	Continuous
22.	Establish an updated, centralized Diaspora database	<ul style="list-style-type: none"> • Availability of information on Diaspora 	<ul style="list-style-type: none"> • Diaspora database in place 	<ul style="list-style-type: none"> • MFA&IT Directorate(s) • Diplomatic Missions abroad 	Continuous
23.	Provide opportunity for Diaspora' political participation	<ul style="list-style-type: none"> • Enhanced political participation 	<ul style="list-style-type: none"> • Report on Diaspora political participation 	<ul style="list-style-type: none"> • MFA&IT Directorate(s) • IEBC 	Continuous
Promoting Public, Private and Diaspora Engagement in National Development					
24.	Invest in high returns projects like power generation, real estates, construction of roads and student hostels etc.	<ul style="list-style-type: none"> • Economic growth through increased remittances 	<ul style="list-style-type: none"> • Statistics on remittances and Diaspora investments 	<ul style="list-style-type: none"> • Diaspora 	Continuous

25.	Enhance safety and security of Diaspora investments	• Increased Diaspora investments	• Reports on Diaspora investments	• Government	Continuous
26.	Enhance flexibility of online payments, ease transactions and reduce duration taken for remittances to start earning interests	• Increased Diaspora remittances	Reports on Diaspora transactions	• The National Treasury • Financial institutions	6 months
27.	Use Sacco's and asset managers for investments security	Enhanced investments security	Reports from Saccos and investment managers	• Diaspora	Continuous
28.	Facilitate transfer of welfare benefits like health insurance for returnees	• Improved Diaspora welfare benefits	• List of welfare benefits realized	• MFA&IT	Continuous
29.	Establish Joint Business councils	• Enhanced business collaboration	• List of business councils	• MFA&IT	Continuous
30.	Equity Dinner				
Business, Industry and Investment Opportunities					
31.	Explore partnerships with the Diaspora in the field of ICT training, innovation, knowledge exchange and skills transfer	Enhanced ICT sector	• Correspondence Minutes/reports of meetings	• Kenya Missions • Ministry of ICT	Continuous
32.	The members of Diaspora to seize opportunities for investment in the ICT sector through PPP arrangements, particularly in the financing of major projects like the Konza Technology City by setting up syndicates to take up components of the project.	• Enhanced ICT Sector	• % growth of investment inflows in the ICT sector	• Diaspora	Continuous
Emerging Opportunities for Diaspora in ICT and Key Enabling Technologies					
33.	Explore partnerships with the Diaspora in the field of ICT training, innovation, knowledge exchange and skills transfer	• Enhanced ICT sector	• Correspondence Minutes/reports of meetings	• Kenya Missions • Ministry of	Continuous

				ICT	
34.	The members of Diaspora to seize opportunities for investment in the ICT sector through PPP arrangements, particularly in the financing of major projects like the Konza Technology City by setting up syndicates to take up components of the project.	• Enhanced ICT Sector	• % growth of investment inflows in the ICT sector	• Diaspora	Continuous
Policy Response to Emerging Diaspora Issues					
35.	Promote Diaspora registration	<ul style="list-style-type: none"> • Better planning and provision of public services to the Diaspora • Improved inclusion of Diaspora in Kenya's development agenda 	• Increase in no. of members of Diaspora registered	<ul style="list-style-type: none"> • MFA & IT • IEBC • Diaspora 	
36.	Invite recruitment agencies to participate in the next conference	• Participation of legitimate recruitment agencies in the Diaspora Conference	• Letters of invitation	• MFA & IT	Biennially
37.	Streamline/ link the various registration portals	• Efficient registration process	• Streamlined Diaspora registration platform	<ul style="list-style-type: none"> • MFA & IT • IEBC 	Immediate
Closing Ceremony with the Deputy President					
38.	Need for the Ministry to ensure mutual recognition of certificates with foreign countries	• Increased visibility of Kenyan education system	• % increase in the number of Kenyans employed in other countries	• MFA&IT	Immediate
39.	Need to open an Honorary Consulate in Lagos, Nigeria	• Enhanced service delivery	• An honorary consulate opened in Lagos	• MFA&IT	By 2017/18

40.	Government to collaborate with Diaspora health professionals in the provision of Cancer-care services to the citizens through training & capacity building	<ul style="list-style-type: none"> • Improved health care 	<ul style="list-style-type: none"> • Number of staff trained on handling of cancer detecting machines 	<ul style="list-style-type: none"> • The Presidency • MFA&IT 	When due
41.	Kenya's foreign relations with other countries should result in a win-win situation	<ul style="list-style-type: none"> • Increased foreign exchange 	<ul style="list-style-type: none"> • Robust foreign relations 	<ul style="list-style-type: none"> • MFA&IT 	Continuous
42.	Inclusion of young Diaspora members in the national development agenda	<ul style="list-style-type: none"> • Kenyan Youth in the Diaspora mainstreamed in National Development Agenda 	<ul style="list-style-type: none"> • Kenyan Youth Diaspora segment in next Diaspora Conference 	<ul style="list-style-type: none"> • The Presidency • MFA&IT • Kenya Diaspora Associations • Youth in Diaspora • Missions 	Immediate