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CLERK-AT THE-TABLE:	Rachel Keini - Principal Clerk Assistant

TWELFTH PARLIAMENT-SECOND SESSION

**DEPARTMENTAL COMMITTEE ON TRADE, INDUSTRY AND
COOPERATIVES**

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**REPORT ON THE COMMONWEALTH HEADS OF GOVERNMENT MEETING
HELD IN LONDON FROM 12TH TO 22ND APRIL, 2018**

*Directorate of Committee Services
The National Assembly,
Parliament Buildings, Continental House, Room 402*

NAIROBI

DECEMBER 2018

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1.0 INTRODUCTION

1.1 Establishment of the Committee

The Departmental Committee on Trade, Industry and Cooperatives is one of the fifteen Departmental Committees of the National Assembly established under Standing Order 216 whose mandates pursuant to the Standing Order 216 (5) are as follows:

- a) To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;
- b) To study the programme and policy objectives of ministries and departments and the effectiveness of their implementation;
- c) To study and review all legislation referred to it;
- d) To study, access and analyze the relative success of the ministries and departments measured by the results obtained as compared with their stated objective;
- e) To investigate and inquire into all matters relating to the assigned ministries and departments as they may be deemed necessary, and as may be referred to the House;
- f) To vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order No.204 (Committee on appointments); and
- g) To make reports and recommendations to the House as often as possible, including recommendations of proposed legislation.

1.2 Mandate of the Committee

In accordance with Second Schedule of the Standing Orders, the Committee is mandated to oversee:-

Trade, securities exchange, consumer protection, pricing policies, commerce, industrialization including special economic zones, enterprise promotion and development including small and medium-size enterprises, intellectual property, industrial standards, anti-counterfeit policies and co-operatives development.

In executing its mandate, the Committee oversees the Ministry of Industry, Trade and Cooperatives.

1.3 Committee Membership

The Committee on Trade, Industry and Cooperatives was constituted by the House on Thursday 14th December, 2017 and comprises of the following Members:-

Chairperson	Hon. Kanini Kega, MP
Vice Chairperson	Hon. Cornelly Serem, MP
Members	Hon. Alexander Kimutai Kigen Kosgey, MP
	Hon. Alois Musa Lentoimaga, MP
	Hon. Anab Mohamed Gure, MP
	Hon. Andrew Mwadime, MP
	Hon. Bunyasi John Sakwa, MP
	Hon. Daniel Maanzo, MP
	Hon. Wanyonyi Ferdinand, MP
	Hon. James Mukwe, MP
	Hon. Jones Mlolwa, MP
	Hon. Kipruto Moi, MP
	Hon. Murungi Kathuri, MP
	Hon. Gichimu Robert, MP
	Hon. Kimani Patrick Wainaina Jungle, MP
	Hon. Korir Generali Nixon Kiprotich, MP
	Hon. Nduati Joseph Ngugi, MP
	Hon. Wachira Rahab Mukami, MP
	Hon. (Dr.) Wilberforce Oundo, Phd, MP

2.0 BACKGROUND

The Commonwealth Association in collaboration with the Commonwealth Heads of Governments (CHOG) organized a three day Commonwealth Heads of Governments Meeting (CHOGM) 2018 to discuss various matters of governance, trade and security in member states.

Further, the meeting had other three side forums; business forum, women forum and youth forum to discuss issues that resonate around the enhancement of participation of specific categories of persons within the Commonwealth of Nations, at the Guildhall and the Mansion House, London

United Kingdom between the 16th to 18th April, 2018.

The Commonwealth is a diverse community of 53 nations who work together to promote prosperity, democracy, peace and human rights. These groups of nations are bound by the Commonwealth charter which stipulates the association of member countries and their participation in planned activities.

The Commonwealth has a combined population of 2.4 billion, of which more than 60 per cent is aged 29 or under. This population spans across the globe and spread within all the levels of economic development ranging from advanced economies, developing, emerging and less developed.¹

The Commonwealth charter expresses the commitment of member states to the development of free and democratic societies and the promotion of peace and prosperity to improve the lives of all peoples of the Commonwealth. It also recognizes the role of the civil society in supporting the goals and values of the Commonwealth as espoused in the charter of the Commonwealth adopted in 2013.

The workshop brought together parliamentarians from across commonwealth member states, industrialists, financial institutions and governance experts, as well as the media.

2.1 Objectives of the Conference and Benefits

The Commonwealth Heads of Government Meeting (CHOGM) deliberates on issues of importance to its member states ranging from trade, security, investment and trade as well as climate change and other emerging issues.

Fundamentally, the key objectives of the Commonwealth Bi-annual Meeting, 2018 are as follows:

¹ Thecommonwealth.org/organizations

- a) To share aspirations on a common goal and bond for all the people in the Commonwealth region;
- b) To build on the work of the commonwealth group of nations in trade, investment and facilitate intra-commonwealth trade ;
- c) To share on the best practices of tackling climate change, cyber-crime and improve the health of the oceans, creating more sustainable commonwealth; and
- d) Protecting against protectionism and pursuing more beneficial trade practices for member states.

2.2 Composition of the delegation

A delegation of the Departmental Committee on Trade, Industry and Cooperatives took part in the Commonwealth Business Forum. The delegation comprised of the following Members:-

1. Hon. Generali Nixon Korir, MP- **Leader of Delegation**
2. Hon. Robert Gichimu Githinji, MP
3. Hon. (Dr.) Wilberforce Oundo, MP

The parliamentary staff who accompanied the delegation were:-

1. Ms. Nuri Kitel Nataan-**Clerk Assistant/ Delegation Secretary**
2. Mr. Chelang'a Rotich Maiyo- **Research Officer**

2.3 Context of the conference

The summit's theme was: 'Towards a common future' and focused on building on the strengths of the Commonwealth to ensure the organization is responsive to global challenges and delivers a more prosperous, secure, sustainable and fair future for all its citizens, particularly its young people.

The future of the Commonwealth depends on its one billion young people and the summit had a strong youth focus. The summit built links between countries to offer young people access to knowledge and skills; and give them a voice on key issues such as democracy, human rights and the rule of law.

Across the 53 countries, member states face common challenges: weak global trade and investment flows; new cross-border security threats; the effects of climate change on small and other vulnerable states; threats to our shared values of democracy, good governance and inclusivity as set out in the Commonwealth Charter.

The Commonwealth is becoming one of the world's leading global business networks as it endears itself to providing solutions to challenges affecting member states as well as focusing on critical areas that would affirm the move towards a common future.

These areas are fundamental in accelerating the realization of sustainable development and improved livelihoods for its people. Cognizant of the role of the Commonwealth, the Commonwealth Enterprise and Investment Council focuses on the following key areas in enhancing business re-engineering among member state:-

- i. Access to modern financial services;
- ii. Easing the pathway for business and growth;
- iii. Harnessing Commonwealth technology and innovation;
- iv. Creating a new attitude to sustainable business;
- v. Mobilizing an export economy and;
- vi. Attracting inward investment.

The establishment of the Commonwealth Enterprise and Investment Council (CWEIC) in July, 2014 was to serve as the Commonwealths Apex business organization. Its mandate is to promote intra- Commonwealth trade, investment and build synergy in the role of private sector across the member States.

To stimulate intra-Commonwealth trade the council is responsible for organizing the Commonwealth Business Forum alongside the biennial Commonwealth Heads of Government Meeting and Commonwealth Trade Ministers Meeting on alternative years.

3.0 THE COMMONWEALTH HEADS OF GOVERNMENT MEETING

The Commonwealth Heads of Government Meeting (CHOGM) is the apex unit. The unit meets once every two years to ratify deliberations, recommendations and outcome documents from the other sub- units and in essence facilitates the realization of the aspirations of the Commonwealth people.

The Commonwealth Heads of Government Meeting, 2018 will be held in London, the United Kingdom with the Theme: “Towards a common future”. The meeting is focused on building on the strengths of the Commonwealth to ensure that it’s responsive to global challenges and deliver a more prosperous, secure, sustainable and fair future for all its citizens particularly its young people.

The aspiration of the Commonwealth of Nations is to accelerate the promotion of peace, democracy, rule of law and human rights as well as bolstering sustainable development.

3.1 Conference content/ topics of discussion

The 11th Commonwealth Business Forum and the 2nd to be run by the Commonwealth Business Enterprise and Investment Council (CWEIC) being the successor to the Commonwealth Business Council was premised within the following topics of discussion:-

1. Delivering a prosperous Commonwealth for all;
2. Global Economic Outlook: Trade, Growth and the commonwealth;
3. Trade without frontiers; technology for trade facilitation;
4. Towards a common future;
5. Advancing intra-commonwealth trade and investment and;
6. Delivering the sustainable development goals: Aligning Business, society and Government.

3.2 The commonwealth Business Forum

The forum was determined to leverage on the partnership with the City of London, the largest financial centre in the world. The forum further noted that financial and professional services are vital conduits for trade and investment hence its position in facilitating intra-commonwealth trade.

Participants noted that to accelerate trade and investment the Commonwealth enterprise and investment council remains critical in organizing the commonwealth business forum. This forum is critical as it allows for public and private sector players participate in formulating interventions to hasten trade facilitation and enhance growth in investment.

In the performance of its mandate the Commonwealth enterprise and investment council works closely with the regional blocs, national governments, the private sector actors and civil society organizations to increase trade by unlocking economic potential of the member states through enhancing physical access, improved trade environment and improved business competitiveness.

Participants further noted that Leaders expressed concern about continuing risks to the global economy and - for the first time - underlined the importance of resisting all forms of protectionism.

Additionally, they recognized the role of trade and investment as a means to deliver a more inclusive and prosperous future for all and therefore reaffirmed the Commonwealth's long-standing support for free trade in a transparent, inclusive, fair and open rules-based multilateral trading system.

With the ambition of increasing intra-Commonwealth trade to beyond US\$2 trillion by 2030, Leaders launched a Commonwealth Connectivity Agenda that aims to boost trade and investment links across the Commonwealth. The agenda considers ways in which the Commonwealth can promote inclusive and sustainable trade by enhancing cooperation on five areas: physical, digital, regulatory, business to business, and supply side connectivity.

The participants heard that council has spearheaded reforms in the Commonwealth to facilitate the expansion of small and medium enterprises to trade and invest across the Commonwealth.

More importantly, the forum was informed that to enhance trade volumes within the Commonwealth the council is developing a framework of promoting small and medium enterprises as export champions through intensive training, mentoring, trade missions and business development support.

The business forum discussed the future of trade, examining the rapidly changing dynamics of global trade and technology. Participants noted that the commonwealth could do more to help

member states to work together to navigate the challenges brought about by advancing technology and globalization.

3.3 Side events

While attending the Commonwealth Business Forum the delegation had the opportunity to attend two side events organized by the His Excellency Uhuru Kenyatta, the President of the Republic of Kenya and the Ministry of Foreign Affairs in pursuit of marketing Kenya as an investment destination for private sector.

Aware of the strategic direction and priorities for the country, the president is championing the implementation of the Big four Agenda and the realization of the Kenya Vision 2030 based on a strong democratic governance framework.

The delegation participated in the following two presidential side events:-

3.3.1 Private sector investment meeting

The investment meeting held in the intercontinental Hotel, London brought together more than twenty private sector companies drawn from the energy, infrastructure and extractive industries in the United Kingdom with interest of investing in Kenya.

His Excellency the President reiterated the need for more investment in Kenya premised on mutual agreements and he noted that the country will provide the necessary infrastructure for startups as well as investment in key developments guided by the agenda four plan of action.

He further, assured investors of the preparedness by the country to support investment in primary institutional framework to leverage on the need to attract new capital especially in housing and healthcare.

3.3.2 Chatham House

The president delivered a speech in the Chatham House on **“Kenya’s priorities for inclusive growth: towards domestic development and regional peace”**.

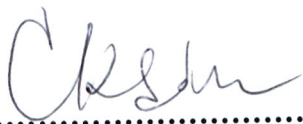
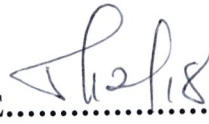
The speech was tailored to address the myriad of post-election issues as well as regional peace situation in the horn of Africa.

At the Chatham House event, the His Excellency Uhuru Kenyatta, President of the Republic of Kenya and the commander in chief of the defense forces outlined his plans for the second and final term in office on regional peace and domestic development to ensure all Kenyans enjoy the benefits of headline national growth.

3.4 Way forward

- i. Aware of the increasingly dynamic trade environment; the Commonwealth secretariat should prioritize all-inclusive trade policy and trade facilitation Agreements among its member states to leverage on the diverse nature of their economies. These policies will be driven by the need to reduce trade barriers and support individual nation's growth.
- ii. Sustainable development remains the focus of Commonwealth and therefore there is need to revitalize programs targeted to promote good governance, gender mainstreaming, rule of law and human rights. In the forgoing, there is need to fast track each of the sustainable development goals (SDGs) within the Commonwealth and reposition them for future growth.
- iii. Although the Commonwealth does not have a multilateral trade agreement. There is evidence that trade within member states is increasingly being actualized due to the common goal of the association to achieve prosperity through trade hence trade volumes between member states should be prioritized.
- iv. It is important to note that during the Commonwealth Heads of Government meeting/ summit in 2005 held in Malta. The meeting endorsed a recommendation to pursue free trade among members on a bilateral basis. This recommendation has not been actualized but has been prioritized in line with the theme of the biannual Heads of Government meeting, 2018.
- v. There is need for the Commonwealth to recognize the fundamental contribution of international trade to global prosperity, poverty elimination and sustainable development. Member countries to develop innovative mechanisms to leverage on production and market access in expanding trade volumes.
- vi. Most importantly, to achieve the shared prosperity among member states and fast track the realization of the future we want and leaving no one behind there is need of developing a road map to guide the establishment of Commonwealth trade facilitation agreement.

- vii. To ensure that all member states are consistent with the aspirations of the Commonwealth; there is high commitment to develop programs to diversify the economies of small states and improve their export competitiveness and strengthen capacity of all the developing member countries to participate in global trade.

SIGNED..........DATE..........

HON. KANINI KEGA, M.P (CHAIRPERSON)

DEPARTMENTAL COMMITTEE ON TRADE, INDUSTRY AND COOPERATIVE