

WHY KENYA NEEDS ECONOMIC DIPLOMACY

The Kenya National Chamber of Commerce and Industry has adopted the principle of economic diplomacy to market Kenya as a key investment destination to ensure that it remains competitive and does not lose its stake in the international market. Economic diplomacy is the art of serving economic security and strategic interests of the country by the use of economic instrument in conduct of state-to-state relations and so it is important to establish a proper and solid economic diplomacy structure. Economic diplomacy was traditionally defined as the decision-making, policy-making and advocating of the sending state's business interests. Economic diplomacy is important in influencing policy, informing and updating of potential foreign investors on potential investment opportunities, promotion of national economic interests in other countries, negotiating of trade agreements on economic and trade cooperation, resolving issues pertaining to foreign trade and import and exports relations, among others.

KNCCI President Mr. Richard Ngatia has been a fervent crusader of this policy. He believes that Kenya needs technical expertise to drive the country's economic diplomacy agenda based on its political climate and economic interests. Mr. Richard emphasized that the Chamber will continue promote Kenya as an investment destination so that the country can reap maximum benefits from its economic potential and occupies its rightful position in investments sphere.

It goes without saying that Kenya is indeed a re-knowned world tourism destination and has recently taken a pole position as conference tourism leader. This can be attested to by the recent hosting of major international and regional meetings such as WTO, TICAD, UNCTAD, Blue Economy Conference among others. Kenya is a gateway to 600 million consumer population through upcoming Tripartite (trading bloc of COMESA, EAC and SADC). Kenya's key exports of tea, horticulture, petroleum products, apparel and coffee are known products in the international market and contribute significantly in generating foreign exchange earnings for the country.

Levels of economic diplomacy are many. They include bilateral agreements between two countries on issues such as trade, investment, employment and taxation, as well as a wide range of formal and informal economic issues. Regional economic diplomacy relates to national interests and economic liberalization are well-served particularly within the context of a particular region. Multilateral economic diplomacy takes place within the framework of World Trade Organization as well as numerous international economic and financial organizations such as the World Bank, the International Monetary Fund and various UN agencies. In the current

world economic order, the adoption and aggressive approach to entrenching economic diplomacy is a key facet of our nation.

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