

KENYA-SINGAPORE BILATERAL INVESTMENT TREATY ENTERS INTO FORCE

1. The Kenya-Singapore Bilateral Investment Treaty (BIT) entered into force today. The BIT will promote greater investment flows between Singapore and Kenya by protecting the interests of both Singapore and Kenyan investors. It also gives greater confidence to investors to take up investment opportunities in either country.
2. The Singapore-Kenya BIT was signed in 2018 by then-Senior Minister of State for Trade and Industry Dr Koh Poh Koon and Kenya's then-Cabinet Secretary of the National Treasury and Economic Planning Henry Rotich, and witnessed by then-Deputy Prime Minister Tharman Shanmugaratnam.
3. Minister for Trade and Industry Gan Kim Yong said, "The entry into force of the Kenya-Singapore Bilateral Investment Treaty is an important milestone that will further boost trade and investment flows between our countries. It will offer greater protection for Singapore investors venturing into the Kenyan market, and vice versa, safeguarding investments and boosting investors' confidence."
4. Kenya is the largest economy in the East Africa Community (EAC), with a GDP of US\$113.42 billion in 2022¹. It has one of the largest maritime ports in Sub-Saharan Africa (SSA) and serves as an important point of entry to its neighbouring landlocked countries. Kenya was Singapore's 9th largest trading partner in SSA in 2022 with total bilateral trade in goods amounting to S\$212.2 million.

MINISTRY OF TRADE AND INDUSTRY SINGAPORE

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Annex A: Factsheet on Kenya-Singapore Bilateral Investment Treaty
Annex B: Factsheet on Kenya-Singapore Economic Relations

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¹ Source: The WorldBank

Annex A

Factsheet on Kenya-Singapore Bilateral Investment Treaty

1. The Kenya-Singapore Bilateral Investment Treaty (BIT) is a legally-binding agreement between Kenya and Singapore. It establishes rules on how Kenya should treat investments from Singapore and vice versa. With this treaty, Singapore companies operating in Kenya will enjoy protection on their investments, on top of that already accorded under Kenya's domestic laws.

2. The Kenya-Singapore BIT will also grant investors from both countries the following protection:

- Fair and equitable treatment and full protection and security based on customary international law;
- Non-discriminatory treatment compared to other foreign investments (Most Favoured Nation treatment);
- Protection from illegal expropriation;
- Non-discriminatory compensation for losses arising from war, armed conflict, and civil strife;
- Freedom to transfer capital and returns in and out of country; and
- Access to international arbitration for investment disputes.

Annex B

Factsheet on Kenya-Singapore Economic Relations

Trade in Goods

1. In 2022, total bilateral trade in goods between Singapore and Kenya was S\$212.2 million. Singapore's imports from Kenya amounted to S\$17.1 million, while Singapore's exports to Kenya amounted to S\$195.1 million.
2. Top exports to Kenya include fuel oils, ethylene copolymers, and synthetic filament yarn. Top imports from Kenya include avocados, and raw hides and reptile leathers.
3. Singapore's exports of services to Kenya in 2022 amounted to S\$272.5 million and imports of services from Kenya amounted to S\$56 million².

Investment

4. Singapore's Direct Investment Abroad (DIA) to Kenya stands at S\$20 million as at end-2021. There is scope for bilateral investments to grow, and the Kenya-Singapore BIT will provide investors with more confidence to do so.

Bilateral Agreements signed between Kenya and Singapore

5. The Singapore-Kenya Air Services Agreement (ASA) was concluded in February 2007 and signed in January 2010. The ASA allows for unlimited rights for Singapore cargo flights to fly between Singapore and Kenya and within Kenya. In December 2017, the 20% cap on intra-African passenger traffic was lifted, which allowed Singapore Airlines to codeshare on Ethiopian Airlines to provide flights to Nairobi and Mombasa.
6. Visa-free travel is enjoyed by Singaporeans and Kenyans between the two countries.

Singapore Companies in Kenya

7. Singapore companies in Kenya are present in the info-communication technology, logistics, manufacturing, hospitality, and engineering services sector.

² Preliminary Data, Department of Statistics (DOS), 2023