



*Richard Harney*

**BREXIT: Implications for Trade and other Legal Arrangements between the United Kingdom and Kenya  
A new UK / Kenya trade deal**

With the impending end of the transition period between the UK and the European Union (EU) all eyes are on whether there will be a deal or not between the UK and EU. Meanwhile, in anticipation of Brexit, the UK has been busy settling new trade deals with its important trading partners all over the world. And Kenya is no exception.

The UK has already signed five deals mainly through economic blocks in Africa and in early November 2020 announced that it has in principle agreed a sixth trade deal between the UK and Kenya. Although the new trade deal was negotiated between Kenya and the UK, it recognises the wider East African region as other members of the East African Community (EAC) trade block (namely Uganda, Tanzania, South Sudan, Rwanda and Burundi) will be able to sign up to the agreement, thus presaging a UK-EAC trade pact.

The UK-Kenya trade agreement, which has still to be brought into force, secures long-term duty-free access to the UK for Kenyan exports. The agreement replicates the intended effects of the earlier EU-EAC Economic Partnership Agreement, that has been in place for many years between the UK and Kenya. As well as immediate duty-free access for Kenyan exports, the new agreement provides for partial and gradual ("asymmetric") opening to exports from the UK.

The UK is already Kenya's fifth largest export destination. More than 150 British companies operate in Kenya employing tens of thousands of Kenyans. Kenya's biggest imports from the UK include vehicles, pharmaceuticals and paper – worth almost £800 million each year – while the UK's biggest imports from Kenya include tea, coffee, vegetables and cut flowers – worth another £400 million annually.

For British and Kenyan businesses in Kenya that export to the UK or for the many companies in the UK that import from Kenya, the deal provides continuity and long-term certainty. Any products (except arms and ammunition) produced in Kenya will be able to enter the UK market duty-free and quota-free, whether they are made by a British owned company, a Kenyan owned company, or any other.

Britain has deep ties with Kenya, not just through business, but in security, health and education. Prime Minister Boris Johnson and President Uhuru Kenyatta agreed a five-year Strategic Partnership between the UK and Kenya in January 2020, which was signed in Downing Street during the Africa Investment Summit.

### **Other Treaty Obligations**

Brexit will not affect the existing panoply of treaties between the two nations. Thus, the UK/Kenya Double Taxation Agreement, the Bilateral Investment Treaty, agreements on extradition of offenders, reciprocal enforcement of judgements and others will be unchanged.

Kenya's legal system draws significantly on UK precedent, with banking, companies and insolvency laws closely following the corresponding UK statutes. The common law and principles of equity form part of Kenya's body of law. These factors significantly enhance Kenya's appeal as an investment destination for UK business.

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