

JOINT DECLARATION
OF THE EUROPEAN UNION AND THE REPUBLIC OF KENYA
ON THE ECONOMIC AND DEVELOPMENT COOPERATION
UNDER THIS AGREEMENT

The European Union, of the one part, and the Republic of Kenya, of the other part, (for the purposes of this Joint Declaration hereinafter referred to as "the Parties") agree that the following principles and procedures apply to this Agreement.

1. The Parties place great importance on the successful implementation of this Agreement, and on the continuing trade and development relationship between them. The Parties hold a productive relationship and look forward to further developing that relationship under this Agreement.

2. The Parties acknowledge that Part V of this Agreement on economic and development cooperation shall be interpreted and applied in accordance with the Cotonou Agreement or its successor agreement. The Parties agree that in case of any inconsistency between the provisions of Part V of this Agreement and the Cotonou Agreement or its successor agreement, the provisions of the Cotonou Agreement or the corresponding provisions of its successor agreement shall prevail. Any provision inconsistent with the above, shall not be applicable.

3. The Parties acknowledge the support of the European Union for development across a wide range of sectors, and reiterate their commitment towards rules-based and sustainable development. This value-based and trusted partnership aims to boost sustainable economic growth and decent work for all and to promote an inclusive green transition focusing on the digital, climate, energy, and transport areas, supported by smart, clean and secure investments from both the public and private sectors.
- (a) Consistent with the Busan Partnership for Effective Development Cooperation done at Busan on 1 December 2011, the Parties agree to use and support as appropriate nationally or regionally owned delivery mechanisms, funds or facilities for channelling and coordinating resources for implementing this Agreement.
- (b) The Parties recognise that the implementation of this Agreement may result in challenges, including from the impact of tariff reductions, to be addressed *inter alia* through economic and development cooperation actions undertaken by the European Union. The Parties meanwhile agree that there will be no specific financial compensation by the European Union and that the compensatory framework does not apply between the Parties. However, this matter may be proposed for review in the EPA Council at the request of the Republic of Kenya.

- (c) The Parties agree that the provisions relating to the matrix and benchmark in this Agreement and its Annexes will not be applicable. The Parties however agree that the Matrix, or parts of it, may be applied or borrowed to the extent applicable, taking into account the Parties' own investment priorities and benchmarks.
 - (d) The Parties agree that the provisions relating to the EPA Fund, including those relating to its establishment and management do not apply between them.
 - (e) The Parties agree that this Agreement, including references to the European Union budget, the European Development Fund, the Cotonou Agreement or its successor agreement, does not entail any financial obligations for either Party.
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