

ISSUE 03



newsFlash

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The Weekly Wrap

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THE FIGURES 50

Acres Olpusimoru residents in Narok have donated for a border post.

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Picture of the Week



BORDER PROTECTION: South Rift Region Coordinator Ms Alice Kiptoo (C) tours the site where a new border post will be established in Narok County.

Regional Round-ups

- **Central:** Staff sensitised on Finance Act 2023 at regional headquarters.
- **Southern:** Ag. Commissioner for C&BC tours region.
- **Western:** F&LS team holds periodic toolbox meeting on mainstreaming of road safety.
- **North Rift:** Two suspects charged for being in possession of restricted goods.
- **South Rift:** Region hosts Social Protection and Senior Citizen Affairs Principal Secretary.

Quote of the Week

“Keep your face always toward the sunshine, and shadows will fall behind you.”

- Walt Whitman-

“

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WeeklyWrap

New border post set to be established in Narok County

by Boaz Tonui

A new border post is set to be opened at the Kenyan side of Olpusimoru trading centre in Narok County along the Kenya-Tanzania border. The community has already donated 50 acres of land for the government to set up offices.

South Rift Region Coordinator Ms Alice Kiptoo said KRA will work with stakeholders, including the County Government of Narok and other state agencies, to establish and operationalize the border post to facilitate legitimate cross-border trade. The RC spoke when she led a section of staff in a tour of the border market. "We may not promise a big structure for now, but we shall do something to assist," she said. There is significant movement of goods across the area, mainly crop produce and livestock. According to the residents, Tanzanian businessmen are bringing into Kenya goods worth millions of shillings every week during market days on Monday.

Area Chief Mr Nicholas Kipes, who was representing the local administration, said the border post would solve several transnational business and immigration challenges being experienced at the border. "Apart from collecting revenue, it will streamline movement of goods and people across the border. This will avert any conflicts and fear of illicit goods and livestock diseases getting into the country," said Mr Kipes. He said Tanzanians rely on the Kenyan market for their livelihood. Present during the tour was Nakuru TSO Customs & Border Control Manager Mr Samuel Ochola and Narok TSO head Dr Boniface Ombogo.



South Rift Region Coordinator Ms Alice Kiptoo (2nd L) during a visit to Olpusimoru in Narok County, where a new border post will be set up.

New milestone as KRA automates public auctions

by Victor Mwasi



Ag. Commissioner for Customs & Border Control Mrs Pamela Ahago addresses staff in Southern Region.

KRA has recorded another milestone in its quest to automate services by implementing the online auction module of the Integrated Customs Management System (iCMS). Addressing Customs & Border Control staff at the Port of Mombasa during a working tour, Ag. Commissioner C&BC Mrs Pamela Ahago announced that the online auction pilot was successful. She noted that the automation has rid the process of cartels who used to take advantage of the tedious manual exercise to manipulate the auction in their favor.

Mrs Ahago noted that during the piloting, bidders could send their bids and buy the goods offered in a transparent manner since the reserve price was publicly placed against the goods offered. She added that some of the goods ended up fetching three times the reserve price, an indication that the online auctions can potentially net more revenue for the government unlike in the past.

Mrs Ahago said although KRA remains committed to facilitating and supporting C&BC staff to deliver, they have the responsibility of conducting due diligence to prevent illicit goods from entering the market. She challenged the team to seal all revenue leakage loopholes for KRA to meet its revenue targets. Mrs Ahago urged the staff to exploit the full potential of Southern Region as a major source of revenue by deploying appropriate strategies to maximize revenue collection.

The Ag. Commissioner paid a courtesy call on Kenya Ports Authority Managing Director Captain William Ruto, where they discussed strategies to enhance the ease of doing business at the port, as well as increasing revenue collection. She also visited the Boss Container Freight Station and engaged the management and Customs staff.

The Ag. Commissioner was accompanied by Deputy Commissioner for Border Control and Enforcement Mr Chege Macharia, Ag. Regional Coordinator Mr Lawrence Siele, Chief Managers Ms Lucy Ng'ang'a (Port Operations), Mr Franklin Ombaka (Container Freight Station), Mr Abdi Malik (C&BC Regional Headquarters and outer stations), Mr George Aduwi and Mr Bernard Kibiti.

Southern Region hosts SIDA-WCO workshop

by Faith Mathenge



Participants during the 'Customs Interconnectivity and Process Harmonisation for Transboundary Movement of E-waste' workshop in Mombasa.

Southern Region hosted a SIDA-WCO sub-regional workshop for the East Africa Community (EAC) countries, which also included delegates from Pakistan and Malaysia.

'The Customs Interconnectivity and Process Harmonisation for Transboundary Movement of E-waste' workshop ran from 17th to 21st July, 2023. The opening ceremony was graced by EAC Secretariat representative Mr Anthony Minja, WCO Technical Expert Mr Tejo Kusuma and Southern Region Coordinator Mr Lawrence Siele. Other WCO experts present were Mr Adilson Teixeira, Mr Juan Diego and Mr Marcel Ratsiu.

Mr Tejo acknowledged WCO's strategic role in fostering international cooperation with relevant organisations, Customs administrations and Partner Government Agencies to ensure effective Customs control and combat illicit environmental trade. The workshop aimed at consulting EAC partner states on their national practices with regard to e-waste trade, explore introduction of international instruments to enable digitization of the process for transboundary movement of e-waste, and to

share international good practices, which will form the basis for review and improvement of national practices.

Mr Minja acknowledged the great strides that the EAC has made in the past years with regard to trade facilitation and modernization. While all the EAC Partner States present have acceded to the Basel Convention, he challenged the delegates that it is time for the EAC states to move a step further to modernize processes in the transboundary movement of e-waste. Mr Minja reiterated the Council of Ministers commitment to have the EAC Partner States move forward as one.

Mr Siele thanked the Swedish Government for funding the workshop and for their continued commitment to fund the Trade Facilitation and Customs Modernisation Programme, of which Kenya is a beneficiary. He noted the increased need for customs-to-customs cooperation and customs-to-government cooperation, in light of transnational crimes related to environmentally sensitive commodities such as wildlife, timber, ozone depleting substances, radioactive items,

hazardous wastes, persistent organic pollutants, biological and chemical agents.

Such cooperation will require effective communication channels that facilitate fast and secure sharing of information, coordinated approaches in border management and harmonization of procedures and formalities in the processing of legal consignments. Secondly, there is urgency for robust risk management in Customs administrations and the workshop aimed to steer Customs administrations in the region towards attaining this objective.

The RC expressed Kenya's commitment to protecting society from illegal trade in environmentally sensitive commodities, including e-waste. He highlighted that Kenya has continued to make numerous seizures, especially with regard to CITES, and the output of the workshop is expected to boost the capacity of EAC Partner States in trade facilitation and protection of society.

North Rift staff sensitised on Finance Act 2023

by Eva Magoi & Jacinta Kanini

North Rift Region DTD staff have been sensitised on the amendments of Income Tax CAP 470, VAT Act 2013, Excise Duty Act 2015, Tax Procedures Act 2015, Tax Appeals Tribunal Act 2013 and Miscellaneous Fees and Levies Act 2016. The sensitisation was conducted by a team from Corporate Policy Division led by Chief Manager Ms Josephine Mugure.

The sensitization aimed at increasing the tax base, removing ambiguity and aligning the provision to the tax procedures. During the engagement, the attendees were given the opportunity to ask questions and seek clarification. The facilitators urged staff to pass the correct information to the public. DTD Chief Manager Mr Loyford Kubai appreciated the facilitators for educating staff on the amendments, emphasizing to staff that they should follow the current law until the Act is operationalised.



North Rift DTD Chief Manager Mr Loyford Kubai (R) and other staff during the sensitisation.



Two charged in Eldoret with possession of restricted goods

by Winnie Mugho

Two people have been charged at the Eldoret law courts for being in possession of restricted goods. Mr Salim Makokha and Javan Doko were arrested along the Turbo-Eldoret road in Uasin Gishu County. The two were ferrying 55 jerrycans each with 20 litres of ethanol, with no documentation for the consignment. The dutiable value of the consignment was Kshs. 2,112,000 with a tax value of Kshs. 1,236,179. Upon conviction, the suspects are liable to a fine equal to 50% of the dutiable value of the goods or imprisonment for a term not exceeding five years or both.

Igniting Innovation: Transforming African tax revenue authorities for development goals

by Okongo Orlale

Innovation has become a catalyst for change in various sectors, including tax revenue collection. African Tax Revenue Authorities stand to benefit greatly from innovation as it can enhance revenue collection and help governments achieve their development goals. By leveraging technology, adopting proactive strategies and fostering a culture of innovation, tax authorities can streamline processes, combat tax evasion and drive economic growth.

Innovative technologies offer African tax authorities the means to streamline operations and improve efficiency. Digitizing tax systems, implementing robust software solutions, and utilizing data analytics can reduce paperwork, eliminate redundancies and accelerate the revenue collection cycle. This not only increases productivity and reduces administrative costs but also encourages voluntary tax compliance.

Furthermore, innovation empowers tax authorities to combat tax evasion effectively. Advanced data analytics, artificial intelligence and machine learning enable authorities to identify patterns, detect anomalies and target enforcement efforts where they are most needed. By deploying targeted interventions and tailored communication campaigns, tax authorities can foster voluntary compliance and create a fairer tax system. These innovations contribute to increased revenue collection and provide governments with a reliable source of funding for development initiatives.

Innovation also plays a crucial role in cultivating public trust and fostering a culture of voluntary tax compliance. By providing user-friendly digital platforms, accessible information, and innovative communication channels, tax authorities can enhance transparency, simplify tax payment

processes and educate taxpayers. This approach empowers individuals and businesses to fulfil their tax obligations willingly, leading to increased compliance rates and improved revenue collection.

In conclusion, embracing innovation offers significant benefits to African tax revenue authorities. By leveraging technology, streamlining processes, combating tax evasion and fostering voluntary compliance, tax authorities can drive economic growth, support government development goals and ensure a fair and efficient tax system. By embracing innovation, African tax revenue authorities can unlock their full potential and contribute to sustainable development and prosperity for their nations.

Why carbon taxes – revenue collection and climate change

by Daniel Njogu

We have all experienced the effects of climate change, which is high temperatures (global warming) and weather pattern changes. The world focus is now on climate change effects caused by uncontrolled carbon emissions. Climate change effects are not limited by geopolitical borders. According to the United Nations Environment Program (UNEP), despite Sub-Saharan Africa contributing less than 4% to the global carbon emission, they are hit hard by climate change compared to the developed countries. These have led to the call of all Earth dwellers for survival discussion.

United Nations climate change and blue economy conferences are examples of platforms where countries have agreed on strategies to combat climate change. Countries are also signatories to various climate change commitments like The Paris Agreement (2015) and Sustainable Development Goals (SDGs) aimed at managing climate change and poverty, and education improvement, health, and economic growth. It was agreed at the 2022 United Nations Climate Change Conference (COP27) that Sub-Saharan Africa should be compensated for the impact of climate change.

Policies have proven to be less effective than carbon taxes in combating climate change. For example, subsidising power generation to encourage the use of gas instead of fuels does not guarantee CO2 reduction beyond the power generation sector. Carbon taxes are easy to administer and collect as they are usually linked to existing fuel taxes.

A carbon tax is a type of Pigouvian tax. It can be defined as the social cost charged to CO2 emitters or a penalty paid for excessive greenhouse gas emissions. The tax is designed to increase the production costs of CO2 producers. It is a form of

carbon pricing on greenhouse gas emissions in order to push producers to seek or adopt clean energy technology. A carbon tax can be used to increase carbon-based fuel prices like electricity and gasoline for consumers to start using alternative clean sources of energy.

The Scandinavian and Nordic countries were the first to implement carbon taxes in the 1990s. Other countries have followed this path by designing carbon taxes to accelerate the achievement of climate change targets. Attaining carbon neutrality by 2050 (Paris Agreement 2015) is not easy, especially in designing carbon taxes and mobilization of political support. The rationale for the reforms and the utilization of the revenues must be clearly communicated. For example, increasing fuel prices through revenue-neutral tax subsidies to promote the generation of clean energy, efficient use of energy and promoting green energy innovations.

Striking a balance between household access to sustainable energy and the use of fuels with low carbon footprints is a major issue developing countries are striving to achieve. Despite Kenya's commitment to attain 100% carbon-free energy by 2030, the country has been trying to explore oil fields in Lokichar, Turkana County. In this context, the benefits of exploiting crude oil outweigh the climate change impacts as Kenya imports all its refined oils and heavy oils. Uganda has been put under pressure by civil organizations to stop construction plans for the Uganda-Tanzania crude oil pipeline. One facet of this conversation is on morality, at this point, it is subjective and based on where one stands. The global commitments towards promoting the attainment of carbon-free economies have affected initiatives of developing

countries in raising finance for such projects.

Carbon or energy taxes help in reducing greenhouse gas emissions, raising revenue, stimulating a low carbon economy and addressing local health and environmental issues.

Key considerations in designing carbon taxes

- » Scope - Carbon tax should be based on substances covered. For example, levying a carbon tax subject to fuel fossil content (\$73 per ton of carbon).
- » Point of taxation - Carbon tax can be levied at any point of the energy supply chain. The most effective approach is "upstream" where only few entities would be subjected to the carbon tax. For example, the main energy sector players.
- » Tax and escalation rates- Economic theory proposes that a carbon tax should be equal to the present value of carbon emission social costs.
- » Distribution impacts - households with lower disposable income spend a larger proportion of their income on energy. A percentage of collected revenues should be directed toward alleviating well fair of low-income households.
- » Competitiveness - The competitiveness of local companies in the international market should be considered.
- » Revenues - A carbon tax can raise significant revenue. Economic research argues that using the revenues to reduce existing taxes on capital and labor (tax swap) minimizes economic factors of production costs.



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Proactive risk management; mitigating uncertainty for organisational success

by Ochieng Odhiambo

Risk is an inherent aspect of any business endeavor, and its effective management is vital to ensuring long-term success and sustainability. In a rapidly evolving and increasingly complex business landscape, organizations must adopt a proactive approach to risk management to identify, assess and mitigate potential threats. This article delves into the importance of risk management in the business context and explores key strategies for effectively managing risks.

Risk management encompasses the processes and strategies employed by organizations to identify, assess and mitigate risks that could hinder the achievement of their objectives. Rather than perceiving risks as obstacles, proactive risk management views them as opportunities for growth, innovation and competitive advantage. By addressing risks before they materialize, organizations can better protect their assets, reputation and overall business operations.

Benefits of Proactive Risk Management

- a. **Early Identification and Prevention** - By proactively identifying risks, organizations can take preventive measures to avoid potential crises or negative outcomes. This approach reduces the likelihood of costly and disruptive incidents.
- b. **Improved Decision-making** - By incorporating risk management into the decision-making process, organizations can make more informed choices. Understanding potential risks helps leaders evaluate the potential impact on various courses of action, enabling them to select the most viable option.
- c. **Enhanced Organizational Resilience** - A proactive risk management approach fosters resilience within an organization. By anticipating potential risks and

developing robust contingency plans, businesses can better withstand unforeseen events and recover more quickly.

- d. **Competitive Advantage** - Organizations that effectively manage risks gain a competitive edge in the market. Proactive risk management instills confidence in stakeholders, including customers, investors and partners, thereby enhancing the organization's reputation and positioning in the industry.

Key Strategies for Proactive Risk Management

- a. **Risk Assessment** - Conduct comprehensive risk assessments to identify potential threats and vulnerabilities specific to the organization. This process involves evaluating the likelihood and potential impact of risks, enabling organizations to prioritize and allocate resources accordingly.
- b. **Risk Mitigation** - Once risks are identified, develop and implement risk mitigation strategies. This may involve reducing the likelihood of risks occurring, minimizing their potential impact, transferring risks through insurance or contracts, or accepting certain risks based on a thorough cost-benefit analysis.
- c. **Continuous Monitoring** - Effective risk management requires ongoing monitoring and evaluation. Regularly assess the effectiveness of risk mitigation strategies and adjust them as necessary. Utilize key performance indicators (KPIs) and risk indicators to measure progress and promptly address emerging risks.
- d. **Stakeholder Engagement** - Engage relevant stakeholders throughout the risk management process. Encourage open communication channels to gather

insights and perspectives from employees, customers, suppliers and industry experts. This collaborative approach ensures a comprehensive understanding of risks and enables the organization to develop appropriate risk response strategies.

Conclusion

In today's dynamic business environment, organizations must adopt a proactive approach to risk management to safeguard their interests and achieve sustainable growth. Proactive risk management empowers organizations to identify potential threats, develop robust mitigation strategies, and build resilience, thereby enhancing their competitive advantage. By embracing risk as an opportunity, organizations can navigate uncertainties effectively and emerge stronger in the face of adversity.

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How to maintain a healthy diet at the office

by Lukundo Maningo

A sedentary lifestyle can lead to various health problems, including obesity, heart disease, type 2 diabetes, and even some cancers. Unfortunately, many people who work in the office for long hours fall into this category, as they may not have the time or energy to prepare healthy meals or snacks. However, with a little planning and effort, it is possible to maintain a healthy diet and avoid these health problems. Here are some tips to help you maintain a healthy diet when you work in the office.

1. **Plan your meals ahead of time:** Planning your meals ahead of time can help you avoid making unhealthy food choices. You can prepare healthy meals and snacks at home and bring them to work. This will help you avoid the temptation of buying fast food or unhealthy snacks from vending machines.
2. **Pack healthy snacks:** If you get hungry between meals, it's important to have healthy snacks on hand. Some good options include fresh fruit, raw vegetables, nuts, and seeds. These snacks are easy to pack and can help you stay full and energized throughout the day.

3. **Stay hydrated:** Drinking enough water is essential for maintaining good health. It's recommended that you drink at least eight glasses of water a day. Keep a water bottle on your desk and sip water throughout the day to stay hydrated.
4. **Avoid sugary drinks:** Sugary drinks such as soda and energy drinks can lead to weight gain and other health problems. Instead, opt for water, herbal tea, or unsweetened coffee or tea.
5. **Take breaks:** Sitting for long periods of time can be harmful to your health. Taking regular breaks throughout the day can help you stay active and reduce the risk of health problems. You can take a walk around the office, stretch, or do some light exercises to keep your body moving.

In conclusion, maintaining a healthy diet in the office is essential for preventing sedentary diseases. By planning your meals ahead of time, packing healthy snacks, staying hydrated, avoiding sugary drinks, and taking breaks, you can maintain

good health and stay productive at work. Start making small changes today to achieve a healthier lifestyle.



Navigating office politics; strategies for success

by Paul Mui

Office politics refers to the informal power structures and relationships within an organization that influence decision making and career advancement. It involves networking, alliances, favoritism and conflict of interest. Recognizing the existence of office politics is the first step in effectively managing them. Understanding the organizational culture, power dynamics and key stakeholders helps individuals make informed decisions and navigate potential challenges.

Office politics is an inevitable aspect of any workplace, characterized by power dynamics, competing interests and informal networks. While office politics can sometimes be challenging and create a negative work environment, mastering the art of handling it can lead to career advancement and professional growth. This article explores effective strategies for navigating office politics, providing practical advice on how to maintain professionalism, build relationships and achieve success amidst complex dynamics. By understanding the dynamics of office politics and adopting the right approach, individuals can navigate the landscape skillfully, contribute positively to the workplace and build a successful career.

- » **Maintaining Professionalism** - Maintaining professionalism is crucial when dealing with office

politics. It involves focusing on performance, displaying integrity and avoiding negative behaviors. By staying focused on work goals and delivering high-quality results, individuals can establish a reputation based on competence and professionalism. It is important to avoid engaging in gossip, spreading rumors or participating in destructive behavior that can harm relationships and tarnish one's reputation.

- » **Building Positive Relationships** - Building positive relationships is essential for navigating office politics. Establishing strong connections with colleagues, superiors and subordinates helps create a supportive network and promotes collaboration. Actively listening, offering assistance and being respectful to others' opinions can foster positive relationships and cultivate a positive work environment. Taking the time to understand perspectives and seeking common ground can help overcome conflicts and build rapport.
- » **Networking and Communication** - Networking and effective communication are essential skills in managing office politics. Building a diverse professional network allows individuals to gain insights, gather information and leverage opportunities. Participating

in industry events, joining professional associations and engaging in cross-departmental projects can help expand one's network. Additionally, effective communication, both verbal and written, is crucial for conveying ideas, managing conflicts and building trust. By communicating openly, honestly and professionally, individuals can navigate challenging situations with grace and clarity.

- » **Seeking Mentors and Allies** - Having mentors and allies can provide valuable guidance and support in navigating office politics. Mentors with experience and knowledge can offer advice, share insights and help individuals understand the nuances of the workplace. Allies are colleagues or superiors who share common interests or goals and can provide support in challenging situations. Cultivating relationships with mentors and allies requires building trust and demonstrating commitment to mutual success.

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Bilateral Engagements

KRA hosted a delegation from the UK Foreign Commonwealth & Development Office, Pan African Department and Trade Mark East Africa.

Finance Act, 2023 Sensitisation

Central Region staff during sensitisation on the Finance Act 2023.

ICDN Team Building

ICDN staff during a team building to celebrate revenue performance for FY 2022/2023. The team collected Kshs. 54 billion against a target of Kshs. 52 billion, a performance of 101%. Former ICDN Chief Manager Mr Abdi Malik led the celebrations. The leaders encouraged the team to keep up the teamwork, emphasising the importance of individual contribution.

Western Region

F&LS team after a periodic toolbox meeting on mainstreaming road safety. They were urged to exercise caution while on the road, take care of the vehicles and report any incidents..

Southern Region

Southern Region leadership with students from Oshwal Academy, Mombasa, who are on a two-week job shadowing programme. Human Resources Assistant Manager Ms Monica Ogello said the initiative is part of government efforts to give the youth an opportunity to nurture their careers.



NewsFlash

Editorial Team: Grace Wandera, Sheila Mugusia, Allan Madoka, Duncan Muthengi **Layout & Design:** Joseph Jumah.