

June 17- 23, 2023

KRA Provides Tax Literacy to KSG



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BY JANET MUTUA AND
GLENN LUMITI

On June, Wednesday 14, 2023, Members of Parliament passed the proposed Finance Bill 2023 paving the way for the Second Reading stage in which the Committee of the Whole House will consider the Bill clause by clause.

The Bill, which has 84 clauses, is the financial instrument that Government seeks to utilize in raising additional revenues and aligning the tax legislation to the government development priorities for the 2023/2024 Financial Year.

The Bill introduces a raft of policy measures, including the amendment of the Income Tax Act, the Value Added Tax Act, the Tax Appeals Tribunal Act, the Excise Duty Act, and the Tax Procedures Act toward netting additional revenue of Ksh 211 billion for the Fiscal Year 2023/2024 which is part of 2.571 trillion projected revenue for the year to meet national obligations and fund the competing national priorities.

Since the tax regime plays a vital role in revenue mobilization to fund development and recurrent expenditure, creating awareness among individuals and

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KRA Provides Tax Literacy to KSG



Participants learn about tax during the sensitization at Mombasa Campus

businesses on their obligations is a worthy undertaking meant to boost the levels of compliance, yielding more revenue for the country instead of over-dependence on loans.

On June Thursday 8, 2023, a partnership between the Kenya School of Government Mombasa Campus and the Kenya Revenue Authority signified a renewed commitment to enhancing tax literacy among citizens. Staff and course participants at the Campus converged at the auditorium for a sensitization forum on new tax regulations to allay fears and misconceptions about taxation, especially in the current economic straits.

Notable topics included technology as the tool that would make it easier to remit taxes and boost transparency and efficiency.

These efforts are some of the ways anticipated to grow the economy, contributing to sustainable economic development and improved public services for all Kenyans.

KRA Mombasa Region Head of Tax Base Expansion, Mr. Simon Okone, took the stage to explain the taxation structure in Kenya. Emphasizing the importance of registering as a taxpayer and filing tax returns annually to avoid penalties, he highlighted that Kenya operates a progressive tax system, where individuals and businesses pay taxes at different rates based on their abilities and income.

Mr. Edwin Matara, KRA Mombasa Relations Manager for Service Sector, focused on tax services such as filing of returns online, electronic payments, and online customer support portal

as some of the platforms the Authority uses to make it easier to collect revenue in a user-friendly system and boost compliance among the citizens.

Some of the questions posed by the attendees during the forum included tax refunds, turnover tax, and the registration and deregistration process.



Mr. Edwin Matara, KRA Mombasa Relations Manager for Service Sector.

Youth Development: The Psychology of Generation Divide

BY NAOMI KIPTOO

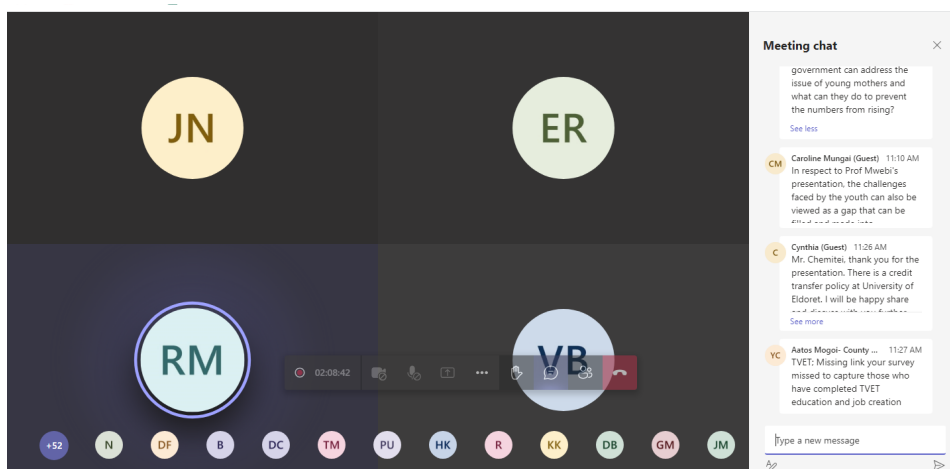
The Kenya School of Government (KSG), through its research and policy advisory function, seeks to encourage greater public awareness of issues related to public administration and the role and functions of Government jointly with mutual institutions. These efforts would provide plausible interventions to societal concerns that impede the Government from securing the future of Kenyans as charted in the Constitution.

In doing so, the School regularly organizes symposia, public lectures and debates that bring together policy experts and people from all walks of life with the intent to discourse the underlying causes of poverty and inequality so as to redirect the focus of policy-making from short-term symptom-based policies to longer-term policies based on sound evidence and reason, KSG Baringo Campus Director Dr. John Bii has said.

On Tuesday, 13, 2023, the Campus dedicated a substantial part of the day to the youth agenda through a virtual symposium themed "Harnessing Youth Potential for Social Economic Transformation." The event brought together researchers, youth leaders, policy experts and the public with a view to inform the development of policy briefs that will be used in public policy-making in the youth sector.

The panelists equivocally resolved that although regarded as the most agile, youth still risk exclusion in socio-political and economic interventions against the aspirations of Sustainable Development Goals 2030 and Africa Agenda 2063.

Prof. Evans Basweti, acting Vice Chancellor at Kisii University, shed



light on Youth in Agriculture, encouraging the youth to exploit the opportunities in the agriculture value chain not only for self-employment motives but also to employ others.

"Let us encourage and support youth engagement in agriculture because it is key for a sustainable food system, rural development, and the overall well-being of societies. As the world faces significant strifes such as the bulging population, climate change, and food insecurity, empowering young people to take an active role in agriculture becomes handy," accentuated Prof. Basweti.

He outlined the challenges that hinder youth from participating effectively in agriculture as limited capital for startups, land fragmentation, and outdated methods of farming calling institutions to provide financial support, facilitate access to land, and promote the use of appropriate technologies through government programs, partnerships and community initiatives, as ways of bringing youth into the sector.

Prof. Robert Mwebi from Laikipia University addressed the role of higher education in shaping the attitude and culture of the youth for

socio-economic development. He gave prominence to how higher education institutions were configured to provide specialized knowledge to students and skills needed to thrive in various sectors of the economy. He advocated for learners to experience research, industry, and practical training to prepare them to contribute to socio-economic development.

Mr. Reuben Chemitei and Dr. Paul Barmao of Eldoret National Polytechnic made a joint presentation on the Rhetoric and reality of trainee course choice in Technical Vocational Education (TVET). Their study gave insights into trainee needs and aspirations, particularly on education and training, supportive policies, mentorship and skill development through TVET programs.

During the symposium, Strategic Leadership Development Program participants at the School made their voices on this national dialogue. Representing the participants, Ms. Ruth Ondicho highlighted optimizing agribusiness as a solution to youth unemployment in Kenya. "Youth should be encouraged to embrace agriculture as a business opportunity rather than subsistence farming by equipping them with entrepreneurial skills, business planning, marketing, financial management and value chain

Youth Development: The Psychology of Generation Divide

analysis. She said it would enable young people to start their own ventures and create employment opportunities for themselves and others.

Senior Principal Lecturer at Kenya School of Government Baringo Campus, Mr. Geoffrey Kipkorir, elaborated more on the advent of public procurement opportunities as the policy intervention that sought to support young entrepreneurs and businesses to compete for government contracts as a way of inclusion of youth in job creation.

As the country seeks to bridge the generation divide and foster a harmonious and inclusive society, understanding the psychology of the generation gap and social space development becomes central. Ms. Tina Oburu of the Ministry of Education emphasized how individuals from different age groups perceive, understand and interact with each other within various social contexts.

"Talking about generational gaps,

"Let us encourage and support youth engagement in agriculture because it is key for a sustainable food system, rural development, and the overall well-being of societies".

Prof. Basweti

there is transitioning whereby there is assurance that the youths will ultimately become old. Intergenerational collaboration and

mentorship can foster positive relationships and bridge the generation gap within social spaces." She underscored.

The Coordinator of Youth Programs at KSG, Mr. Peter Quest, discussed the psychological aspects of youth development. He stated that individuals undergo significant psychological changes that shape their identity, social interactions, and overall well-being. He noted that the psychological aspect of youth development is influenced by a complex interplay of individual factors such as personality, temperament, family, peers, and culture.

"Through community support programs, organizations may influence positive psychological development in youth. We encourage you to create nurturing environments, provide guidance and support, and promote opportunities for growth and self-discovery amongst the youth," said Quest.

Kenya geared towards eliminating plastic pollution

Plastic pollution continues to be a global environmental and health menace; plastic waste is washed into the aquatic ecosystems leading to deaths of aquatic life. On land, plastic pollution interferes with the aesthetics of the environment, blocking drainage systems leading to flooding, reduces drainage of water into soil profile, and kills wild and domestic animals when they ingest plastics. Poorly degraded micro-plastics get consumed by humans through foods and drinks introducing toxic elements into their

bodies.

World Environmental Day 2023, called for solutions to end plastic pollution globally. After enforcing a ban on single use plastics in 2017, Kenya continues to make progressive strides through legal instruments to end plastic pollution. Its most recent effort saw the introduction of the Sustainable Waste Management Act 2022 and its regulation on Extended Producer Responsibility Compliance Scheme.

According to the Organization for Economic Cooperation and

Development (OECD), Extended Producer Responsibility is an environmental policy approach in which a manufacturer's obligation is extended to the post-consumer stage of a product's life cycle. Applying the polluter pays principle, (*the costs of pollution prevention measures, clean-up, or payment for damage caused by pollution should be borne by those who cause it*) the aim of the Scheme is to have all sectors including government and tax payers bear responsibility of a product's life-cycle including the post-consumer stage.

Kenya geared towards eliminating plastic pollution

The Sustainable Waste Management Act 2022 (EPR regulations) lists plastics among products and waste streams that have to be subjected to compulsory EPR Scheme. Here, a producer is an entity that introduces goods, products and packaging into the country using authorized means by manufacturing, importing, converting, filling, refilling, repackaging, and rebranding. The producer is required to register with National Environmental Management Authority (NEMA) and bear EPR obligation to reduce pollution and environmental impacts of production. This can be done individually by setting up Individual Producer Responsibility Compliance Scheme or collectively by joining an established Collective Producer Responsibility Compliance Scheme that enables direct waste management. In the latter arrangement, producers get into agreement with the producer responsibility organization who then establishes appropriate mechanisms and structures for the management of each waste category to be subjected in this scheme.

Adoption of the Extended Producer Responsibility Scheme presents the following opportunities and benefits as an environmental management strategy:

Opportunity for collaborative research between public research entities and private Producer Responsibility Organizations

Producer Responsibility Organizations have the responsibility to fund research and development programs on emerging technologies that improve material recovery thereby providing a platform for effective collaborations with research entities and academia to develop technologies for material recoveries as well as

development of eco-friendly products for the market.

Shared and collective waste management responsibility will enhance plastic waste management

Over the past years, the public sector has struggled to effectively and fully manage plastic waste due to limited resources, and governance problems among other reasons. With EPR, Producer Responsibility Organizations directly engage licensed waste service providers, establish and promote incentives for sustainable plastic waste management for consumers such as post-consumer collection and take back scheme, as well as bear the cost and responsibility for awareness creation on prevention of plastic waste generation and post-consumer product management, on behalf of and financed by the producers.

Job creation

Producer Responsibility Organizations are formed to engage waste service providers licensed by NEMA and the respective county government on behalf of producers. For example, PETCO and Kenya Extended Producer Responsibility Organization (KEPRO) producer responsibility origination have created employment through the following contracted recycling companies; Mr. Green Africa Ltd., WEECO Recycling Industry Ltd., Karsam Serviettes Co. Ltd., Sunrise Impex Ltd. and PET Bottle Recyclers Ltd, Vintz Plastics Ltd. and Green World Plastic Renewal Company Ltd

Encouraging a circular economy

Producer Responsibility Organization set targets to producers

on minimum volumes of materials / waste that should go through re-use, recycling and recovery. Other lists of products to be subjected to Extended Producer Responsibility compliance scheme include; packaging for non-hazardous products (aluminium, composite, paper and its corrugates, glass, cardboard and carton); hazardous products' packaging (industrial chemicals, oil and lubricants, pharmaceuticals, agrochemicals, veterinary, cosmetics, paints and solvents); treated wood and agricultural films; Electrical and Electronic Equipment, Mercury Auto Switches, thermostats, Battery and Accumulators; End of life motor vehicles, automobiles, aircrafts, locomotives; non packaging items (Plastics, glass, paper, cardboard), Furniture (except wooden, metallic); Rubber and tyres, textiles, leather, artificial hair, diapers, and sanitary towels.

Even with the Scheme shifting focus to private entities to bear the cost of plastic waste management, a collective responsibility is still necessary to minimize waste generation and promote circular economy. This can be done through purchasing of color coded receptacles, bins and containers by private and public entities, systematic waste segregation at source into organic and inorganic should be observed to improve recovery rates for recyclable by households and offices, and development of waste management infrastructures such as waste recovery facilities by county governments.

Compiled by:

Beth Muigai & Pauline Bala Researcher, Centre for Environmental Governance and Climate Change

Public Sector Budgeting amid a Looming Recession

Economic prediction is a complex undertaking that requires a combination of strategies for such a task to be effective; the use of historical analysis, statistical and economic models, scenario analysis, and economic indicators are some of the approaches adopted in the process of predicting a country or region's economic future. However, there are shocks that may paralyze an economy that had not been accounted for; natural disasters and pandemics are an example of such shocks. When these occur, the economy is affected which then directly affects organizational operations and consequently its finances. Organizations are worst hit at such times especially when not well prepared.

This necessitates reviewing financial commitments to accommodate unprecedented occurrences. It is to the advantage of an organization to put mitigation strategies in place that will act as a safety net in case of any eventualities.

In part two of this series, Beth Muigai and Principal Accountant at Kenya School of Government Mr. Yakub Mohamed analyze some of the strategies that will facilitate an organizations going concern.

Building an emergency fund

A reserve fund serves as a cushion to protect an organization in case of an unexpected financial challenge. This safety net provides peace of mind and helps to avoid the risk of debt which further aggravates situations. Minimizing financial set back guarantees that an organization will meet its targets on time, or with minimal

delay. The emergency fund should be large enough to cover several months' worth of expenses.

Diversify investments

A well-diversified investment portfolio can help reduce risk and minimize the impact of market downturns. It is unlikely that all investments receive the same kind of financial blow in case of an economic meltdown. A budget/finance committee should consider diversifying investments across different asset classes, such as equities, bonds, and real estate. This strategy helps reduce large losses that would consequently affect the running of the organization.

Monitor cash flow

The budget/finance committee should keep a close eye on cash flow to ensure that they there is enough cash in hand to cover expenses. A regular review on the budget allows for necessary reviews to be done and helps avoid over expenditure. Monitoring cash flow is vital for organizations as it helps ensure liquidity, support decision-making processes, enable cash flow forecasting, facilitate debt and credit management, identify inefficiencies, promote emergency preparedness, and enhance stakeholder communication. By actively monitoring and managing cash flow, organizations can maintain financial stability and position themselves for long-term success

Conduct regular risk assessments

The committee should regularly assess the risks in

their financial position and develop contingency plans in case of unexpected events for better preparation in case of an economic downturn. It enables proactive risk management, ensures business continuity and resilience, facilitates compliance with legal obligations, protects reputation, and enhances strategic decision making. Once a regular risk assessment is done, organization tend to adopt safeguards in case of eventuality. This way, the impact of financial risk is mitigated or reduced.

Seek experts and professional advice

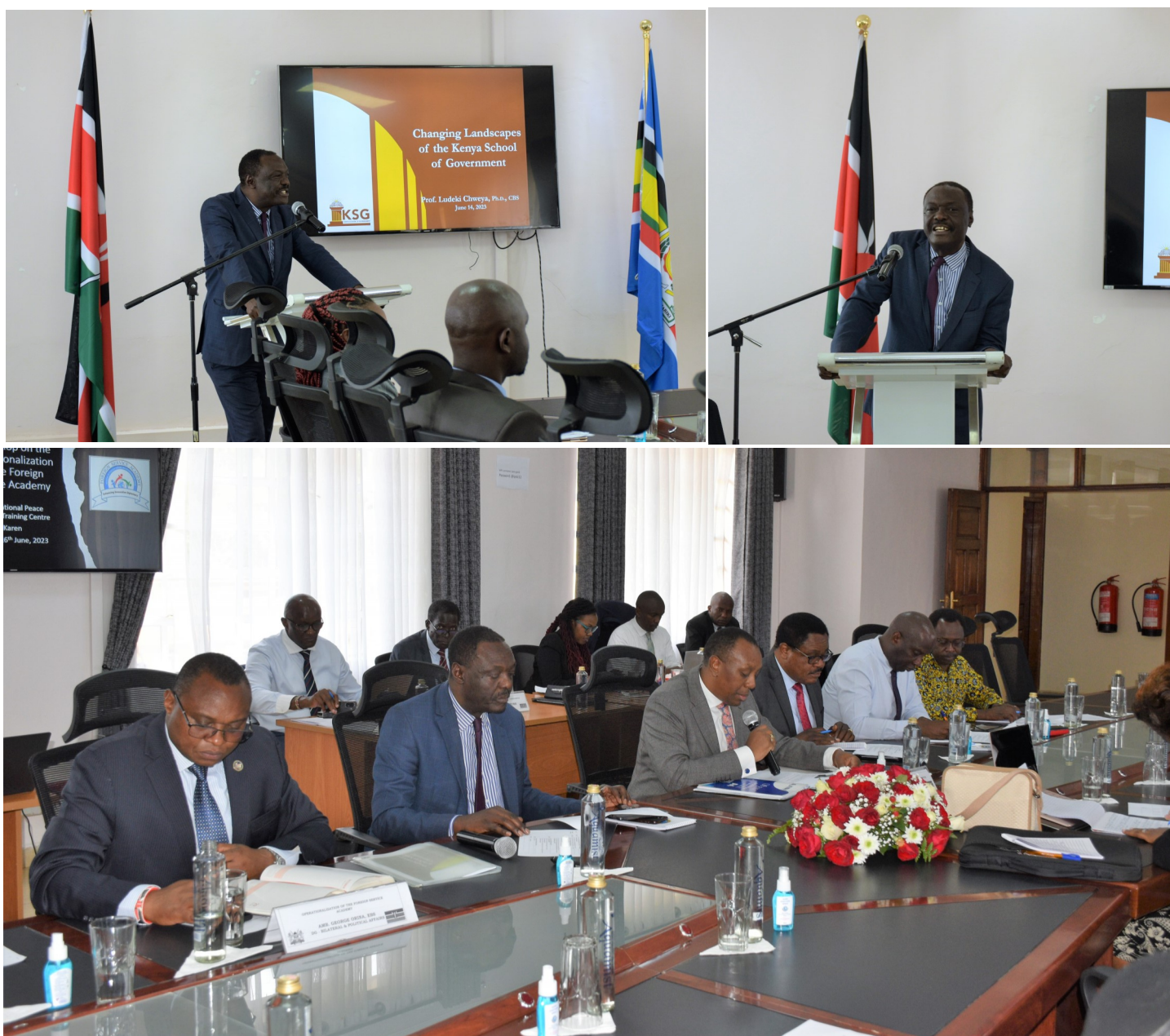
The Committee should consider seeking the advice of financial professionals, such as financial advisors, analysts or accountants, to help navigate uncertain economic times. These professionals provide guidance on how to manage finances and minimize risk. Experiences are a good lesson when it comes to risk mitigation and experts have an eye for such details. Financial advisors can conduct comprehensive risk assessment tailored to an organization's specific needs and circumstances and can identify potential risks, both internal and external, that may not be immediately apparent to the organization.



journalistic flair

Director General shares KSG's transformative journey

On June 14, 2023, Prof. Ludeki Chweya, Director General of KSG delivered a presentation on the Changing Landscapes of the Kenya School of Government at the Operationalization of the Foreign Service Institute Academy Workshop. The transition from KIA to KSG would be instrumental in offering valuable lessons to FSA owing to the experiences of KSG in its ten year journey. The workshop was led by Amb. Kiriimi Kaberia, Director General of the Foreign Service Academy to discuss the mirroring of the Academy in its role to shape diplomatic engagement in the dynamic and complex world among other key topics. The Kenya School of Government has a long history with the Ministry of Foreign and Diaspora Affairs, having hosted and inducted various cohorts of the cadets posted to different stations across the world.



Weekly Activities in Summary



KSG Staff led by Prof. Nura Mohamed, Director Finance and Administration, Mr. Simon Angote and Ms. Jane Gichuki with members of the National Fund for the Disabled of Kenya at a Board evaluation retreat at Sarova Whitesands. The Board is mandated to provide support for persons with disability for high quality life

Director General, Prof. Ludeki Chweya (3rd right), led a team of KSG staff in discussion on the role of Research with Dr. Yumi Yamane (centre), Director at the Japan Society for the Promotion of Science in Nairobi. More than ever before, the research function in institutions is necessary to seek solutions to societal problems and to inform public policy to respond to global rapid change.

KSG and JSPS would consider collaboration in areas of interest in research, exchange of ideas, and advancing applicable ideas and approaches to research.



A Retirement Planning Course at the Mombasa Campus: a one-week's course that provides insights on how to plan for life after existing active service and also provides valuable lessons on finances, relationships and networking, health and also addresses challenges that retirees face.

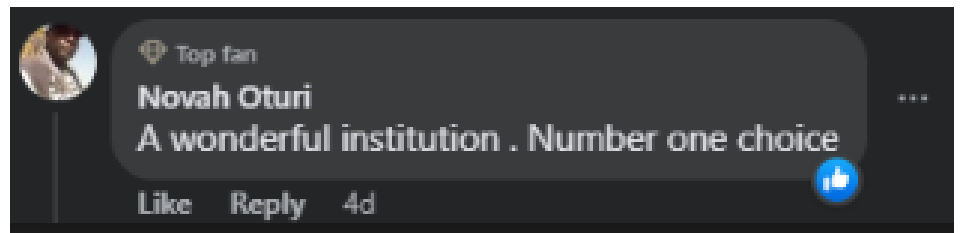
Leadership Lesson

An inspiring leader motivates everyone

A leader is best when people barely know he exists, when his work is done, his aim fulfilled, they will say: we did it ourselves.

—Lao Tzu, philosopher and writer

Have Your Say



Humor of the week

Shopkeeper delays with a change 🙄

Kenyans: umesema hio mkate ni mia tano? 🤔



Quote of the Week

“The behavior of any bureaucratic organization can best be understood by assuming that it is controlled by a secret cabal of its enemies.”

— Robert Conquest

Baringo Campus

Strategic Leadership Development Program	15th May - 23rd June, 2023
Senior Management Course (online)	8th May - 30th June, 2023
Performance Management Systems Course	5th -16th June, 2023
Senior Management Course	5th -30th June, 2023
Senior Management Course	5th -30th June, 2023
Middle-class Kamukunji	17th June 2023
Kids Event	17th June 2023
Mid rift Hurrinet	20th - 21st June,2023
KELCOP	22nd June 2023
Kenya Smart Climate Agriculture	19th - 23rd, June 2023

Embu Campus

Strategic Leadership Development Program No.369/2023	12th June - 4th August, 2023
Senior Management Course No.190/2023	8th May - 30th June, 2023
Strategic Leadership Development Program No. 367/2023	12th -21st July, 2021
Public Relations & Customer Care	12th - 23rd June, 2023
Supervisory Skills Development Course	12th - 23rd June, 2023
Corporate Governance Course	19th - 23rd June, 2023
Customer Care Course (Marsabit County Assembly)	19th - 23rd June, 2023
Hospitality Skills Course (Marsabit County Assembly)	19th - 23rd June, 2023
ERM champions workshop-(KENGEN)	19th - 21st June, 2023
Road safety and mainstreaming committee training (Karatina University)	20th - 24th June, 2023
The Anti-Counterfeit Authority retreat	21st - 23rd June, 2023
Independent Policing Oversight Authority workshop	20th June, 2023
Public Health Officers and Technicians Council Workshop	19th - 21st June, 2023
Capacity building workshop (Nkabune TTI)	24th June, 2023
Office of Auditor-General workshop	19th - 26th June, 2023

Matuga Campus

Strategic Leadership Development Program No. 368/2023 5th	June -11th August, 2023
Retirement Planning Program No. 016/2023	19th - 23rd June,2023
Greening of TVET experiences Symposium	29th June,2023
Office of the Attorney General and Department of Justice (Workshop)	19th - 20th June,2023

Mombasa Campus

Strategic Leadership Development Program No. 364/ 2023	29th May - 4th August, 2023
Strategic Leadership Development Program No. 363/ 2023	29th May - 7th July, 2023
Records Management Course	12th June - 7th July, 2023
Supervisory Skills Development Course	12th - 23rd June, 2023
Public Relations & Customer Care Course	12th - 23rd June, 2023
Management Skills Course	5th - 30th June, 2023
Project Planning & Management Course	5th - 30th June, 2023
Senior Management Course No. 167/2023	5th - 30th June, 2023
State Department for Culture & Heritage (Workshop)	5th - 19th June, 2023

Lower Kabete

Strategic Leadership Development Programme No.360/2023	8th May -14th July, 2023
Strategic Leadership Development Programme No.362/2023	22nd May -30th June, 2023
Senior Management Course No. 401/2023	29th May-23rd June, 2023
Strategic Leadership Development Program No. 370/2023	19 June - 28 July, 2023
Conduct of meetings and Minute Writing Course No.39/2023	19-23 June, 2023
Financial Accounting Recording and Reporting	19-23 June, 2023
Data Analytics for Auditors	19-23 June, 2023
Ministry of Interior KCBMP Cohort 8	19-30 June, 2023
Railway Training Institute (Workshop)	21st -22nd June, 2023
Desk Review Culture Change Program (Geothermal Development Corporation)	19th - 23rd June, 2023
Development of HR Instruments (SASRA)	19th - 23rd June 2023

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