

TAX TALK 36: HUMANITARIAN ACTION DURING EMERGENCIES: COVID 19 PANDEMIC

As the entire world is engaged in a heavy-weight division boxing match with the Covid-19 pandemic, it is important for us to focus on the role of the various sectors in this fight. For instance; What is the public sector doing? What is the private sector doing? What are they doing right? Where can they improve?

One of the prominent issues during this discussion will be on the allocation of adequate resources in the budget towards fighting this pandemic. Over the last few years, Kenya has been operating on a deficit budget and now with majority of the country's resources being dedicated towards fighting this pandemic, it is saddening that the country cannot call upon donors and philanthropists to bail them out, as they are dealing with a similar crisis in their mother countries. Now more than ever, it is clear that countries need to look within and not without for a solution to this problem.

Budgets are viewed as rigid policy instruments, mainly because of the elaborate process involved in formulating, approving and implementing them. But in as much as budgets are usually very detailed and ought to capture any eventuality, it is important to note that it is not possible to budget for unforeseen emerging events. We however have some policies that seek to cater to such events such as the Contingency Fund- Kshs. 10 Billion, County Emergency Fund- 2% of County Revenue, which is approximately Kshs. 9 Billion, CDF- dedicates at least 5% of its total funding to emergencies. The Affirmative Action Fund also has an emergency component to it. The existence of these budget lines, does not necessarily mean that these funds have been resourced.

During such emergencies, the most affected people are the vulnerable groups who include orphans and vulnerable children. Kenya has a history of putting in place social safety nets to protect the vulnerable. But we need to ask ourselves two questions: Is the definition of vulnerable groups wide enough? Are we including the urban poor? Are we including female head set households? It is important that we relook at the definition so that no group is left out.

Over the years, the question has been asked, whether these programs have a wide-enough coverage. Statistics from KNBS. Kenya has more than 12 Million poor people spread in 3.1

Million households. But in the 2018/2019 budget, the number of households covered was about 1.21 Million. The budget allocated Kshs. 27 Billion for the 1.21 Million households, which therefore means that we do not have enough resources as a country to cover all the vulnerable households.

It is clear that the country's public resources are stretched and there has been an attempt to rally individuals and private companies with the capacity to supplement government efforts. For instance, East Africa Breweries Limited announced that it will be providing sanitizers to a particular vulnerable group. The government also established the Kenya Covid Fund, which is being run by various industry captains. The fund focuses on provision of medical equipment and support to vulnerable groups with their immediate needs, especially food. The clarion call is now for corporates to contribute towards this fund.

When disasters of a similar nature have encumbered the country, there have been many who are willing to help, with the only problem being, as a country we tend to adopt a scatter-gun approach. Over the years we have had initiatives from the private sector, public sector, the citizenry, and also the religious sector. In 2011, we had the "Kenyans for Kenya" initiative which sought to provide emergency assistance to those who had been severely impacted by the famine. We now have the Kenya Covid Fund, which is being run by various industry captains. This siloed and reactionary approach has been our undoing. While the desire to help is commendable, this means that there is duplication of efforts and it would be prudent to harness resources, have a central point of command and tackle the pandemic systematically. It would also be important for Kenya to put in place a fund that solely deals with such pandemics, disasters and calamities.

While the government's efforts are laudable, it is important to appreciate that we live in a multi-sectoral and multi-disciplinary society and therefore need a holistic response to the pandemic. Thus far, the focus has been on the economically marginalized and those within the criminal justice sector have somewhat been ignored. The criminal justice sector plays a key role during any crisis. There is a notable increase in crime, particularly in countries under total lockdown.

The anticipation of crime may have informed the government's decision to put in place a curfew as such crimes usually occur at night. This has had a see-saw effect, as the government has focused its energies in fighting the pandemic, the unintended consequence has been an increase in criminal activities. There has been an increase in domestic violence

cases across the globe. It is now clear that our government had not anticipated this and therefore did not put in place any measures to curb it. Such issues cannot be shelved until this pandemic is behind us.

This pandemic may be a blessing in disguise as it may give us an opportunity to learn from our past mistakes. We must learn that we are interdependent and we need to build on each other's skills set. For our community to function properly and effectively, we must recognise that we are interdependent and that we need to all pull in the same direction in order to return to normalcy. We will need the farmers to continue diligently planting and harvesting their produce, we will need those in the transport sector to distribute this produce, we will also need the "*mama-mbogas*" to bring this produce close to our homesteads and lastly, we will need the end-consumer to purchase this produce.

We must also note that we are only as strong as our weakest link. Our weakest link being those in the informal settlements and high density areas. The larger portion of the vulnerable groups reside in these areas and they do not have access to safe water or hygiene materials. In urban areas, only 5% of the population in informal settlements have access to water. We must provide the necessary hygiene resources to those in these areas as they would pose a risk to the rest of the population.

Lastly, as a country, we cannot keep relying on external support and we must build on our local humanitarian capacity. What social protection systems is the government putting place? How is the private sector plugging into these efforts?