

KENYA CASE

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Kenya's Preparedness and response for COVID_19 led by the Ministry of Health included:

On 2nd February 2020, the Ministry of Health advised Kenyans to remain vigilant and to maintain hygiene, avoid contact with persons with respiratory symptoms and to go to the nearest health facility for assessment and prompt management with symptoms of respiratory infection or recent travel to China especially Wuhan. Further on 13th February 2020, Kenyans were advised against non-essential travel to affected countries.

On 19th February 2020 Kenyan Government through the ministry of Health had put several measures in place to safeguard public health safety including but not limited to a multi-agency approach to deal with the threat of COVID-19.

On 28th Feb 2020, the National Emergency Response Committee was established through an executive order No. 2 of 2020. At its meeting on 20th March 2020, they resolved and directed Kenyans of taking of the following additional pre-cautionary measures:

- All entertainment, bars and other social spaces, were to close their doors to the public by 7.30pm every day until further notice, effective Monday, 23rd March 2020. Social distancing of 1.5 m to be observed during allowed periods.
- All supermarkets were required to limit the number of shoppers inside the premises at any given time, in a manner that conforms to the social distance requirements of at least 1.5 m apart.
- The management of local markets were directed to ensure that the premises are disinfected regularly to maintain high standards of hygiene.
- The County Governments were required to prioritize garbage collection and cleanliness of all markets as well as ensure provision of soap and clean water in all market centers.
- Corporations and businesses were encouraged to allow where possible employees to work from home.
- To ensure business continuity for the manufacturers and industries, factories were required to operate using minimum workforce on a 24-h shift rotation system.
- To reduce the risk of transmission in the public transport system, persons were encouraged as much as possible, to stay at home unless on essential business. Public service vehicle operators were asked to observe high levels of hygiene during this period. It was directed that, vehicles to maintain 60% maximum of seating capacity.
- All hospital management in public and private hospitals were to restrict patient visitation to family and relatives of patients who have been expressly contacted by the hospital.
- All travellers coming into the country, was restricted to Kenyans and foreigners with valid residence permits must self-quarantine for a period of 14 days.

On 25th March 2020, the president announced a welcome stimulus package to address the impact of coronavirus on the economy. Which included: a 100 per cent tax relief for individuals with a gross income of up to Sh24,000, the income tax be reduced from 30 per cent to 25 per cent, reduce the Value Added Tax from 16 per cent to 14 per cent, Orphans, the elderly and other vulnerable members of the society will enjoy a Sh10 billion cash among others.

From 27th March 2019, Kenya government through a public order notice called for a 7pm to 5am curfew on all persons not providing essential services. The curfew would be indefinite (MOH, KENYA, 2020).

When (date) and how (e.g. official correspondence, phone call, social media) did you learn about key information, alerts or recommendations from global or regional bodies?

Key information, alerts or recommendations have been shared daily by the Ministry of Health officials in a televised broadcast

What actions were taken by your country, and when, to mitigate the impact of COVID-19?

Various fiscal and monetary policy response measures have been outlined to protect incomes and cushion the economy. On 25 March 2020, the President announced a fiscal stimulus package consisting of the following measures:

- 100 per cent relief for persons earning gross monthly income of up to KES24,000.
- Reduction of income tax rate (Pay-As-You-Earn) from 30 per cent to 25 per cent and resident income tax (corporation tax) from 30 per cent to 25 per cent.
- Reduction of the turnover tax rate from 3 per cent to 1 per cent for all micro, small, and medium enterprises.
- Appropriation of an additional KES10 billion to the elderly, orphans, and other vulnerable members of society through cash transfers by the Ministry of Labour and Social Protection.
- Reduction of the value-added tax (VAT) from 16 per cent to 14 per cent effective 1 April 2020.

The President also issued the following directives: payment of at least of KES13 billion of the verified pending bills and all verified VAT refund claims amounting to KES10 billion, or in the alternative, allow for offsetting of withholding VAT, in order to improve cash flows for businesses, and a voluntary reduction in the salaries of the senior ranks of the National Executive.⁹ The President called on other arms of government to make similar voluntary reductions to help free up revenue.

In addition, a COVID 19 Emergency Response Fund has been created and the National Treasury was directed to utilize KES2 billion of recovered corruption proceeds and reallocate the travel budgets of state agencies to support the most vulnerable. The latest additional measures include presidential directives to develop a welfare package for healthcare professionals, an allocation of KES5 billion to support county governments, inauguration of a weekly support stipend to households in Nairobi,¹⁰ and release of KES500 million that were in arrears to persons with severe disabilities.

With regard to monetary policy measures, the CBK lowered the central bank rate (CBR) from 8.25 per cent to 7.25 per cent and the cash reserve ratio (CRR) from 5.25 per cent to 4.25 per cent. Through the latter, additional liquidity of KES35 billion was made available to commercial banks to directly support borrowers. In addition, the CBK extended the maximum tenor of

repurchase agreements (REPOs) from 28 to 91 days to allow flexibility on liquidity management.¹¹

The CBK further announced a set of emergency measures to facilitate increased use of mobile money transactions, to curb the spread of the virus through cash handling, by waiving charges for mobile transactions up to Ksh.1,000 and increasing transaction and daily limits for mobile transactions.

Finally, the CBK revised the minimum threshold for submitting negative credit information on borrowers and delisted borrowers previously blacklisted for loans of less than KES1,000 to increase access to credit for those in need.