

OKOA! UCHUMI!

THE OKOA UCHUMI CAMPAIGN A CITIZEN'S MANIFESTO FOR ELECTIONS 2022

PUBLIC DEBT ACCOUNTABILITY
FOR ECONOMIC JUSTICE



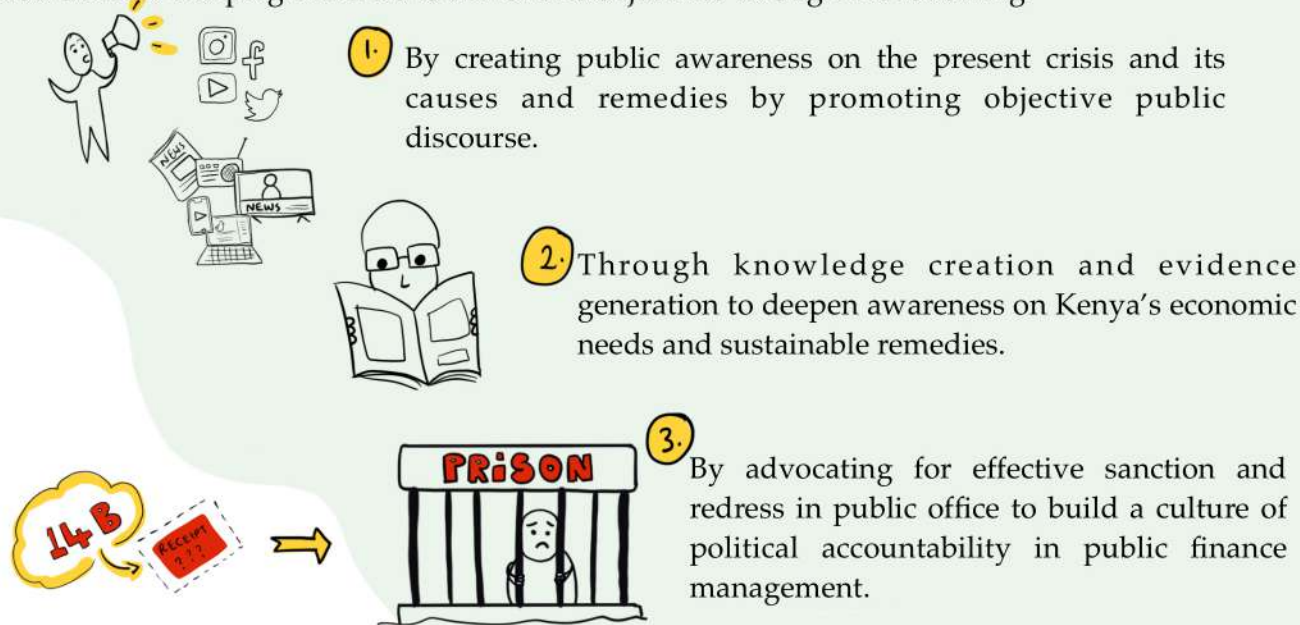
INTRODUCTION AND BACKGROUND

WHO ARE WE?

The Okoa Uchumi campaign is a civil society initiative committed to the goal of accountability in Kenya's public debt management. The campaign is informed by the dire state of our debt management which has been marred by opacity in decision making, mismanagement of debt expenditures and flagrant violations of public finance requirements, which have contributed to the present economic crisis and a debt trap.

The campaign is grounded in our constitutional responsibility to respect, uphold and defend the Constitution of Kenya.

Okoa Uchumi campaign intends to achieve its objectives through the following.



WHY A CITIZEN MANIFESTO?

As patriotic citizens, we firmly believe in the inalienable right to expression by every Kenyan, regardless of their social standing as affirmed by our Constitution under Article 1(2), which bestows sovereignty to the citizens of this republic, and confers the right and indeed the obligation for the people to express their voice directly into governance processes. Article 10 goes further to enshrine the values of good governance, integrity, transparency, accountability and sustainable development as binding upon all state organs, state officers, public officers and persons whenever any of them makes or implements policy decisions.

This manifesto, therefore, is our concerted voice as citizens in our various diversities, to call for public debt accountability, that will undergird our quest for inclusive and sustainable development that will deliver shared prosperity at both national and county levels.



PROBLEM STATEMENT: KENYA'S DEBT CRISIS

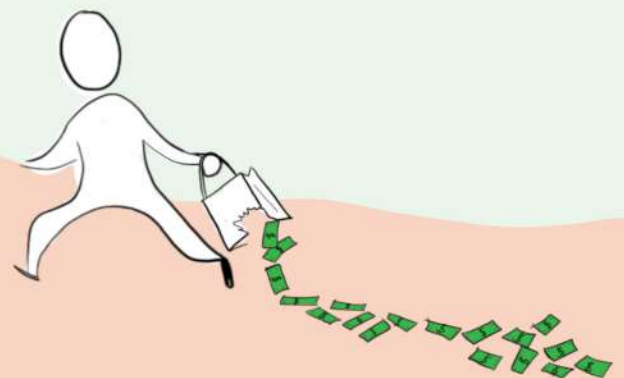
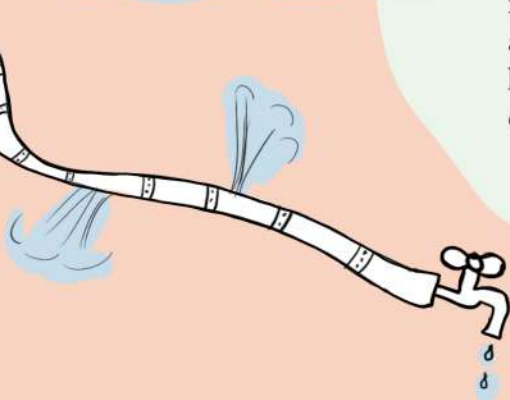
Whereas the national values and principles of public finance management entrenched in the constitution and underpinning the social contract should guide the conduct of state and public officers on public finance management, the system has been captured by private interests and projects placed in the budget to be used as special purpose vehicles for corruption, contributing towards Kenya's debt crisis.

Citizens, especially women who bear the bulk of the burden of unpaid care, and youth are forced to bear an inordinate share of the burden through heavy taxes, the lack of jobs, the denial of socio-economic rights such as health, water and housing and the absence of social protections.

THE IMPACTS OF THE PUBLIC DEBT CRISIS ON THE LIVELIHOODS OF CITIZENS

Public debt plays an important role in the normal functioning of a market economy and if used wisely and in moderation, can improve welfare. For individual households and firms, overborrowing leads to bankruptcy and financial ruin. For a country, too much debt impairs the government's ability to deliver essential services to its citizens.

Debt servicing reduces the amount of tax revenue available to spend on other government services given the constitutional requirement to address debt service fees obligations before allocations to other government priorities. Basic services such as healthcare, education and water and sanitation have been compromised.



OUR CALL TO ACTION

1.

STRENGTHEN TRANSPARENCY AND PUBLIC PARTICIPATION IN PUBLIC DEBT



The Constitution demands openness and accountability, including public participation in financial matters. Unfortunately, the government has severely failed to embrace openness and inclusivity in its decision making in decisions such as Eurobond I – V, the SGR project, and in the increase of the public debt ceiling and others.

There is a need to strengthen public debt recording, monitoring, and reporting as critical aspects of transparency.

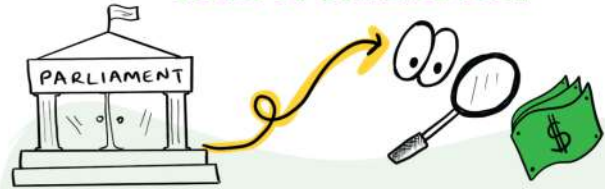
OUR DEMANDS



That the President and the Attorney General make public and accessible all contractual documents on all infrastructural projects by government including (but not limited to) the SGR contract, the Nairobi Expressway, and others.

2.

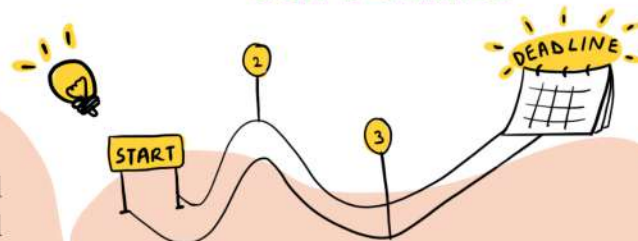
STRENGTHEN THE OVERSIGHT ROLE OF PARLIAMENT



Kenya's legal frameworks gives parliament oversight responsibilities to scrutinize and to ensure that government borrowing, and spending is reasonable, sustainable and adheres to legal and constitutional principles. Parliament has failed to exercise its oversight mandate.

Parliamentarians have the responsibility to hold the executive accountable on loans to be procured, flagship projects financed by loans, prudent use of proceeds from loan financed projects, the ability of servicing of the loans to ensure taxpayers are protected from excessive and frivolous borrowing among other things.

OUR DEMANDS



Parliament to table a timebound and enforceable plan to reduce the budget deficit with immediate effect in line with the EAC requirements.



That the National Treasury provide an accurate and detailed report of Kenya's debt status including information on debt utilization and return of investment on debt supported projects.

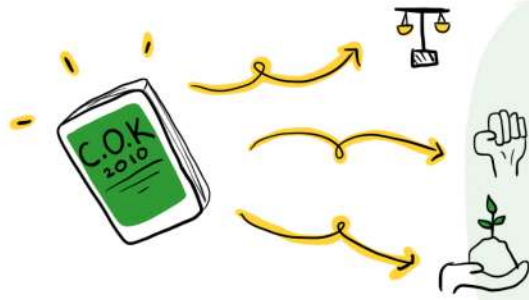


That Parliament review recall laws to allow citizens recall MPs who fail in their oversight functions

THIS IS OUR POSITION ON THE PROPOSED AMENDMENT

That Parliament ensures no decisions on altering the debt ceiling are passed without extensive public participation.

3. SAFEGUARD LEADERSHIP AND INTEGRITY IN FINANCIAL MANAGEMENT



Article 10 of the Constitution of Kenya provides for national values and principles of governance to guide public officers in conducting their duties. They include respect to the rule of law, public participation, good governance, integrity, transparency and accountability and sustainable development. A strict adherence to these constitutional principles would protect Kenya from an economic and debt crisis of self-doing.

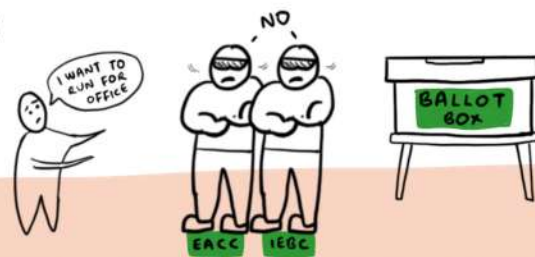
OUR DEMANDS



That Parliament and the Executive strengthen independence and resourcing for investigative and prosecutorial bodies to ensure corrupt individuals are thoroughly investigated and tried.



That Parliament and the Executive ensure vetting of appointed officials is objective and embraces ethical standards in the constitution.



That the Independent and Electoral Boundaries Commission (IEBC) and the Ethics and Anti-Corruption Commission (EACC) ensures that those cited for violating ethical standards are not cleared to run for and hold public office.





EMBRACE TAX JUSTICE



Kenya's taxation regime has become very overbearing due to high debt repayment demands. This has led to pressure by the government to increase taxes even on basic products such as fertilizer, food, fuel and more. Kenya is currently spending over 69% of GDP on debt servicing, suffering from a depressed economic environment and witnessing historic underinvestment in the many sectors. Several businesses especially in the SME sector and startups have had to close due to very demanding tax demands.

That notwithstanding, much of Kenya's income including through taxation is lost to corruption, which has led to citizen indifference towards paying taxes.

OUR DEMANDS



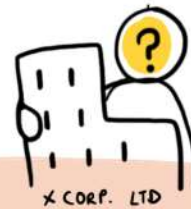
That the Ethics and Anti-Corruption Commission (EACC), the Attorney General and the Asset Recovery Agency (ARA) enhance recovery efforts for monies lost through corruption to reduce loss of resources thereby burden on taxpayers.



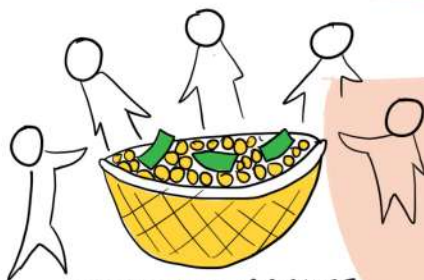
That the Cabinet Secretary for Treasury stop commercial forms of tax evasion and avoidance including through illicit financial flows, tax incentives etc.



That the Cabinet Secretary for Treasury ensure the publishing of all information on natural and legal persons granted tax incentives as per the requirements of section 77 of the Public Finance Management Act.



That the Attorney General make public the owners of all companies including foreign companies



NATIONAL BASKET

That the National Treasury and Parliament immediately institute a fair taxation policy to ensure everyone pays their fair share of tax in line with their ability to pay.

The Okoa Uchumi campaign is a citizens' initiative with the primary objective of promoting accountability in Kenya's public finance management



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Join the campaign

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