

BD

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MARKETS DATA

NSE 20 INDEX ▲ 0.27%	NSE ALL SHARE ▲ 0.44%
6.65 2507.43	0.69 158.63
EGX30 ▲ 1.04%	JOHANNESBURG ▲ 1.37%
348.12 33,821.03	1333.74 98,687.06
NIGERIA ▲ 1.00%	DAR ES SALAAM ▼ -0.36%
1,302.83 131,585.66	-8.76 2,425.87
EXCHANGE RATE (SH TO USD)	
FRI 18.07.2025	129.24 % CHANGE
MON 21.07.2025	129.25 ▼ -0.01%

Intelligence

'A good leader should give detailed and complete instructions to his subordinates.'

MIKE ELDON

P 09

Life

p.19

Top Kenyan talents ditch hotel jobs for lucrative cruise gigs

58 saccos face auction over Sh1bn unpaid Kuscco loans

● Crackdown follows Sh13.3bn theft, accounting fraud ● Recoveries to settle part of Sh8.8bn saccos' dues

DEBT
PATRICK
ALUSHULA

Fifty-eight savings and credit co-operative societies (saccos) risk bank account freezes and property auction in efforts to recover Sh1.36 billion they owe the Kenya Union of Savings & Credit Co-operatives (Kuscco), which was hit with a multi-billion shilling fraud.

The 58 borrowed and defaulted on the loans in the 23 years to 2024. The State is seeking to prevent Kuscco from collapsing after a Sh13.3 billion heist, which triggered the arrest of four top officials and a lawyer.

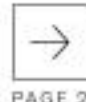
The saccos borrowed the Sh1.36 billion against deposits worth Sh368.39 million. The State has issued notices for the immediate payment of the

Top 10 defaulters

	Amount(Sh bn)
Kencom	377.5
Nacico	358.01
Maseno University	106.43
Stegro	68.58
Umowa Sacco	49.07
Kakamega county maendeleo	44.93
Sonygar sacco	43.79
Migori Teachers	35.76
Malindi Biashara	35.05
Lamu Teachers	23.92
Source:KUSCCO	
Some 58 saccos have defaulted on Sh1.36 billion Kuscco loan	

Sh987.86 million difference.

Top defaulters include Kencom Sacco, which borrowed a Sh377.5 million loan, Nacico Sacco and its sister entity Nacico Investment Co-op (Sh358.01 million) and Maseno



Kuscco Centre, the headquarters of the Kenya Union of Savings & Credit Co-operatives (Kuscco) in Nairobi. EVANS HABIL

Conflict.

NSE and stockbrokers call a truce in CEO ouster bid

Kepha Muiruri

The Nairobi Securities Exchange (NSE) will appoint two new directors to its board as part of an agreement with stockbrokers to prevent the ouster of the CEO amid concerns that the spat could harm the bourse's performance.

NSE chairman Kiprono Kittony said the bourse's board is at the tail end of resolving the issues raised by the stockbrokers' lobby, the Kenya



NSE CEO Frank Mwititi. FRANCIS NDERITU

Association of Stockbrokers and Investment Banks (KASIB), including appointing traders' representatives as directors.

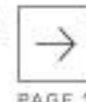
"We received a letter from Kasib, which raised various concerns. We have been able to handle most of the concerns with the NSE, Kasib and CMA," Mr Kittony said in an interview on Friday.

"We have agreed that there is no need for the disruption of the market at this time. We have kicked off a com-

petitive process on the nomination of directors and we will be announcing the new directors in the coming weeks."

An NSE director representing brokers reckons they have eased the pressure on the push to remove Frank Mwititi as the chief executive officer of the NSE.

Besides the ouster of the CEO, the brokers were seeking a right to hold at least two board seats as part of the extraordinary general



PAGE 2

TICKER.

Kenyan youth favour mobile money wallets over bank accounts

Kenyan youths are favouring mobile money accounts over banks with nearly half of them not holding traditional bank accounts, a World Bank report shows.

● COMPANIES P.07

KRA misses full-year target by Sh48bn

The Kenya Revenue Authority missed the collection target for the ended financial year to June 30, 2025 by Sh48 billion.

● MARKETS P.14



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DO GREAT THINGS EVERY DAY

58 sacco face auction due to Sh1bn Kuscoco loans

Cont. from p1

← University (Sh106.43 million).

Now, the Commissioner for Co-operative Development, David Obonyo, has issued demand notices to the defaulting sacco, and Kuscoco hopes to use the nearly Sh1 billion to partly settle other co-operatives whose billions of shillings are stuck in the umbrella organisation.

"It has come to the attention of this office that your sacco owes Kuscoco an outstanding loan...The continued failure to meet obligations to Kuscoco as per the loan agreement entered into by both parties has been detrimental given the current status of the union," says the letter dated June 27, 2025.

"You are hereby required to settle the outstanding loan balance with immediate effect. In case full settlement of the said amount is not feasible, a written plan on how you intend to settle this outstanding loan should be submitted to both this office and Kuscoco within 14 days from the date of this letter."

The defaulting sacco will have to forego the Sh368.39 million deposits in Kuscoco and raise additional money to settle the loans or risk surcharges from the commissioner, including freezing their accounts to recover the loan balances.

Sacco with defaulted obligations, such as loans, are also barred from declaring and paying dividends. This could rattle thousands of members in the sacco.

Some top sacco have set aside partial funds or provisions to cover the expected loss of billions of shillings worth of deposits and shares at Kuscoco.

Wrongdoings at Kuscoco include the cooking of books, large-scale theft by executives, bribery, unexplained bank withdrawals and conflict of interest through issuance of contracts to firms owned by top managers and masking the schemes through manipulation of financial statements to report non-existent profits.

In the end, Sh13.3 billion has been lost, the umbrella body of sacco is insolvent to the tune of Sh12.5 billion and part of the Sh24.8 billion it received from 247 sacco as deposits are at risk.

Kuscoco aims to recover at least 70 percent of the Sh8.8 billion principal amount that sacco had invested in the umbrella entity within the next three years.

Recovering the amount, about Sh6.2 billion, is among the targets set for the nine-member board that was installed in May to steady Kuscoco after theft and mismanagement.

Other top defaulters are Stegro



(Sh68.58 million), Umowa (Sh49.07 million), Kakamega County Maendeleo (Sh44.93 million), Sonyga (Sh43.79 million), Migori Teachers (Sh35.76 million), Malindi Biashara (Sh35.05 million) and Lamu Teachers (Sh23.92 million).

Sacco from the western part of Kenya top the list with Sh325.04 million defaults, followed by Rift Valley (Sh95.82 million), Mount Kenya (Sh80.42 million) and Coast (Sh77.36 million).

The rot has left Kuscoco with assets of Sh5.2 billion against liabilities of Sh17.7 billion, sinking it into Sh12.5 billion insolvency for an organisation that operated without a regulatory watchdog.

A forensic audit by consultancy firm PricewaterhouseCoopers (PwC) revealed the cooking of the books and theft.

The audit retrieved the trove of incriminating information from e-mails, computer logs, M-Pesa statements and documents of at least 23 top managers at Kuscoco in a review that placed eight executives in the spotlight, including then managing director George Ototo, finance manager George Owino and chairman George Magutu.

The PwC audit unearthed the cooking of financial books to the tune of Sh9.3 billion following understatement of costs like commissions and interest expenses and overstating incomes—a scheme which saw Kuscoco book phantom profits.

The audit found that between 2018 and 2023, Sh206 million may have been stolen through withdrawals from the Kuscoco Sacco savings bank

account in the name of replenishing cash at Kuscoco Fosa branches.

Records unearthed by PwC indicated false entries of commissions of up to 3.0 percent. As a result, the executives withdrew Sh1.6 billion, but paid out Sh1.1 billion.

Mr Ototo, Mr Magutu and Mr Owino have since been charged with theft, uttering false documents and money laundering.

In addition to loan recoveries, Kuscoco is now auctioning houses and land held by defaulters of mortgages issued under its housing subsidiary.

It is also looking for an investor to buy a 60 percent stake in its insurance subsidiary called Kuscoco Mutual Assurance.

The land and houses are located in different parts of the country, including Kitengela, Kiserian, Kajicho, Nyayo Estate, Kisumu, Thika, Machakos, Webuye, Bungoma, Kisumu, Lukenya and Syokimau. The Kitengela houses are going for Sh9.5 million, according to auction details.

Kuscoco had paid Sh132.22 million to small sacco as of February, being the principal amount they had put in the union.

The move was aimed at averting the collapse of the sacco, which had put most of their members' deposits in the union for a return.

Kuscoco has sold over 32 vehicles and continues to liquidate other non-core assets in the recovery plan. It has also trimmed its workforce to 87 from 246 and closed the branches it had in Kitengela, Thika, Nyeri, Meru, Eldoret, Kericho, Kisii and Kisumu.

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NSE and stockbrokers call a truce in CEO ouster bid

Cont. from p1

← meeting (EGM) agenda.

They wanted Nancy Noreh, a manager at Sterling Capital, to occupy the vacant seat left by the resignation of Paul Mwai, a representative of the brokers.

Kasib also pushed for Tom Mulwa, the managing director of Liaison Group, to occupy the seat of independent director left vacant by the exit of private equity (PE) guru, Michael Turner.

The brokers, who own 20 percent of the exchange, took issue with Mr Mwiti's leadership style and accused him of making material decisions without the board's knowledge and withholding information from stakeholders.

"Both sides don't want to disrupt the market. The dispute was never about the strategy but was more about the relationship between players," said the director acting for brokers who sought anonymity.

"We are finalising how the issues we raised in the letter can be resolved and have reduced the pressure we put on the exchange. We have had a positive response from all the concerned parties."

The strategic plan was made public and shared with members of Kasib, who had accused the NSE management of keeping it a secret and not offering brokers a chance to review it.

Mr Kitony said brokers have frozen the bid to oust the CEO amid fears a board spat could claw back the gains the Nairobi bourse has made this year from share appreciation.

The worth of shares at the NSE has gained 28 percent since the start of the year to close trading at Sh2.48 trillion.

The brokers had accused Mr Mwiti of pushing for the direct share sales that bypass stockbrokers and allow the exchange to earn transaction charges from traders and deny traders brokerage commissions, which ran up to Sh1.9 billion in the year to December.

They said the recent public messaging from the bourse suggested that investors may buy and sell shares directly at the exchange without going through licensed brokers, arguing that the move is in breach of the Capital Markets Act, 2023 and the NSE direct market access guidelines.

A stockbroker said the matter remained unsettled and under review, given it has not been made public.

Mr Mwiti was appointed NSE chief executive in May last year from Ernst & Young where he served as a Partner and as the Eastern Africa Markets Leader.

The articles of association of the NSE provide for the procedure of ousting directors who sit on the board, including executives like the CEO.

Security	Bid Quantity	Bid Price	Ask Quantity
CIC	2300	4.45	2830
FAHR	2300	8.80	
KCB	18600	43.00	700
KNRE	25300	16.30	1
SCOM	49500	27.75	22
KDC	2200	32.50	14
BBK	100	11.15	6

Select NSE shareholders

	Stake
Nyaga Stock Brokers Ltd.	2.69%
Discount Securities Ltd.	2.69%
ABC Capital Ltd.	2.69%
Sterling Capital Ltd.	2.69%
Kingdom Securities Ltd.	2.69%
Renaissance Capital (K) Ltd.	2.69%
Dyer & Blair Investment Bank Ltd.	1.65%
NCBA Investment Bank Ltd.	1.34%
Source:NSE	
The brokers own 20 percent of the exchange	

The CEO will be fired if all the directors call for his resignation.

The NSE currently has eight directors, including six who are non-executive: Donald Waguny, who is also the chairman of Kasib, Risper Alaro, Stephen Chege, Caroline Kariuki, John Niepold and Isis Nyong'o.

NSE vice-chairman Paul Mwai was a non-executive director representing trading participants and retired from the board at the AGM and did not offer himself for re-election.

His exit and that of Mr Turner prompted vacancies that were the subject of the fights at the NSE.

"Trading participants insist on their right to maintain at least two representatives on the board," said Kasib in the protest letter sent to the NSE on May 29.

"Ms Noreh nomination supports continuity and ensures that trading participants' views and expertise remain well represented in the board."

Before the 2014 IPO, the bourse was a mutual company held by brokers.

Presently, a foreign fund for a family and an overseas pension scheme are the top owners with a combined 23.82 percent stake.

The Treasury has a 3.35 percent stake, with eight stockbrokers directly owning between 1.34 percent and 2.69 percent.

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RADAR.

Open borders: Great strides, but long way to go for EAC

Key constraint in the cross-border mobility in the region is political and security instability, which holds back social and economic development

ANALYSIS
ALAN
HIRSCH

It's not uncommon to find a Ugandan taxi driver in Rwanda's capital, Kigali, just as one regularly meets Zimbabwean Uber drivers in South Africa. But there is a big difference. A Ugandan working in Rwanda most likely has a secure legal right to be there, whereas Zimbabweans working in South Africa are often uncertain of their current or future legality.

East Africa has made greater strides towards the free flow of people crossing borders and seeking work than most of Africa. Only the Economic Community of West African States (Ecowas) is in the same league.

While the African Union's Free Movement of Persons protocol has faltered at a continental level, some of the regional economic communities have made progress. The Southern African Development Community (SADC) allows visa-free travel across almost all its borders.

Ecowas and the East African Community (EAC) have driven ambitiously towards regional common markets including the freeing up of job-seeking, residential settlement and business development across the borders of member states.

The New South Institute, a think-tank focused on governance reforms in the global south, is nearing the end of a research programme on migration governance reform in Africa. Our new report is on East Africa.

We have found that unlike much of the global north, the African continent is moving towards more open borders for people. In some of the global south the promise of economic growth outweighs political fears. Yet progress is slow, and not coordinated. Mostly migration reform happens in regions and between neighbours.

The progress in the EAC is particularly notable compared with other African regional communities. We identify a number of reasons for this, including strong leadership and co-operation between state and non-state actors.

The EAC adopted its Common Market Protocol in 2010. The bloc is made up of Tanzania, Uganda, Kenya, Rwanda, Burundi, South Sudan, the



Passengers at Jomo Kenyatta International Airport, Nairobi. Kenya, Uganda and Rwanda allow cross-border movement of citizens with standardised identity document.

DRC and Somalia. The regional body's common market pact includes the movement of goods, services, capital and people.

It gives people the right – on paper at least – to find employment across borders, the right to reside and the right to establish a business. There is also a commitment to the harmonisation and mutual recognition of academic and professional qualifications and labour policies to ease mobility.

Even before the common market protocol, the regional bloc began to establish one-stop border posts on many of its internal borders to facilitate the flow of goods and people. Though they don't all operate the same way or equally well, they have been successful at easing movement.

The common market's impact on the movement of people has been uneven within the region. Most integrated are Uganda, Kenya and Rwanda, which allow the cross-border movement of citizens with standardised identity documents – they do not need passports. It is also relatively easy to get jobs across these borders.

Tanzania and Burundi are close to the inner circle but still require passports, though no visas. The three states which joined more recently, South Sudan, the DRC and Somalia, are all fragile states with governance systems that do not always meet the

standards needed for acceptance into all the privileges of the regional bloc.

In practice, there is differential treatment. Generally, it is more difficult for citizens of the three late-comers to get regular access and jobs in their regional partners.

Another limitation when it comes to the mobility of people is that little progress has been made in the formal harmonisation of education, health and social welfare systems between member states. This inhibits job seeking across borders. In addition, national labour laws, which tend to require permits for foreigners, still apply to varying degrees in the region. Some countries are more permissive. For example, Kenya, Uganda and Rwanda have a reciprocal no-fee work permit agreement.

Another shortcoming has been that the outcomes of court processes in enforcing the freedom of movement have been disappointing. This is so even though the regional bloc has an active East African Court of Justice. Its legal mandate includes the enforcement of the bloc's treaty and protocols.

In some cases, the court has found that national actions inhibiting the movement of persons were trumped by the regional protocol. It has instructed the errant governments to comply. But its ability to enforce the decisions is minimal.

'East Africa has made greater strides towards the free flow of people crossing borders and seeking work than most of Africa.'

Leadership has been important. The fact that the strongest economy in the region, Kenya, has been part of the leading echelon is significant. Rwanda and Uganda have led by example too. Rwanda was one of the first countries on the continent to offer visa-free entry to all other African countries. For its part, Uganda is widely admired for its refugee inclusion programmes.

Another factor outlined in our report has been the opportunity for collaboration fostered by relationships between formal institutions, such as governments and non-state actors such as the International Organisation for Migration. Interactions between these various players have created opportunities for offi-

cial and policymakers from states of the region to meet, discuss issues of concern, and develop relationships of trust and understanding.

Another non-state donor-funded actor, TradeMark Africa, which was established in 2010 to support in the implementation of the common market in East Africa, provided considerable support. It supported the implementation of the regional One-Stop Border Post programme.

Based on our report we identified changes that could make a positive difference. Firstly, the development of reliable, harmonised systems in the region to collect and manage data on population mobility and employment. This would build confidence that policy was being made on the basis of reliable information.

Secondly, reducing friction in cross-border monetary transactions, including migrants' remittances. This would make it easier for migrants to send some of their income to their countries of origin.

Thirdly, improvements to population registers, identity documents, passports and cross-border migration management systems. Improvements would build mutual trust in the integrity of systems and pave the way for further commitments to lowering migration barriers.

Fourth, cooperation on cross-border access to social services such as health and education. This is one of the most important intermediate steps towards freeing up mobility for the citizens of the region.

Fifth, reconsidering some of the amendments made to weaken the East African Court of Justice in 2007. This would strengthen the de jure powers of the court.

Ultimately, the key constraint in the region is political and security instability, which holds back social and economic development. Nevertheless, incremental progress on mobility is possible despite issues in the fragile states, even though it may result in asymmetric progress within the EAC.

Alan Hirsch is Senior Research Fellow New South Institute, Emeritus Professor at The Nelson Mandela School of Public Governance, University of Cape Town.
The Conversation

Taxation.

Treasury nets dodgy ship owners with upfront tax rule

Allan Odhiambo

Taxes on the gains or profits by non-resident ship owners or charterers are now deducted at source by their customers in Kenya, in a key shift by the Treasury aimed at sealing revenue leaks and boosting cash flow.

The Finance Act 2025 has amended the Income Tax Act and shifted the burden of deducting tax on the gains and profits by non-resident ship owners to their customers in Kenya, who rented their services for a specific period or voyage.

"Section 35 of the Income Tax is amended.... by inserting the following new paragraph immediately after paragraph (t)—(u) gains or profits which are chargeable to tax under section 9(1) derived from the business of a ship owner or charterer," the Finance Act 2025 said.

Previously, non-resident ship owners or charterers were required to account for and pay tax in Kenya at the rate of 2.5 percent of the gross amounts received from embarkment of cargo in Kenya—the process of loading cargo onto a vessel for transportation to export markets. However, there were concerns that some non-resident shippers are less likely to under-report their income or avoid filing tax returns altogether.

Under the new arrangement, the Kenya-based customers who engage the non-resident ship owners are required to impose a 2.5 percent withholding tax (WHT) on the gross amount payable as an upfront deduction.

WHT is a retention tax, whereby the party paying for income from services rendered is responsible for de-



ducting tax at source from payments made and remitting the deducted tax to the Kenya Revenue Authority (KRA) on or before the 20th of the following month. Imports into Kenya and trans-shipment cargo are exempt from the WHT rule. The rate of WHT also varies, especially for nations with double-tax treaties with Kenya.

Container shipping company, Maersk, said that this amendment places a WHT obligation on Kenyan customers making freight (shipping) payments for exports from the country and Detention and Demurrage (DnD) charges to non-resident shipping companies. DnD charges are fees imposed by shipping lines or terminal operators when containers are held beyond the agreed-upon free time.

"Therefore, under the new law: Customers are required to withhold tax when making payments to Maersk A/S, irrespective of the bank account used and No WHT should be withheld against Maersk Kenya Ltd, as it is not the recipient of the shipping income nor the service provider" Maersk said in a July 10, 2025 note to its customers.

WHT is popularly used in Kenya because it boosts government cash flows as an advance tax payment. It also allows income derived from the country to be taxed automatically thus limiting potential for evasion.

Kenya is a major hub for non-resident ship owners and charterers who utilise the Mombasa port as a hub to service the domestic and regional supply chains.

The Mombasa port, which is the largest in East Africa and the region's trade gateway, handles imports of fuel and consumer goods and exports of tea and coffee from Kenya as well as landlocked neighbours, such as Uganda, Rwanda, the Democratic Republic of Congo, and South Sudan.

Latest data by the Kenya Ports Authority (KPA) shows that the volume of cargo handled through the Mombasa port grew by 8.1 percent in the first six months of 2025, boosted by upgrades of cargo-handling infrastructure, which improved the turnaround time for ships.

The port handled 21.3 million tonnes of cargo between January and June 2025, up from 19.7 million tonnes in a similar period in 2024, despite supply chain hiccups, including disruptive attacks by the Houthis rebel group on the Red Sea route.

The port handled 1,012,949 twenty-foot equivalent units (TEUs) of container traffic, up from 948,983 TEUs in a similar period of the previous year, representing a 6.7 percent growth.

KPA said that both imports and exports experienced significant growth, with imports increasing by 48,793 TEUs (13.4 percent) and exports rising by 50,572 TEUs (14.4 percent).

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Audit.

Why governors oppose audit of bursaries scheme in six select counties

Winnie Atieno

The Council of Governors (CoG) has opposed a planned performance audit by the Office of the Auditor-General targeting bursaries, scholarships, and early childhood development education (ECDE) services in six counties.

Led by the chairperson Ahmed Abdullahi, who is also the Governor of Wajir, the CoG criticised the audit as being outside the constitutional and statutory timelines outlined in Article 229 of the Constitution and Section 36 of the Public Audit Act. The council also questioned the criteria used to select the six counties, terming the process opaque and lacking in transparency.

"There has been politicisation of the bursaries matter. I do not know who is so determined to ensure counties are barred from giving out bursaries. Why select the six counties? Why audit the last four years?" asked the Wajir Governor.

He said the Auditor General wants to audit bursaries which date back to the year 2021 yet some of the governors were not in office.

Mr Abdullahi said the Auditor General ought to have discussed with the county bosses before they are done questioning its aim. The chairperson said the audit was conceptualised without any engagement with the Council of Governors nor the affected counties.

"This results in a process that lacks critical input for a comprehensive and context-specific audit in a devolved system. The criteria for selection of the counties under review remain unexplained and therefore opaque," said Mr Abdullahi.



Council of Governors chairman Ahmed Abdullahi.

The CoG said devolved units have already been audited for the said financial years and any repeat exercise risks being prejudicial and duplicative.

"Any audit exercise that is not anchored in the legal framework including those initiated outside the timelines prescribed under Article 229 of the Constitution and the Public Audit Act is irregular, unconstitutional, and therefore null and void," he added.

The chairperson urged the Auditor General to conduct performance audits within legal parameters, and within prescribed timelines.

"You must uphold the rule of law and mutual institutional respect is essential to maintaining the integrity of the audit process and safeguarding the principles of devolution. The CoG remains fully committed to accountability, transparency and responsible governance in service delivery," said Mr Abdullahi.

"As a council, we stand firmly with the Constitution and the law, which states that audits must be conducted within six months of the end of the financial year. Unfortunately, we've received word that about six counties are now being targeted for re-audit," said CoG vice chairperson and Nyeri Governor Mutahi Kahiga.

Court.

Agency gets nod to seize assets linked to woman in Qatar jobs scam

Sam Kiplagat

The High Court has allowed a State agency to seize luxury vehicles and properties linked to a businesswoman accused of defrauding hundreds of youths through a fake Qatar jobs scheme.

The two high-end vehicles, an apartment in Athi River and a four-storey building in Eldoret town are linked to Judy Jepchirchir who is suspected

of defrauding hundreds of youths of millions of shillings through promises of non-existent jobs in Qatar.

The Assets Recovery Agency (ARA) stated in court documents that over 1,000 youths were defrauded of more than Sh200 million under the pretence of securing employment opportunities ahead of the 2022 FIFA World Cup in Qatar and other lucrative jobs abroad.

Justice Lucy Njuguna directed the businesswoman to surrender the

logbooks of the two motor vehicles to ARA, failure to which the agency would seize them.

The court also prohibited Jepchirchir from selling, transferring or disposing of the Eldoret building and the Athi River apartment. The judge ordered her to surrender the logbooks within 14 days of the ruling.

"In the event she fails to surrender them, the agency is at liberty to seize, detain, and take custody of the

said motor vehicles," said the judge.

Additionally, the court directed the Director General of the National Transport and Safety Authority to register a caveat against each of the motor vehicles.

The agency said it was investigating Jepchirchir and her companies for suspected cases of obtaining money by false pretenses and money laundering and is working to trace the proceeds of the alleged crimes.

Her company—First Choice Recruitment and Consultancy Ltd—was allegedly used to solicit funds from young Kenyans under the false promise of securing employment in foreign countries, including Qatar, ahead of the 2022 World Cup.

The agency estimates the building's rental income to be between Sh22,000 and Sh25,000 per unit, potentially generating Sh289,000 per month.

Taxation.

KRA nets Sh1.1bn digital tax revenue in 21 months

Julians Amboko

The Kenya Revenue Authority (KRA) collected Sh1.1 billion from taxes on digital asset transactions between September 2023 and June 2025, new disclosures show.

The revenue collection from digital taxes between September 1, 2023 and June 30, 2025 means that the KRA handled an estimated Sh36.1 billion worth of asset transactions over the 21 months, going by the 3.0 percent tax rate on such assets between September 2023 and June 2025.

The Income Tax Act describes digital assets as anything of value that is not tangible, including cryptocurrencies as well as non-fungible tokens, which are unique cryptographic tokens that cannot be copied and can represent ownership of digital collectibles or real-world assets, such as artworks.

The digital tax was introduced on September 1, 2023, through the Finance Act 2023 and set at a rate of 3 percent. However, the Finance Act 2025, which took effect on July 1, 2025, has since repealed the rate and chopped it to 1.5 percent.

"A tax to be known as the Digital Asset Tax shall be payable by a person



on income derived from the transfer or exchange of digital assets. The owner of a platform or the person who facilitates the exchange or transfer of a digital asset shall deduct the Digital Asset Tax and remit it to the Commissioner", the now-repealed Section 12F of the Income Tax Act provided.

The tax was introduced in the wake of efforts by the government to net the growing activity in the country around the pool of digital assets.

Kenya has witnessed a solid interest in digital assets, with the number of cryptocurrency users in the country

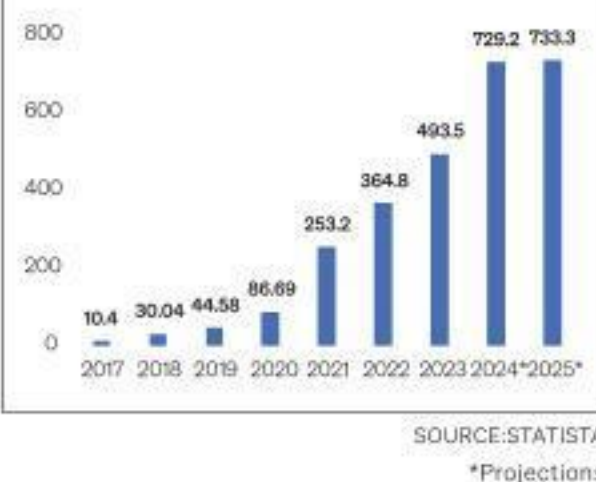
expected to grow to 733,300 in 2025, up from 10,400 eight years ago in 2017, according to projections by German data firm Statista.

Data by KRA further estimates that between 2021 and 2022, Kenya's cryptocurrency market transacted about Sh2.4 trillion, representing close to 20 percent of the country's economic output.

The Finance Bill 2025 had proposed to halve the Digital Assets Tax rate from 3 percent to 1.5 percent before an amendment was moved on the floor of the House to do away with

Kenya's cryptocurrencies users ('000)

Kenya has witnessed a solid interest in digital assets, with the number of cryptocurrency users in the country expected to grow to 733,300 in 2025, up from 10,400 in 2017



the tax entirely, citing poor architecture in the tax.

In the place of the Digital Assets Tax, the Finance Act 2025 now provides for a 10 percent Excise Duty rate on the fees imposed on digital assets transactions in the country, effective July 1, 2025.

The second schedule of the Excise Duty Act has since been amended to insert a new paragraph capturing fees charged on virtual assets transactions at a rate of 10 percent in excise duty.

"When you make a transfer of digital assets, the law provides that you pay tax on the transaction amount.

It is the equivalent of being taxed for depositing money in a bank. We are changing this to the fees that the service provider will charge when one trades using digital assets", National Assembly Finance and Planning Chairperson, Kuria Kimani, told the House when moving the amendment to repeal Digital Assets Tax on June 18th.

According to official data, 10 million Kenyans held one form of a Digital Asset as at the close of 2024, with significant growth in trading involving cryptocurrencies.

The amendment repealing the Digital Assets Tax and replacing it with a 10 percent Excise Duty rate on Digital Assets transactions has been followed in quick succession with the Virtual Assets Services Providers Bill of 2025, which is part of the measures being put in place to tighten the leash on money laundering in the country.

Among the requirements to pull Kenya out of the current grey listing by the Financial Action Taskforce is that legislation be put in place overseeing Digital Assets Providers, owing to the rapid growth of uptake and transactions in Cryptocurrency in the local market.

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Expenditure.

Recurrent spending exceeds estimates by Sh135 billion

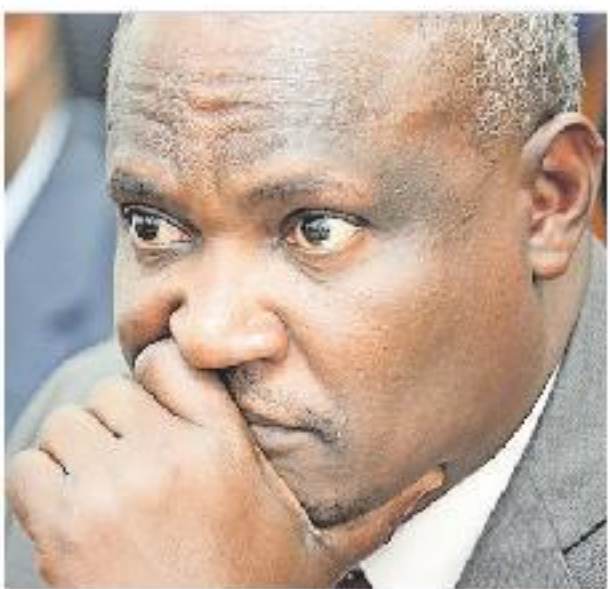
Constant Munda

The government's recurrent expenditure surpassed initial estimates for the year ended June 30, 2025 by Sh134.72 billion despite President William Ruto's pledge to cut costs in the wake of the collapsed Finance Bill 2024.

Data published by Treasury Cabinet Secretary John Mbadi shows day-to-day expenditure on items such as remuneration of staff, operations and maintenance, as well as administration, amounted to Sh1.44 trillion compared with Sh1.3 trillion estimates following the first review of the budget.

The estimates, which exclude priority items like public debt service and pensions, grew 10.30 percent following two further reviews in February and June.

State House and Office of the President at Harambee House, Deputy President Kithure Kindiki's office, State Department for Internal Security and National Administration, Na-



Treasury Cabinet Secretary John Mbadi.

tional Intelligence Service, and National Police Service were amongst the main drivers of the recurrent expenditures last financial year.

The State House failed to adhere to austerities announced by Dr Ruto after spending a record Sh11.64 billion, a jump of 170.38 percent over the Sh4.31 billion estimates passed by lawmakers in the wake of the fall of the tax bill.

Spending at Dr Ruto's office at Ha-

rambee House, on the other hand, increased 27.01 percent to Sh4.55 billion from Sh3.58 billion estimated last August.

Thousands of youthful demonstrators poured onto the streets of Kenya's major towns across the country from late June to July last year to protest additional taxation amidst the elevated cost of living and a general lack of decent job opportunities.

The anti-government protesters also cited poor governance and alleged embedded corruption in government as reasons for social unrest, which left at least 60 civilians dead.

The countrywide protests, largely organised by youth on social media, prompted President Ruto to drop the Finance Bill 2024 and form a broad-based government, which has included five members of the main opposition party, ODM.

The reorganisation of the government, which saw all ministers but one sacked and nine re-appointed to the Cabinet, led to the impeachment of

Rigathi Gachagua as Deputy President last October.

The Treasury data shows the recurrent spending by the Office of the Deputy President amounted to Sh3.21 billion at the end of June, 23.91 percent more than the Sh2.59 billion estimated in August last year.

The Interior department spent Sh36.81 billion in the review period, 32.73 percent more than the Sh27.73 billion estimate.

The National Intelligence Service's recurrent expenses amounted to Sh58.65 billion, 26.54 percent more than estimates after the fall of the finance bill, while the National Police Service's stood at Sh115.30 billion, a 6.13 percent rise.

The growth in recurrent budget appeared to go against the austerities announced by Dr Ruto at the beginning of the last financial year, with the review that followed promising to only shield essential expenditure in the Agriculture, Health, and Education sectors from brutal cuts.

"While it could be prudent to reduce expenditures by the amount equivalent to the anticipated revenue shortfall of Sh344.3 billion, this was not tenable given the delicate balance between austerity measures and cushioning the livelihoods of the people and the economy," read a brief in the Supplementary Appropriations Bill 2024.

Some of the austerities included the removal of budgets for the offices of the First and Second ladies, as well as confidential expenditures for the State House and all public offices.

The President also suspended the purchase of new high-end cars, whose cost can top Sh30 million per unit, for the first six months and halved the number of government advisers.

These were among the raft of measures announced by Dr Ruto at State House, Nairobi, on July 5 last year, following youth-led protests against increased tax measures.

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Logistics.

Judge extends order halting Joho firm's cargo handling monopoly

Joseph Wangui

The High Court has extended an interim order directing the Kenyan government to halt the monopoly of a firm associated with the family of Cabinet Secretary (CS) Hassan Joho for handling cargo destined for South Sudan.

This comes even as the firm, Autoport CFS, applied to join the court case as an interested party to defend its business stakes.

The case was filed last week by shipping company Compact Freight Systems Ltd, Mombasa, seeking to compel the State to implement the decision of South Sudan's government to end Joho's firm's majority control of the cargo-shipping business for goods going to the neighbouring country.

It named the CS, the Ministry of Roads and Transport, the Attorney

General, and the Kenya Ports Authority (KPA), respectively, as the respondents.

However, Autoport, through lawyer Paul Mbuti, yesterday indicated to the court that it has an identifiable stake and legal interest in the dispute.

"My client has filed an application as an interested party and served all parties. I am requesting that the application be considered. My client is substantially affected by the proceedings," the lawyer told the court.

Justice Francis Gikonyo ordered Compact Freight and the respondents to respond to the application within 14 days. He also extended the interim order to December 8, when the case is scheduled for mention to confirm compliance and for further directions.

The order, directed to KPA and Transport CS Davis Chirchir, is for the

Juba cargo handling allocation

	Cargo share
Compact Freight Systems	30%
LPC Global Logistics	20%
Autoport Freight Terminal	20%
Compact FTZ	20%
Precision Container Freight	10%
Joho's Autoport has share cut from 80 percent	
SOURCE: MINISTRY OF TRANSPORT, SOUTH SUDAN	

suspension of all allocations of cargo handling ratios that are contrary to the wishes of the South Sudan government as contained in an official letter dated June 16.

The case is pegged on the implementation of the letter, which directed Mr Chirchir to distribute the cargo handling business to five companies.

The neighbouring country wrote

to Mr Chirchir on June 16, stating that it had assigned Autoport a 20 percent stake of all seaborne cargo destined for the country, down from 80 percent. The letter also indicated that Compact Freight had been given the majority share of 30 percent, an increase from 20 percent in the earlier arrangement.

The remaining slots were distributed to three other shipping companies - LPC Global Logistics Ltd (20 percent), Compact FTZ Ltd Development (20 percent), and Precision Container Freight Station (10 percent).

In the letter signed by the country's Minister of Transport Lam Akol Ajawin, the neighbouring government said it had abandoned the previous arrangement, where Autoport used to control 80 percent of all cargo while the remaining 20 percent was owned by Compact Freight.

Dispute.

Court halts Kiambu EPZ plan after locals raise concern

Joseph Wangui

A court has halted the government's plan to establish an export processing zone (EPZ) in Kiambu County to boost regional development, create jobs and attract foreign investment.

The Environment and Lands Court suspended the project, which was to be set up on a 324.5-acre piece of land surrendered by Del Monte in Thika East Sub-County, following concerns by residents that the government had not involved them.

The residents accused the government of failing to undertake public participation on the proposed project that would sit on land that hosts four water towers, amid risks of contamination due to industrial waste disposal.

Justice Jacqueline Mogeni issued the conservatory order following an application by the residents under the auspices of Gatunyaga Residents Association.

The judge found that the residents have a strong case against the government with high chances of success.

The court noted that the government was yet to conduct an Environmental Impact Assessment and the residents were concerned about protection of the water resources. The court said this could not be ignored.

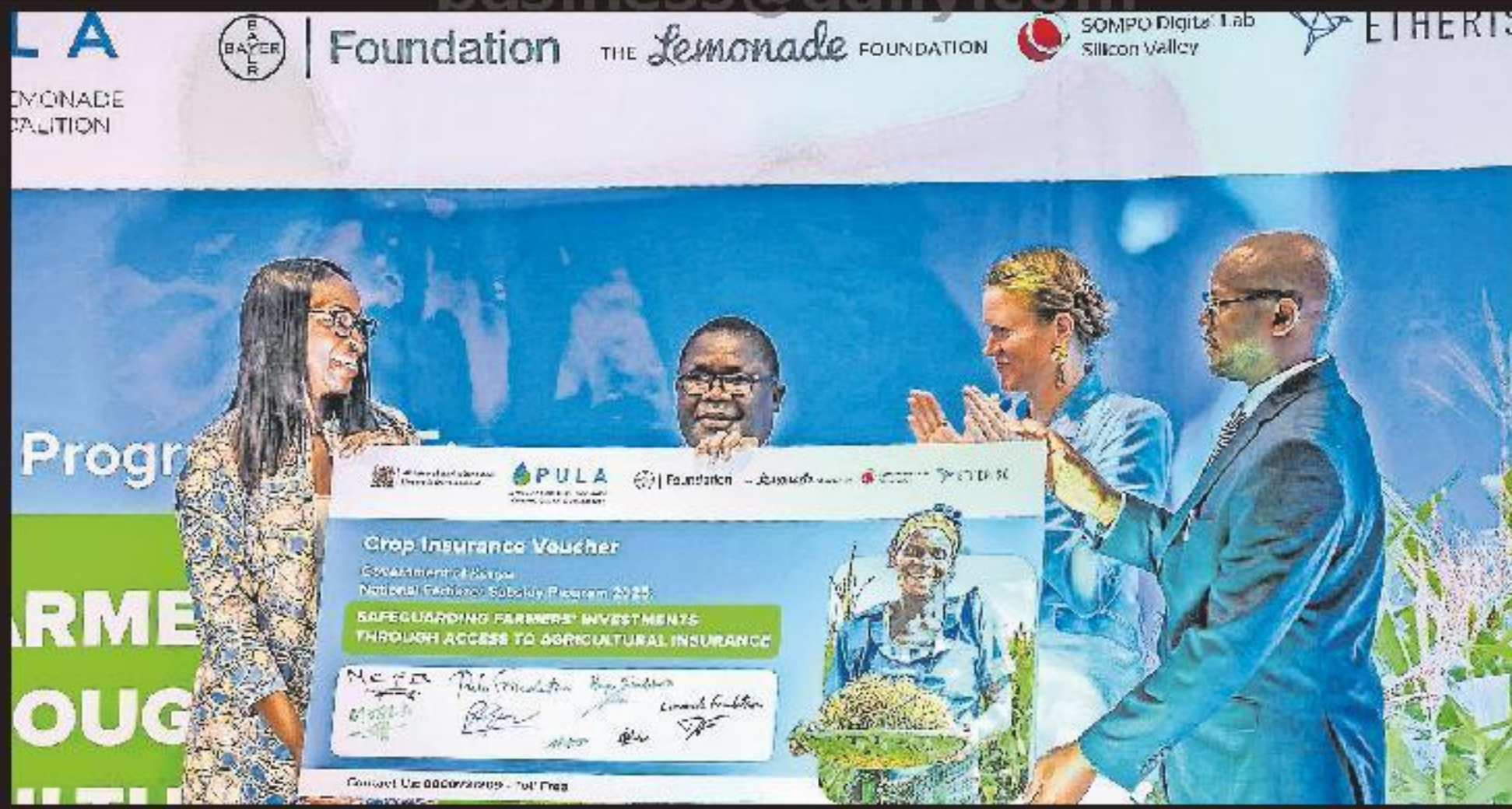
"Waiting for scientific proof regarding the impact of the project could result in irreversible damage to the environment and in human suffering. The short-term economic stagnation that may result due to the conservatory orders of this court does not outweigh the environmental imperatives of the project," said Justice Mogeni.

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Fertiliser insurance programme launched

From left: Bayer Head of Public Affairs, Science and Sustainability Africa Mildred Nadah, Ministry of Agriculture Director Agricultural Data and Statistics Tom Dienya, Pula President Rose Goslinga and National Cereals and Produce Board Managing Director Samuel Ndung'u during the launch of a fertiliser insurance programme aimed at cushioning smallholder farmers against climate-related risks at Radisson Blu, Nairobi yesterday.

LUCY WANJIRU



Audit.

NTSA on the spot over unprinted Sh176m smart driving licences

Vincent Owino

The National Transport and Safety Authority (NTSA) is on the spot over the slow uptake of smart driving licences (DLs), with 572,674 cards worth Sh176 million remaining unprinted years after delivery, risking loss of taxpayer funds.

Auditor-General Nancy Gathungu has revealed that as of June 2024, NTSA had only printed 1,637,930 smart

DLs, despite the National Bank of Kenya (NBK), which was contracted to supply the cards, having delivered more than 4 million.

Smart cards use embedded chips similar to those in ATM cards, which degrade over time and lose validity. This means the unprinted smart DLs lying unused at NTSA could soon become obsolete.

Experts estimate that smart cards —printed or unprinted—typically

expire within five to 10 years, which is why technologies like ATM cards and electronic IDs carry expiry periods in that range. The new generation cards, which expire after every three years, cost drivers Sh3,050.

"Review of the project status as at June 30, 2024 revealed that 1,637,930 or 33 percent of total contracted cards had been printed since inception, an indication of very low performance," said Ms Gathungu in the audit report

of NTSA's books for the year to June 2024.

Audit reports are typically published with a time lag, and developments during the 2024/25 financial year may not yet be reflected.

NTSA signed a Sh2 billion contract with NBK in 2017 to supply, install and maintain five million second-generation smart DLs, with an initial target of printing all cards within three years.

But seven years later, the authority

has printed less than half that target, even though NBK has delivered nearly all the cards, some of which were returned and some now lie idle and risk expiry.

This implies that over 60 percent of the estimated five million registered drivers in Kenya are yet to receive the new generation licences, and may be driving without valid documents.

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Banking

Kenyan youth favour mobile money wallets over banks

Disclosure puts pressure on banks to structure products that will lure the young adults to them

**SURVEY
GEORGE
NGIGI**

Kenyan youths are favouring mobile money accounts over banks, with nearly half of them not holding traditional bank accounts, a World Bank report shows.

Forty-nine percent of youths have only a mobile account compared to 42 percent of older adults in Kenya as per The Global Findex Database published by World Bank.

The disclosure puts pressure on banks and similar financial institutions to structure products that will lure the young adults to them.

"In Kenya, 48 percent of older adults have an account at a bank or similar financial institution, compared with 41 percent of younger adults, for an age gap of 7 percentage points," reads the report.

"Meanwhile, just 42 percent of older adults have only a mobile money account, compared with 49 percent of younger adults, for a similar age gap of 7 percentage points, but in the other direction," it adds.

Mobile money accounts are popular because of access and ease of use. The report found that 80 percent of adults receiving private sector wages do so digitally underscoring the entrenchment of mobile money.

This resulted in an increase in the number of people holding their savings in mobile money accounts and a shrinking in those in banks or similar institutions which include Saccos and microfinance institutions.

Data from Global Findex Database showed the number of people exclusively using mobile money accounts to hold their savings had increased to 32 percent in 2024 from approximately 22 percent in 2021, as the number of those who exclusively saved with banks shrunk to an estimated 4 percent from eight percent over the same period.

Mobile money providers have developed products that offer interest to users who use their platforms for savings.



The use of mobile money to receive payment and save cash has resulted in increased use of digital borrowing platforms who hold the financial history of the users.

"In Kenya, the region's pioneer in

49

Percentage of youths who only have a mobile account

mobile money, 32 percent of adults—or 86 percent of formal borrowers—borrowed from their mobile money providers, including 25 percent of adults who borrowed only in this way," reads the report.

Men however have a higher appetite for borrowing with the gap between men and women borrowers being 16 percentage points. School fees were identified as the main worry for men while women borrowing was largely driven by business expenses.

Kenyan banks have continued

to report an increase in deposit accounts with the industry stating it had 94.6 million deposit accounts at the end of 2023. Both banks and mobile money platforms have more customers than the adult population due to people having multiple accounts.

Kenya has been a global trendsetter in use of mobile money transforming its economy away from cash reliance. Digital money has become an accepted mode of payment across all industries resulting in increased holding of disposable money in mobile accounts to facilitate payments.

Criminals have sought to capitalize on the increased use of mobile money by sending scam messages to more than half of phone users in the country. However most of those targeted by scammers do not fall for their lies with only two percent disclosing they sent money to the scammers.

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Manufacturing. |

Ndovu cement maker joins clinker race amid rising import costs

Dominic Omondi

The makers of Ndovu Cement are the latest to venture into clinker production after receiving regulatory approval, as local manufacturers adapt to a new reality marked by punitive taxes on imported inputs.

The Kitengela-based Karsan Ramji & Sons Limited, the firm behind Ndovu Cement, plans to set up a 600 tonnes per day (TPD) greenfield clinker plant and an associated limestone quarry in the Mukawa area of Kajia-do County, according to regulatory filings dated June 2025.

TPD is a unit measuring the daily processing capacity of a plant.

The project, which has already received a green light from the National Environment Management Authority, will include site offices, a canteen, a first-aid centre, power and water supply systems, a boundary wall and sanitation facilities.

The company says the limestone quarry will ensure a reliable supply of 900 TPD of limestone—an essential raw material in clinker production.

In this case, the proposed facility will crush 900 tonnes of limestone per day to feed a kiln that will produce 600 tonnes of clinker daily.

Clinker is a critical input in cement manufacturing, and local producers are increasingly investing in domestic capacity to cut overreliance on expensive imports after the government introduced a 17.5 percent Export and Investment Promotion Levy on shipments of the raw material.

The levy, introduced in July 2023, was aimed at boosting local production, creating jobs and saving foreign exchange. However, it also led to a drop in cement consumption as retail prices surged.

Imports of clinker have dropped sharply since the country started applying the levy. Meanwhile, the cost of cement has also decreased as cement grinders struggle to secure the input from the few firms with clinker plants.

Cement manufacturers—particularly the smaller ones—have decried the shortage of clinker, despite earlier government assurances of sufficient supply when the levy was introduced in the Finance Act 2023.

Devki Group, which owns National Cement, is currently the largest producer of clinker in Kenya. National Cement is owned by industrialist Narendra Raval.

Karsan, Rai Cement, Bamburi Cement, Savannah Cement, and Riftcot are some of the manufacturers that had mounted a spirited fight against the introduction of the levy, many fearing it was a ploy by Raval to dominate the lucrative clin-

'The limestone quarry will ensure a reliable supply of 900 TPD of limestone—an essential raw material in clinker production.'

Karsan Ramji & Sons Limited

ker market.

Previously, most of these cement makers had opposed an attempt to increase import duty on clinker, instead requesting a grace period of four years, lapsing in 2026, to allow them time to build their own clinker production facilities.

The five players are expected to invest a combined total of \$1 billion (Sh129 billion) in individual clinker projects.

If successful, Karsan Ramji & Sons Limited will join the ranks of major cement producers in Kenya such as Bamburi Cement, East African Portland Cement, National Cement, and Mombasa Cement—all of which operate clinker plants.

The decision by Karsan to build its own clinker plant underscores a growing industry trend aimed at achieving self-sufficiency and controlling production costs.

According to estimates from cement plant equipment suppliers, setting up a 600 TPD greenfield clinker facility like this one would cost between Sh6 billion and Sh15 billion, depending on technology and supporting infrastructure.

Karsan began as a quarry operator in Kitengela, Kilifi, and Nakuru before venturing into cement production in 2015. It started selling Ndovu Cement in June 2015.

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AFRICA.

National Olympic Committee elections

National Olympic Committee of Kenya (NOC-K) Female Athletes' representative Grace Adhiambo Okulo (centre) is congratulated by Rugby legend Humprey Kayange (left) and former Rugby chairman Sasha Mutai during NOC-K elections conducted by the Independent Electoral and Boundaries Commission yesterday at Ole Sereni Hotel. CHRIS OMOLLO



Mining. |

BHP exits Tanzania's \$2.5bn Kabanga nickel mine project

REUTERS

BHP Group has opted to sell its interest in the \$2.5 billion Kabanga nickel project in Tanzania to its partner Lifezone Metals for as much as \$83 million.

The New York Stock Exchange (NYSE)-listed company will acquire BHP's 17 percent equity interest in Kabanga Nickel Limited (KNL), Lifezone said in a filing late on Friday.

The company issued a report on Friday that put development costs for the project at \$2.49 billion. It is expected to produce around 50,000

tonnes of nickel annually once fully ramped up, a process that will take six years including construction. A final investment decision on the project is due next year.

BHP had agreed in 2022 to make an investment of as much as \$100 million in the nickel mine and processing facilities if certain conditions were met.

A BHP spokesperson declined to comment. BHP has shifted its view on nickel on the back of a boom in output from Indonesia in recent years.

Conflict. |

Congo, M23 rebels pledge to reach peace deal next month

REUTERS

Democratic Republic of Congo and the M23 rebel group pledged to sign a peace agreement by August 18, at a ceremony in Doha on Saturday, a sign of progress even as outstanding details need to be negotiated.

Representatives of both sides signed a declaration of principles laying out the new timeline, a copy of which was obtained by *Reuters*, at the ceremony that followed months of Qatari mediation after talks began in April.

The United States, which has

hosted separate talks between the governments of Congo and Rwanda, has exerted pressure to finalise a durable peace deal in Congo.

Last month, the Rwandan and Congolese foreign ministers signed a peace deal and met with US President Donald Trump at the White House, in Washington DC.

Trump at the time invited Congolese President Felix Tshisekedi and Rwandan President Paul Kagame to Washington to sign a package of agreements potentially including economic deals.

Trade. |

Africa looks within to weather growing global tariff turmoil

REUTERS

African leaders are pushing to speed up implementation of a continent-wide deal to boost trade as growing concerns over US tariffs, including rates as high as 50 percent for Lesotho, threaten to decimate industries and hit economic growth.

The African Continental Free Trade Area (AfCFTA) pact designed to unify all 1.4 billion people under Africa's more than 50 nations into a single market, has been legally ratified by 49 countries and officially

launched trading in 2021. But translation into action has been sluggish, with less than half of member states actively trading under the framework.

The World Bank estimates AfCFTA could increase Africa's intra-continental exports by 81 percent and proponents point to last year's 12.4 percent boost in intra-African trade, to \$208 billion, according to Afreximbank figures, as early signs of success.

"We've got to accelerate the establishment of our own value chain

systems. What we are observing now — the weaponisation of trade policy, investment policy, nationalism — is unprecedented and it has a very negative impact on the multilateral trading system," AfCFTA Secretary-General Wamkele Mene told *Reuters*.

"The lesson to observe is that we are on our own as a continent."

US President Donald Trump's return to the White House in January put trade relations centre-stage for policymakers worldwide, with his breathless cycle of punitive tariff policies poised to upend decades of

globalisation and reshape flows of money and goods.

G20 finance chiefs meeting in Durban this week, under South Africa's presidency, have trade high on the agenda. But despite the urgent need to boost African continental trade, accelerating it is beset with challenges.

African Union countries have a combined GDP of \$3 trillion - not far off the size of France's economy, a G7 nation. So far, 24 countries are officially trading under AfCFTA including South Africa and Nigeria.

Economy. |

Zambia sees economic growth picking up to 6.4 percent next year

REUTERS

Economic growth in Zambia is expected to accelerate to 6.4 percent next year from 5.8 percent this year, driven by its mining and agriculture sectors, the Finance ministry said.

The Southern African country's economy is recovering from a severe regional drought, which curbed growth last year after years of protracted debt-restructuring negotiations.

The Finance ministry's medium-term budget plan projected gross domestic product would rise 6.5 percent in 2027 and 5.1 percent in 2028.

The government said it would focus on increasing electricity supply from power sources like solar, given the severe impact the drought had on hydropower generation and productivity in major industries. Production of key export copper is projected to be just over 1 million tonnes next year.

Bilateral. |

Senegalese president visits military sites handed over by France

XINHUA

Senegalese President Bassirou Diomaye Faye on Saturday visited several military sites recently handed over by France, in what the presidency described as "a major step" in the reconfiguration of bilateral military cooperation.

Faye inspected the sites of Ouakam, Bel Air and the Naval base, all now fully under Senegalese sovereignty. The visit aimed to assess the condition of infrastructure related to accommodation, logistics and operations, and evaluate their potential for future use.

"The handover of these facilities, the result of bilateral dialogue based on mutual respect, opens a new era of strategic cooperation focused on training, interoperability and the strengthening of national capacities," the presidency said.

On Thursday, France transferred its last two military installations in Senegal to the Senegalese authorities, marking the end of its permanent military presence in the West African country. The installations include Camp Geille, the largest French military base in Senegal, and the French air detachment at Dakar International Airport.



Intelligence

Evolution of management over the years

Worth noting is the fact that our preferred contemporary management styles did not emerge in this 21st century



Going through my archives, I came across a report from November 1967 produced by Shell that my father Bruno had passed down to me.

At that time he was Shell's Head of Worldwide Management Training, based in London, and this fascinating document must have acted as a powerful guide to him and his colleagues.

What was I up to at that time, now nearly half a century ago? A couple of months earlier I had obtained my undergraduate degree and I had just joined the British computer multinational that 10 years later brought me here.

Here's how Shell's Group Personnel Coordinator (as such folk were called then), H.W. Atcherley, opened his foreword to the report:

"We talk a great deal these days, and necessarily so, about more effective utilisation of manpower. In the course of this dialogue we will probably concede that management knowledge of motivation, attitudes and other factors which influence staff morale, job performance and personal satisfaction lags some way behind knowledge of the technical, financial and other aspects of the business."

He went on to appreciate the increasing role being played by social scientists in building up a body of knowledge about human behaviour and the requirements for organising people to carry out a task. This knowledge was largely unfamiliar within the company, and so they brought in Dr Hollis Peter to design and carry out a survey.

Atcherley then mentioned their reference to Douglas McGregor's in his *The Human Side of Enterprise*, and also to the work of an MIT colleague of McGregor's, Prof Edgar H. Schein. These were the founding gurus of cul-



'They drew up a matrix between managers who focused on tasks versus those who focused on people – where the ideal, of course, is that it should not be either one or the other but both.'

ture in the workplace and of organisational development, and I know they were a great influence on how my father put his management development programmes together.

I was delighted to see reference to one of my favourite frameworks, Blake and Mouton's Management Grid, where they drew up a matrix between managers who focused on tasks versus those who focused on

people – where the ideal of course is that it should not be either one or the other but both.

Survey participants were selected from 25 countries around the world (with over half of them expatriates), and included ones from the head-of-office functions in London and The Hague. The following statements were laid out, for them to agree or disagree with:

1. Leadership skills can be acquired by most people, regardless of their inborn traits and abilities
2. Generally speaking, people prefer to be directed, and wish to avoid responsibility
3. The use of rewards and penalties is not the best way to get subordinates to do their work
4. A good leader should give detailed and complete instructions to his subordinates, rather than depending on their initiative to work out the details
5. If subordinates cannot influence their superiors, then they lose some influence on them
6. Group goal setting offers advantages that cannot be obtained by individual goal setting
7. A superior should give his subordinates only that information that is necessary for them to do their im-

mediate task

8. The superior's authority over his subordinates is primarily economic.

It also identified four different management styles from among which the respondents were invited to select their preferred one: autocratic, paternalistic, consultative and participative. Sounds familiar?

I was introduced to these emerging management theories in an academic context when I was going through my Sloan Masters programme in the mid-70s at the London Business School, and my whole point here – not for the first time in this column – is to provide an objective time-perspective on the evolution of management knowledge over the years.

In particular to stress that whereas it is so commonly assumed that our preferred contemporary styles only emerged in this 21st century, that is clearly not the case – at least not for ahead-of-the-game organisations like Shell.

As I read through the report, I was not surprised to see that explicitly only men were involved, 100 per cent. No mention of women at all. I also noted that computers were just entering the scene, with reference to this emerging technology.

I could write much more about the contents and conclusions of the survey. But suffice it to say that it made a big impact on me, recognising that when I was still in my 20s there were management thinkers and doers, who would have fitted into today's organisations as well as their succeeding generation counterparts.

I hope that what I have selected here makes you also reflect on the development of knowledge flows over time, and on how to get a feel for the relationship between an organisation and its staff.

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Embrace PPP model in education sector

Public education institutions such as universities should embrace public-private partnerships to support expansion and modernisation of facilities in the wake of reducing funding from the government.

Moi Teaching and Referral Hospital's search for a private investor to set up a new college of health sciences to accommodate more students and courses offers a compelling template.

The public-private partnership (PPP) model, if successful, will see the investor construct the facility on a 15-acre piece of land and recoup the investment over a period of 30 years. The proposed new campus will also have an 800-capacity student hostel.

Universities grappling with aging lecture halls and equipment shortages should

explore onboarding private partners. Technical training centres—critical for the country's industrial ambitions—should mobilise PPPs to expand capacity and infrastructure.

Tapping private investment for infrastructure development presents a solid alternative to fund development budget, given the soaring number of students amid tightening public coffers.

The model will allow public institutions to gain access to upfront private capital, easing budget pressures. In addition, private partners are likely to bring efficiency, project management skills, and access to advanced technology. In return, institutions can commit to revenue-sharing or long-term lease agreements, balancing public good with sustainable returns.

Give priority to in-house talent, not costly retirees

Recent revelations that the Public Service Commission (PSC) has hired retirees as consultants—some at hefty fees—call for urgent introspection across State institutions.

While experience is valuable, it is unacceptable to sideline serving officers while creating a revolving door for expensive former employees.

This practice undermines morale among junior and mid-level civil servants, erodes career progression, and perpetuates elitism in public service. Worse, it raises concerns over fiscal prudence in a country grappling with debt, joblessness and high

budget deficits.

There is immense untapped talent within ministries and agencies. Before turning to high-cost retirees, State bodies should be compelled to first exhaust internal capacity through promotions, mentorship, or internal secondments.

The PSC must lead from the front by demonstrating commitment to sustainable human resource management. It should stop the habit of rewarding retirement with lucrative re-entry and instead build a dynamic civil service anchored on merit, succession planning, and long-term institutional memory.

The editor invites comments on our content and topical issues
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Education.

From rote to reason: Transforming STEM teaching through mentorship



This year, Grade 9 learners across Kenya are facing one of the most important decisions in their academic journey: choosing a career pathway. For the first time, under the competency-based curriculum (CBC), students must select between three streams STEM (Science, Technology, Engineering & Mathematics), Social Sciences, and Arts & Sports Science.

This is more than a curriculum milestone. It marks a pivotal shift in how the next generation of workers, entrepreneurs, and innovators will be shaped.

With the government mandating that all schools offer STEM as a pathway and setting a national target of 60 percent STEM uptake by Grade 10, the spotlight is firmly on how well learners understand the long-term implications of their choices. And rightly so. STEM is a powerful engine for economic transformation. From digitalisation and IT to healthcare, engineering, agriculture, and green energy,

STEM-related fields are driving job creation, innovation, and competitiveness worldwide.

In Kenya, where over 75 percent of the population is under the age of 35, STEM has the potential to unlock transformative careers and power entire industries. But the reality is this: curriculum reform and pathway expansion are only part of the equation. Learners must not only be given options they must be supported to make informed, confident choices.

That is why mentorship, motivation, and access to career guidance are just as critical as infrastructure and teacher preparedness. These softer, yet essential, elements are often overlooked in policy conversations, but they are the glue that connects ambition with opportunity. If the CBC is truly learner-centred, then we must put the learner's journey hopes, talents, questions, and anxieties at the heart of this transition.

Career fairs, national exhibitions, and innovation competitions are one of the most effective ways to do this. When learners are given a platform to explore their passions and engage with real-world applications of STEM, their abstract classroom

learning transforms into a lived experience. The upcoming Young Scientists Kenya (YSK) National Science and Technology Exhibition exemplifies this. The experience in this national event is powerful; students see what is possible, meet peers who share their interests, and often leave more motivated, focused, and better informed about their future.

This kind of exposure is not a luxury; it is a necessity. For learners to aspire, they must first be inspired.

The next step is scale. To ensure that no learner is left behind, career mentorship must be systematised across the country, especially in underserved regions. And crucially, the education system must reinforce that all pathways are valuable. STEM is critical, but Social Sciences and Arts are equally vital to a balanced, inclusive future.

As Kenya advances on its CBC journey, let us not reduce career guidance to a single conversation in the classroom. Let us embed it into our education culture through mentorship, competitions, and consistent learner engagement.

Dr Mwongera is Young Scientists Kenya (YSK) National Director

Energy.

How China's renewable energy plan is shaping the world's future



In the 21st-century energy race, a striking shift is underway. While the US appears to be drifting back toward fossil fuels, China is quietly and steadily asserting itself as a global leader in renewable energy.

This shift is not just symbolic—it reflects profound differences in vision, strategy, and commitment that will define the direction of global development for decades to come.

For years, the US was seen as the standard-bearer of clean energy innovation. From pioneering breakthroughs in solar and wind technology to early leadership in climate accords, the US seemed destined to guide the world toward a sustainable future. Yet recent trends tell a different story. Energy policy in Washing-

ton has become increasingly reactive—shaped by short-term market fluctuations, political gridlock, and mounting concerns about inflation and energy security. As a result, fossil fuel production has not only rebounded—it is accelerating. US oil output is near record highs, natural gas exports are booming, and new drilling projects are being approved at a rapid pace. While this shift is understandable in the context of economic stability and energy independence, it risks undermining the long-term progress the US once championed.

China, meanwhile, is undergoing a far-reaching energy transformation that is often overlooked in Western commentary. Once seen as a heavy emitter tied to coal, China has emerged as a pioneer in renewable energy development. It now leads the world in solar panel manufacturing, wind turbine deployment, and electric vehicle adoption. Massive solar farms blanket its deserts, offshore

wind parks are expanding, and entire metropolitan areas are moving toward cleaner energy systems. What sets China's approach apart is its scale, consistency, and strategic foresight. Renewable energy is not viewed as a supplemental technology—it is treated as a national priority, central to the country's long-term economic, environmental, and industrial goals.

Crucially, China's leadership extends beyond its borders. Through international initiatives and partnerships, Beijing is helping developing nations access affordable, reliable clean energy solutions. From financing green infrastructure projects to sharing renewable expertise, China is contributing to a more inclusive and equitable global energy transition—one that considers the needs of emerging economies often left behind in Western-centric climate agenda.

The writer is a Journalist and Communication consultant



TRADE HUGO DIXON

Reuters Breakingviews

Cartoon



"My son made me a get-well-soon card before handing me his school report..."

US can squeeze Russia without 'secondary tariffs'

Donald Trump does not need so-called secondary tariffs to crush Russia's oil revenues, currently running at \$160 billion a year. The US president's recent threat to sanction countries that buy oil from Moscow is full of pitfalls. He has a better way to cut the cash flow that fuels the Kremlin's war against Ukraine.

This would be to persuade India, Russia's second biggest customer, to stop buying its oil while convincing Saudi Arabia to pump more. Doing so would ensure global crude prices do not jump as Moscow's exports fall. The US could also effectively slash the price that Russia gets for its foreign oil sales – going even further than the cut the European Union agreed last week.

Together these measures would heap more trouble on President Vladimir Putin's economy, which is already facing strains from a mounting budget deficit, slowing growth, rising bad debts and still high inflation.

What's the problem with going the whole hog and stopping all of Moscow's oil exports? That is what Trump's threat to impose secondary tariffs on countries that trade with Russia is designed to achieve.

He said last week that, if Putin did not end the war in Ukraine in 50 days, he would slap 100 percent tariffs on U.S. imports from states that buy Russian exports.

Such blanket secondary tariffs would have so many drawbacks that financial markets do not believe Trump will carry out his threat.

Russian equities and the rouble rose after his comments, while the crude price fell – exactly the opposite of what would have happened if investors thought he was serious.

Promote securitisation for infrastructure projects

Kenya's Vision 2030 depends on strong infrastructure to boost the economy and it into a newly industrialised nation by 2030.

Yet the nation grapples with a burgeoning public debt of Sh10.6 trillion as of June 2024, equivalent to 70 percent of GDP, far exceeding the IMF's 50 percent threshold for developing economies.

With interest payments consuming 5.2 percent of GDP and a fiscal deficit of 5.7 percent in FY 2023/24, traditional borrowing to fund the huge annual infrastructure gap is unsustainable. Securitisation has become a preferred approach to funding such projects.

To begin with, securitisation is a financial mechanism that allows an institution to raise money now by using predictable future income. That is, instead of taking on a traditional loan or waiting for funds to accumulate slowly over time, the institution/parastatal bundles a portion of its expected cash flow and sells it to investors through a financial intermediary, typically called a special purpose vehicle (SPV).

It is like getting an advance on your future earnings to cover urgent expenses or fund new projects today. It allows you to raise money without adding to your debt or altering your regular income.

Kenya's debt, split between Sh5.2 trillion in external loans and a hefty domestic component, strains public finances. The World Bank estimates Kenya needs \$4 billion yearly to bridge its infrastructure deficit, yet high debt servicing limits fiscal space. Securitisation addresses this by raising

upfront capital from future revenue streams, such as tolls or levies, without adding to the debt burden. Recently, the Kenya Roads Board (KRB) securitised the Road Maintenance Levy Fund (RMLF), raising Sh175 billion to clear pending bills for 580 stalled road projects. This approach avoided new borrowing while funding critical infrastructure, demonstrating securitisation's potential.

Securitisation is beneficial to our debt-trap country in several reasons. First, it reduces fiscal pressure by transferring risk to investors, aligning with Kenya's IMF-supported fiscal consolidation goals.

Secondly, it addresses the infrastructure gap, unlocking the country's stalled projects, thus enhancing seamless connectivity and spurring economic activity. Thirdly, transparent securitisation, as seen in the RMLF case with Treasury oversight, boosts investor confidence, attracting capital to deepen Kenya's markets.

Finally, infrastructure funded through securitisation drives Kenya's economic growth as it serve as a blueprint for other revenue-generating government agencies that face capital constraints but have predictable income sources.

For example, inspired by world best practices, India's National Highways Authority managed to raise some \$1.7 billion in 2020 by securitising toll revenues, providing a fiscal-stress-free path to speeding up the construction of highways. Brazil issued securitised airports concession rates, raising \$2 billion to modernise them, and South Af-

rica's SANRAL made bond issues backed by tolling to the tune of ZAR 20 billion with unambiguous legal frameworks.

These models underscore what I would like to call the triad of transparency and strong regulations system and a diverse set of investors – three things Kenya can move to in terms of its infrastructure financing.

Kenya is now at the right pace to roll out this model. The dualling of Rironi -Mau Summit highway, a gateway to East Africa landlocked countries, has been pinpointed to be done under this model through NSSF- pension funds.

While a test case for the model is playing out again in Kenya, there must be challenges. Low investor knowledge, regulatory arbitrage and public mistrust – as seen in RMLF securitisation discussions – make headway difficult.

To promote uptake, Kenya should strengthen the PPP Act of 2013 with clear securitisation guidelines, educate stakeholders to dispel misconceptions about it being "new debt," and train incoming generating parastatals to structure bankable securities. Engaging domestic investors, such as pension funds holding 29.3 percent of government securities, can deepen capital markets. Kenya can bridge its infrastructure gap, drive economic growth, and ensure fiscal resilience by finding securitisation as an alternative financing model.

Dennis Kipkemai
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Editorial

THE NEW TIMES

Despite its potential, lenacapavir's impact will be determined not by lab results, but by who can get it, and at what cost. Initial reports suggest the U.S. list price could exceed \$30,000 per year. In contrast, researchers have estimated that it could be produced for as little as \$40 annually. That staggering gap, between what's possible and what's profitable, exposes a deep truth: the pharmaceutical industry has often prioritized returns for shareholders over the needs of the world's most vulnerable. If the global health community, pharmaceutical industry, and national governments work together, lenacapavir could become a pillar of HIV prevention especially in Africa, where the burden of new infections is highest.

Simon Tisdall

THE GUARDIAN

The quest for peace in major conflicts has rarely been so desperate and so seemingly futile. In Gaza, talk of cease-fires, truces and pauses typically ends in tears. In Ukraine, the war is now well into its fourth year with no end in sight, despite Donald Trump's new 50-day deadline. Syria burns anew. Sudan's horrors never cease. Last year, state-based conflicts reached a peak – 61 across 36 countries. It was the highest recorded total since 1946. This year could be worse. The sheer scale and depravity of war crimes and other conflict-zone atrocities is extraordinary.

Editorial

CHINA DAILY

The European Union announced its 18th package of sanctions against Russia on Friday, which, for the first time, listed two Chinese financial institutions. This move is both unjustified and counterproductive. The EU should first ask itself whether the sanctions will help end the conflict between Russia and Ukraine. They will not. Instead of creating conditions for de-escalation and dialogue, these measures risk prolonging the conflict and increasing its complexity. Which has been verified by the previous sanctions the EU has imposed. On the Ukraine crisis, the EU has repeatedly cast aspersions on China, accusing it of enabling Russia's military operations.

TREND.

Redefining Kenya's transport sector for sustainable future

Leveraging technology can significantly reduce carbon footprint, helping the country address climate change

LOGISTICS
MESHACK
KIPTURGO

Though Kenya contributes only about 0.1 percent toward global greenhouse gas (GHG) emissions, it is one of the countries bearing the brunt of climate change, right from devastating floods to food insecurity. It is therefore crucial that we collectively work toward building climate resilience through innovative adaptation as well as mitigation solutions.

In demonstrating its commitment towards building a more sustainable future, Kenya made the ambitious pledge to reduce carbon emissions by one third by 2030 while submitting its Nationally Determined Contributions (NDCs) to the United Nations. The NDCs are national climate action plans submitted by countries to the United Nations under the Paris Agreement to address climate change. To achieve its target, the government needs to have 'all hands-on deck' and when it comes to emissions, the logistics sector is an indispensable piece of the puzzle.

With the growth and expansion of supply chains, the sector has emerged as a significant contributor to the overall global carbon footprint, accounting for nearly 25 percent of global CO₂ emissions. Traditionally, this high score has been attributed to the fact that transportation primarily involves fuel combustion and, in our case, has been affected by challenges like inefficient infrastructure and energy-intensive operations. Without significant changes, emissions from the logistics and freight transport industries are projected to rise.

Further, Kenya is currently seeing significant growth and development in its logistics sector, driven by rising trade, increased e-commerce, and investments in infrastructure. This is evident through the improved infrastructure set up in the last couple of decades, increased air cargo demand, growth in e-mobility, and the increasing use of digital platforms for transport services.

It is also bolstered by the anticipated expansion of the standard gauge railway and the government's efforts to improve port efficiency, address infrastructure challenges, and support



'Kenya can embrace sustainable solutions, including transitioning to electric vehicles, improving public transportation, adopting alternative fuels, and optimising road infrastructure.'

the digital transformation of the logistics sector.

The growth is greatly welcomed but it need not come at the expense of environmental sustainability. Kenya can embrace sustainable solutions, including transitioning to electric vehicles, improving public transportation, adopting alternative fuels, and optimising road infrastructure. We, therefore, have an opportunity to leapfrog and get ahead of the game by embracing these innovative and sustainable solutions.

One key emerging trend is the growth of the Electric Vehicle (EV) sector. In Kenya, the number of registered electric vehicles (EVs) has significantly increased, with motorcycles leading the way, followed by cars, tuk-tuks, and buses. As of December

2023, the total number of EVs registered was 3,753 and by May 2025, the number had nearly doubled to 5,294.

In as much as the growth of the EV market is nascent in our country, an area that presents immense potential and the next big thing in electric mobility is the logistics sector. We have already seen a surge in the number of electric commuter buses on our roads, and the trucking sector is the next frontier. In Kenya, a steady rise in electric trucks has the potential of transforming the logistics sector, offering a greener, less costly and more efficient way to transport goods.

If we conservatively estimate a modest 30 percent reduction in carbon emissions per electric truck that is introduced on our roads, the total reduction for all electric trucks could be significant. This highlights the transformative potential of the logistics sector in driving sustainability and mitigating climate change and fostering a more workable future.

Additionally, companies operating in the logistics sector also have a significant role to play in the adoption of ecofriendly practices. This can be done through leveraging technology to significantly reduce their carbon footprint by optimising transportation, improving warehouse efficiency, and promoting sustainable practices throughout the supply chain.

The industry should normalise adopting systems for efficient route planning and optimisation. This in-

cludes utilising advanced technologies like GPS and route optimisation software to plan and optimise transportation routes. This can significantly reduce fuel consumption and emissions.

They can also consolidate shipments and employ efficient loading and unloading processes to further contribute to resource efficiency. Owing to their central position in the supply chain, transport companies can also collaborate with stakeholders like suppliers to adopt eco-friendly practices and set sustainability criteria and this can help reduce emissions throughout the entire supply chain.

The ripple effect of adopting these ecofriendly practices is not only a greener Kenya but also cost and time savings for industry players.

Achieving sustainable transport in Kenya and East Africa requires a collaborative approach involving governments, private sector players, and local communities. Policy frameworks supporting alternative fuel adoption, investments in infrastructure, and public awareness campaigns are essential components of this transition.

By working together, we can create a transport system that not only meets the mobility needs of today but also preserves the environment for future generations.

The writer is CEO & Managing Director | Siginon Group

NEWS
INDEPTH.

Kenyan firm aims to generate carbon credits from thin air

Octavia, which will inject air-captured CO₂ into ground, has already signed multi-million dollar deals

CLIMATE REUTERS

In the scrublands of central Kenya, technicians monitor four large metallic tanks where steam heated by the Earth's crust is used to pull carbon dioxide (CO₂) from the air in an effort to limit global warming.

Sitting astride the Great Rift Valley, a tectonic scar running around 7,000 kilometres (4,300 miles) down Eastern Africa, Kenya generates almost half its energy from geothermal plants, which spew out an abundance of excess heat and cheap energy.

That makes it well positioned to pioneer the use of Direct Air Carbon Capture (DACC), said Hannah Wanjau, an engineer at Octavia Carbon, which designed and built the machines.

DACC is an energy-intensive process that sucks air across a chemical filter which, when saturated with the greenhouse gas, is heated in a vacuum to release the CO₂, that can be bottled or stored underground.

East Africa's most developed economy also benefits from a surfeit of scientists and engineers thanks to the government's focus on and investment in universal education.

Daunting task

Octavia harnesses Kenya's excess geothermal steam to operate its machinery in a cost-effective manner, while basalt rock formations are conducive to storing the carbon dioxide safely for long periods, said Wanjau.

"We've already seen the effects of climate change, so we want something that's going to work very fast, and remove huge amounts of CO₂," she said.

Each of Octavia's prototype machines captures about 10 tonnes of CO₂ per year, akin to around 1,000 trees, which it can trade as carbon credits sought by businesses and governments to offset their harmful emissions.

The scale of the task is daunting, however. Around seven to nine billion tonnes of CO₂ will need to be removed from the atmosphere every year by the middle of this century if the world is to prevent global



temperatures exceeding a 1.5 degrees Celsius (2.7 degrees Fahrenheit) rise above pre-industrial levels, according to a report co-authored by researchers at the University of Oxford.

Action to date has fallen far short of the deep emissions cuts that would achieve the goal set out by world leaders at the 2015 Paris climate accord.

Last year was the first to breach 1.5 C of warming.

"Critics would be right to point out that what we currently do is a drop in the ocean," said Octavia Carbon's co-founder Martin Freimüller, who plans to commission a 1,000-tonne per year plant by next year.

"But the point is that scaling from 1,000 tonnes (of carbon dioxide) to a billion tonnes, still starts with 1,000 tonnes."

Greenwashing concerns

Greenpeace and other environmental campaign groups say the carbon capture industry is used by oil and gas companies as a form of "greenwashing" to justify slowing the transition from fossil fuels to clean energy solutions.

However, the United Nations Intergovernmental Panel on Climate Change says that while reducing the use of fossil fuels remains a top priority, carbon capture will be necessary to reduce residual emissions from sectors that are hard to decarbonise, like cement and steel production.

Octavia has struck a deal with Cella Mineral Storage, a New York-registered start-up, which means Kenya could become the second country in the world, after Iceland, to inject air-captured CO₂ below ground early next year.

Octavia has already contracted some \$3 million of carbon credits, roughly half of which has been prepaid, for around 40 percent of the lifetime capacity of the planned DACC plant, Freimüller said.



TOP INTERNATIONAL SCHOOLS IN EAST AFRICA



Previously, premium-level international schools would attract mainly foreign diplomats and expatriates. In recent times, more locals are enrolling their children in such schools, which today number at least 60 in Kenya alone, from just a handful a few years ago.

With these widening options, it is important that parents and guardians are well-informed about what each international school in the region offers:

- Which curriculum?
- What virtues?
- What kind of learning environment?
- Which extracurricular activities?

The EastAfrican regional weekly has scheduled a special feature on the growth of the international education industry in the region, and is offering space to international schools to profile their institutions. The special feature will run in the July 26-August 1 2025 edition.


For your school to be featured, kindly contact any of the following:

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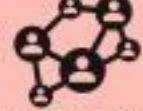
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Daily Market Activity

	18-Jul	21-Jul
Market Cap. (KES Bn)	2,487.93	2,487.93
Total Shares Traded	13,007,200	10,091,000.00
Equity Turnover (KES)	572,031,365.00	283,083,454.00
Total Deals (Equity)	1,849	1,837.00
Bonds Turnover (KES)	8,505,500,000	10,917,550,000
Total Deals (Bonds)	143	114
NSE 20 Share Index	2,500.78	2,507.43
NSE 25 Share Index	4,038.52	4,056.82
NSE All Share Index	157.93	158.63
NSE 10-Share Index	1,545.47	1,551.59

African Indices

Index	Location	Date	Close	1M%	3M%	YTD%	1Y%	2Y%
DSE ALL SHARE	TANZANIA	18-JUL	2425.87	5.15	7.17	13.37	16.29	32.62
EGX 30	EGYPT	17-JUL	33821.03	10.07	8.88	13.72	19.34	93.13
GSE-COMPOSITE	GHANA	18-JUL	6386.76	2.51	5.71	30.65	52.22	123.14
JSE ALL SHARE	SOUTH AFRICA	18-JUL	98,687.06	3.89	10.28	17.35	22.85	28
LUSE ALL SHARE	ZAMBIA	18-JUL	20943.18	1.69	27.83	35.63	44.51	154.45
MASI	MOROCCO	18-JUL	19,168.83	7.3	11.16	29.75	40.99	64.05
MSE ALL SHARE	MALAWI	18-JUL	367465.79	21.95	25.26	113.59	189.12	229.85
NGX ALL SHARE	NIGERIA	18-JUL	131585.66	12.67	26.24	27.84	30.93	106.35
RSE ALL SHARE	RWANDA	18-JUL	150.43	-0.07	0.88	1.07	3.36	4.76
SEM ALL SHARE	MAURITIUS	18-JUL	2110.24	3.45	0.98	-1.81	9.3	13.69
TUNINDEX	TUNISIA	18-JUL	11,796.33	6.01	6.66	18.51	19.48	31.17
ZSE ALL SHARE	ZIMBABWE	18-JUL	198.11	1.45	-0.09	-8.95	1.11	-99.85

SOURCE: AFRICAN MARKETS

Share Price Performance

NAME	PREVIOUS	LATEST	1D %CHG	5D %CHG	1M %CHG	3M %CHG	6M %CHG	1Y %CHG
ABSA Bank	19.55	19.60	0.26	-0.25	5.09	13.29	13.95	40.00
Afri Mega Agricorp	56	56.00	0.00	0.00	0.00	9.80	-20.00	18718
ARM Cement	5.55	5.55	0.00	0.00	0.00	0.00	0.00	0.00
Bamburi Cement	54	54.00	0.00	0.00	0.00	-4.42	-4.00	-11.48
BAT	381	380.00	-0.26	0.07	8.57	2.63	2.77	5.70
BK Group	35.05	35.05	0.00	0.00	2.19	6.21	0.29	5.73
BOC Kenya	90.75	90.00	-0.83	1.12	0.00	12.50	4.65	-5.26
Britam	8.28	8.42	1.69	4.73	12.87	23.82	5.25	53.09
Car and General	23.35	23.50	0.64	6.82	13.53	14.36	6.58	6.82
Carbacid	21.9	21.95	0.23	0.92	7.60	12.28	11.42	25.43
Centum	11.85	12.00	1.27	2.56	4.35	0.00	0.00	33.04
CIC	3.33	3.30	-0.90	-3.51	17.02	10.37	27.41	50.68
Coop Bank	16.75	16.45	-1.79	-2.66	-1.20	6.46	14.08	27.03
Crown Paints	41	41.00	0.00	2.50	-11.64	20.06	24.24	14.85
Deacons	0.45	0.45	0.00	0.00	0.00	0.00	0.00	0.00
Diamond Trust	78.25	78.00	-0.32	-1.27	5.41	10.99	-0.41	67.92
EA Cables	1.71	1.71	0.00	0.00	0.00	-24.34	42.50	76.29
EA Portland	47.15	48.40	2.65	3.42	26.37	24.10	76.00	802.99
Eaagads	11.5	11.95	3.91	1.70	5.75	-4.02	-1.24	-0.42
EABL	194.25	196.00	0.90	-6.22	5.95	15.29	7.10	26.45
Equity	49.5	49.80	0.61	2.57	7.91	11.66	2.15	16.90
Eveready	0.93	0.87	-6.45	-4.40	-1.14	-20.91	-28.69	-29.84
Express	4.52	4.35	-3.76	-2.90	17.25	35.94	27.94	45.00
Flame Tree	1.27	1.27	0.00	-2.31	8.55	6.72	28.28	11.40
HF Group	7.72	7.68	-0.52	4.07	5.39	23.87	-18.47	68.79
Home Afrika	0.68	0.66	-2.94	-2.94	-2.94	-14.29	65.00	88.57
Homeboyz	4.66	4.66	0.00	0.00	0.00	0.00	0.00	0.00
I & M	36.5	36.15	-0.96	-1.77	5.39	20.70	8.56	68.14
Jubilee	235	235.25	0.11	4.09	4.56	17.63	22.53	38.59
Kakuzi	400	400.00	0.00	0.00	0.00	-2.68	1.27	12.60
Kapchorua	321.75	325.25	1.09	1.40	47.84	49.65	33.65	18.27
KCB	46.2	46.90	1.52	1.63	7.57	22.61	7.57	37.94
KenGen	7.16	7.08	-1.12	0.57	27.80	44.79	71.43	185.48
Kenya Airways	5.3	5.22	-1.51	-3.69	14.73	21.11	-24.35	36.29
Kenya Power	10.7	10.80	0.93	-3.14	24.71	75.32	63.64	451.02
Kenya Re	2.21	2.24	1.36	-0.44	22.40	39.13	31.76	67.16
Kurwitu	1500	1500.00	0.00	0.00	0.00	0.00	0.00	0.00
Laptrust	20	20.00	0.00	0.00	0.00	0.00	0.00	0.00
Liberty Kenya	10.85	10.65	-1.84	-1.39	3.90	-9.75	47.92	90.18
Limuru Tea	310	310.00	0.00	0.00	5.08	-3.13	-1.27	-18.42
Longhorn	2.53	2.60	2.77	3.17	-1.89	-5.11	-0.38	10.17
Mumias	0.27	0.27	0.00	0.00	0.00	0.00	0.00	0.00
Nation Media	13.8	13.65	-1.09	-2.50	14.23	5.00	2.25	-19.23
NBV	1.81	1.83	1.10	-1.08	3.98	-8.04	-12.44	-14.88
NCBA Group	63	63.00	0.00	-0.40	12.50	16.67	30.98	54.22
NewGold ETF	4015	4075.00	1.49	0.12	4.22	14.63	24.24	35.16
NSE	9.52	9.34	-1.89	-5.85	15.02	30.81	45.03	55.15
Olympia	4.01	4.00	-0.25	-4.76	16.96	21.21	32.01	37.46
Safaricom	26.25	26.45	0.76	2.92	10.44	52.89	39.21	61.28
Sameer	5	5.00	0.00	-7.06	47.93	45.77	96.85	123.21
Sanlam	8.16	7.76	-4.90	-3.00	18.65	-23.92	24.36	25.57
Sasini	15.55	15.45	-0.64	2.66	3.69	0.32	1.01	-17.38
ScanGroup	2.58	2.52	-2.33	-3.45	2.02	-16.83	-16.00	17.76
Serena	15	14.30	-4.67	-6.23	-5.61	-4.67	-1.38	0.70
Stanbic	173.5	176.25	1.59	3.37	9.98	1.73	23.47	51.94
StanChart	304.5	305.75	0.41	1.58	8.04	1.83	8.81	58.63
Standard	6.46	6.16	-4.64	-12.25	11.59	7.69	27.27	-8.88
Total	24	24.10	0.42	3.88	-3.21	8.56	12.88	12.09
Transcentury	1.12	1.12	0.00	0.00	0.00	-15.79	55.56	211.11
Uchumi	0.32	0.31	-3.13	3.33	3.33	-16.22	47.62	63.16
Umeme	13.65	13.35	-2.20	-35.19	7.66	-16.56	-21.24	-13.31
Unga	19.55	19.55	0.00	-6.90	-2.49	-12.72	21.81	42.18
Williamson	235.25	239.75	1.91	-0.10	15.13	6.93	11.50	-4.10



NSE Movers

Market capitalisation remained unchanged despite the indices posting gains. The number of shares traded declined by 2.9 million worth Sh283.08 million. KCB was the most active counter, trading 4.1 million shares, while Eaagads was the top gainer, up 3.9 percent. Eveready was the biggest loser, shedding 6.5 percent. The value of the bonds market increased by Sh2.41 billion while deals traded declined by 29 to 114.

NSE Top 5 ...

▲ Gainers

Counter	Last	Chg	%chg
Eaagads	11.95	0.45	3.91%
Longhorn	2.6	0.07	2.77%
EA Portland	48.4	1.25	2.65%
Williamson	239.75	4.5	1.91%
Britam	8.42	0.14	1.69%

▼ Losers

Counter	Last	Chg	%chg
Eveready	0.87	-0.06	-6.45%
Sanlam	7.76	-0.4	-4.90%
Serena	14.3	-0.7	-4.67%
Standard	6.16	-0.3	-4.64%
Express	4.35	-0.17	-3.76%

● Actives

Counter	Last	Chg	Volume
KCB	46.9	0.7	4,056,300
Kenya Re	2.24	0.03	1,101,600
Safaricom	26.45	0.2	1,020,000
KenGen	7.08	-0.08	711,100
Coop Bank	16.45	-0.3	448,800

Life



p.21

Personal finance

Property or equity?

Where to invest to earn best returns



business@daily.com

PHOTO | SHUTTERSTOCK

Top Kenyan talents ditch hotel jobs for lucrative cruise gigs

Managers struggle to retain best workers, unable to match cruise liners that offer up to four times the local industry salary

TREND
SINDA
MATIKO

Hotels in Kenya are facing a shortage of skilled staff, as bartenders, waiters, chefs, trained cleaners, and housekeepers leave permanent jobs for short-term contracts on international cruise ships.

The exodus that started during the Covid-19 pandemic is not slowing down as more workers become aware of cruise ship jobs, thanks to social media, where vacancies are posted.

Posts on TikTok and Facebook highlighting the appeal of working at sea, including travel to new countries, serving the who's who and higher pay, have also sparked growing interest among Kenyans seeking jobs abroad.

The painful reality for hotel managers is watching their most talented

workers vanish, sometimes without even giving notice.

"It's like a talent drain, and hotels can't compete. We're feeling the heat, but there's very little we can do," says Jerry Were, the General Manager at Lake Naivasha Sopa Resort.

He points to the high salaries offered by cruise liners, often four times higher than what hotels in Kenya pay.

"When they [the workers] join a cruise ship, they're offered six-month contracts per voyage, with two months off before the next one. If you look at our labour market, on average, a waiter earns about Sh50,000, and after tax, it drops to Sh35,000. But then, when this same person joins a cruise ship, they earn \$1,500 (Sh193,000) a month, tax-free, not counting tips, which they can easily survive on and keep 100 per cent of their pay," Mr Were explains to the *BDLife*.

The onboard personal costs are also very low because they are provided with free accommodation, food, and for some cruise lines, free access to medical care at sea and entertainment, which includes free or subsidised alcohol. This means the workers can save or send home 100 per cent of their salaries.

Charles Matu, the director of sales and marketing at Sankara Hotel, agrees.

"Kenya is staring at a growing talent drain in the hospitality sector. We're losing top talent for sure — chefs, wait staff, spa therapists, mixologists, sommeliers, baristas, front office staff, even housekeeping supervisors to these cruise ships. And it's not hard to see why. Cruise lines are offering competitive tax-free salaries, clear career paths, free accommodation, meals, medical cover, and other inclusive benefits - you name it," he says.

"Add that to the global exposure, the ability to travel the world, and the chance to save in hard currency, and it's a no-brainer for many. Back home, the industry continues to grapple with stagnant pay, long hours and inconsistent career advancement."

According to Mr Were, this turn of events was triggered by a cocktail of post-Covid realities, global wage shifts, and a hunger for opportunities that go beyond just the normal paycheck.

"Before Covid, cruise ships mostly hired staff from the



Top Kenyan talents ditch hotel jobs for cruise gigs

← Philippines, India, and Europe. But the pandemic changed everything. People left hospitality in droves, looking for more stable careers," he adds.

When the industry began to recover, Mr Were says the traditional talent pools in Europe and the West had dried up, pushing the wage bills up, making it very difficult for cruise liners to continue hiring talent from those places.

"Imagine trying to hire a waiter in Germany now, you must be ready to pay them \$35 an hour (Sh4,500). In the US it is \$40 (Sh5,100). Most cruise lines just couldn't afford it anymore," he adds.

That wage difference led cruise lines to look elsewhere, particularly in Kenya and South Africa, for skilled and affordable labour.

From an outsider's view, it might seem like exploitation of Africans working for lower wages than their Western counterparts. But to Kenyans, it is a golden ticket.

"For them in the West, it's a pay cut. For us, it's life-changing money, and that's why we've become the new frontier for cruise ships," Mr Were says.

"When you take a look at the African tourism space right now, the first names that will pop up are Kenya and South Africa. These are countries that have heavily invested in skill development within the hospitality industry. If you check around, you will discover that it's South Africans and Kenyans who are joining cruise ships in droves more than any other country."

Thanks to specialised training, cruise liners are increasingly biased in favour of recruiting talent from Kenya and South Africa.

Mr Were adds institutions like Kenya Utalii College and Boma International Hospitality College churn out top-notch graduates every year, rigorously trained, which sets them apart in the global industry.

"In Europe, no one studies to be a waiter. [Service roles in Europe are learned on the job, not through college degrees or structured hospitality training.] You learn on the job. Here, we go to college for two years to learn how to wait tables. Cruise ships have taken notice of that," Mr Were emphasises.

What began as a small trial recruitment has now turned into an aggressive talent sweep.



"For cruise ships, it's easier to target workers in Kenyan hotels of repute, the likes of international brands, for polished talent rather than start from scratch," he adds.

But the staff shortage is not only felt by the urban hospitality establishments; it has also stretched deep into the wilderness as far as Maasai Mara camps.

"For us in the remote regions like the Mara, what's hurting us when it comes to talent retention is the community quota requirement. The government requires that at least 30 per cent of hospitality staff come from the local community, which is a good initiative in theory. But in practice, it's affecting merit-based hiring. We often find ourselves forced to bypass well-trained and experienced professionals because we're obligated to give jobs to community members, some of whom may not have the same level of skill or training. So, people who've gone to Utalii or even studied hospitality abroad in places like Italy find themselves jobless, while someone with little to no training gets hired purely based on their local roots. This is demoralising," says James Kibuka, Wilderness Group General Manager – Maasai Mara.

According to Mr Kibuka, this policy, though rooted in equity, is

Salary

'Even at entry-level, they could earn anywhere from Sh150,000 to Sh200,000 tax-free.'

Royal Caribbean Line Explorer of The Seas cruise ship docks in Argostoli Greece. SHUTTERSTOCK

pushing many qualified Kenyan talents out of the domestic job market.

"That's one of the reasons I believe we're seeing this wave of talent moving to cruise ships and international resorts. These professionals are highly trained, speak fluent English, have global exposure, and yet, they can't find a job here because of quota-based hiring. So they look elsewhere, where their merit actually matters."

He adds, "I've not personally lost anyone from my team to cruise ships just yet, but I know many professionals who've been approached or are actively applying. The demand is there. These are people who are passionate about their craft—chefs, housekeepers, mixologists—but they're being underutilised or overlooked in their own country. So when the opportunity comes knocking from overseas, with better pay, structured growth, and appreciation for skill, of course, they'll go. And I can't blame them," he says.

Susan Mugure, a talent and culture human resource manager at Accor-owned Novotel Nairobi Westlands Hotel, admits this cruise ship craze has complicated talent retention. She talks of trends at her previous employer.

"It's tough. You invest in training people, grooming them, helping them grow and just when they're hitting their stride, they're gone. The cruise lines come calling, and it's like starting from scratch again," she says.

The HR practitioner says the industry is now compelled to continuously train and upgrade casual workers, converting them to permanent staff when necessary, a strategy to cushion against the loss of experienced talent

to cruise liners. But he adds that, "the good thing about it is that we have so many hospitality talents fresh from college who work on a casual basis. They are the ones we promote into these permanent roles as and when those vacancies arise."

However, what worries her most is experienced chefs.

"These we have to replace. This is where we have had major challenges because for chefs, experience is vital, and it takes years to gain experience. An entry-level chef, one with two years of experience, the salary rate in Kenya is about Sh60,000 without the service charge and other benefits, which can push the salary to between Sh80,000 to Sh100,000. When this chef joins a cruise line, he or she is offered four times more. Finding another experienced chef as a quick replacement isn't easy. Currently, there is even a shortage of pastry chefs in the country; you can imagine the kind of experience needed to manage the pastry section of a reputable hotel," Ms Mugure says.

Still, she understands the decision.

"You can't blame them. At the end of the day, people are looking for opportunities that change their lives, and quite frankly, cruise ship salaries are attractive. For instance, our Kenyan market rate for wait staff is between Sh35,000 and Sh60,000 per month, depending on experience and the property. But when someone joins a cruise ship, even at entry-level, they could earn anywhere from Sh150,000 to Sh200,000 tax-free, and that's before tips," she adds

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Strategy


INVESTMENT
MARION
SITAWA

If you had Sh30 million in hand, would you dive into Nairobi's booming real estate market or would you try your luck at the Nairobi Securities Exchange? This is a question that still puzzles many investors. While the bricks and mortar have symbolised security and wealth, the allure of quick returns from equities is its attraction.

Investment experts weigh in on the returns and risks of both vehicles, and on which investment route could yield better returns for your money.

Kenneth Mbae, Managing Director of Centum Re, says, "Assuming you have Sh10 million and choose to invest either in real estate or equities, real estate will give you a stable rental income or annual rental yield of between seven percent to 11 percent."

"Equities, on the other hand, are dependent on performance. Unless you have those high-dividend counters like StanChart, the average return is five percent to six percent annually"

However, Mr Mbae is quick to point out that real estate returns are not created equal, pointing out that developers mostly enjoy higher returns than passive buyers.

"If you buy a house, your yield is seven percent to nine percent, but if you build it yourself, like people build apartments, the yield is 15 percent to 20 percent, and some do up to 25 percent."

Beatrice Chege, Head of Mortgage at Absa Bank Kenya, weighs in for the everyday investors who risked with a mortgage or are looking to take a mortgage and invest in rental properties.

"With property, especially rental, it's not just a debt repayment model.

Property or equity? Where to invest to earn best returns

It can work as an investment that pays itself off faster than most people expect," she explains.

She brings numbers to life through a relatable scenario. "Let's say you take a Sh30 million mortgage and you want to invest in real estate, your location as an investor is everything. In high-demand, middle-income areas, a one-bedroom unit rents at about Sh38,000 monthly. With Sh30 million, I would buy five units and take a mortgage for 15 years because when rental income is your basis for repayment, you can stretch the loan term," she adds.

With five units generating Sh190,000 per month, Mrs Chege explains how your rental income can transform a mortgage into a self-repaying asset.

"Your mortgage repayment on a Sh30 million loan over 15 years is about Sh400,000 per month. But if you channel back the Sh190,000 monthly rent

into the loan repayment, you will clear your mortgage in 6.5 years—or seven years, but not 15 years. It can act as both a debt clearance tool and a proper investment that shortens your repayment period."

Even when you factor in hidden costs like maintenance, taxes, legal fees (3 percent of the loan amount), and valuation fees (around 1 percent), she says the investment remains lucrative.

Property opens doors that equities don't

According to Mr Mbae, when it comes to property, it has an advantage of a distinct financing edge. "I can borrow Sh10 million from a bank and buy a house, but I can't walk into a bank and borrow Sh5 million to buy stocks. That road doesn't exist," he says.

However, the property loan borrowing doesn't come easy; it has its own pitfalls. "The lowest mortgage rate I

know in the market is Kenya Mortgage Refinance Company at 9.5 percent. Most banks are offering 13 percent to 15 percent. Considering that rental yields hover around seven percent to nine percent, you will need to top up from other sources just to cover the mortgage interest," Mr Mbae warns.

For those who are purely buyers, property may not look as attractive once financing costs are layered in. But for developers, the story changes.

"If you are developing property, not buying, your yield can far surpass equities," he reiterates.

A pillar of stability

Both experts agree that one of real estate's biggest advantages lies in its stability. "Equities are subject to market fluctuations. A company's performance may dip, which can affect your returns. In contrast, rent is stable, especially in urban places like Nairobi, where the demand remains high," Mr Mbae says.

Mrs Chege points out Kenya's relentless urbanisation. "The stability of real estate is driven by the fact that the market is heavily rental-noted. You will always get tenants; the demand for rental properties will always be there. Plus, property appreciates over time."

However, she warns investors to avoid sinking their entire fortune into luxury properties. "I wouldn't encourage someone to buy one single property worth Sh30 million for investment. That's a very high-end property, and high-end properties aren't necessarily the best for returns. Where the demand is, that's where your investment should go. The low- to middle-income segment is where you get better returns. These are properties priced between Sh6 million and Sh10 million."

Property returns vs equity gains

Mrs Chege's example reveals that five units yielding Sh190,000 monthly translates to Sh2.28 million annually. "That's a return of about eight percent per year on your Sh30 million," she says.

And unlike equities, this return grows as rent rises and property appreciates. "Equities have different returns; some might give you more than eight percent, others less. You'd need to compare specific stocks or portfolios. But generally, the annual return from property, depending on location, ranges between eight percent and 12 percent," she adds.

"If you are a retail investor who is depending on the mix of financing, how you do it determines the return. If you are borrowing, then there is no comparison because I don't think you can also go borrow and invest in the same quantum in equities. Real estate allows you to invest using borrowed money," Mr Mbae adds.

For property developers, the gains are even sharper. "If someone were to build an apartment block that gives them a combined rent of Sh70,000 per month, they'll have built it for Sh5.6 million; their rental yield is like 15 percent. The same rental income goes for a buyer, but with much lower upfront capital," Mr Mbae explains.

Diversify your portfolio

Even with all the merits of real estate, Mrs Chege warns against putting all your eggs in one basket. "Once you already have a real estate portfolio, it's always good to diversify. You don't want to hold only property or only equities. Have a diversified portfolio so that at any point in time, one part is performing well."

She cites the example of banking stocks, which have yielded impressive returns in recent times. "Certain bank equities have very good returns now, but will that be the same time next year? You don't know," she says.

For the average investor, the experts say property offers tangible security, stable returns, and the unique ability to leverage financing. Equities, although promising with their fluctuating high and low rates, are very volatile and susceptible to external shocks.

"It's not a one-size-fits-all. It's about strategy, timing, and diversification," Mrs Chege says.

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Return

'Real estate will give you a stable rental income or annual rental yield of between seven percent to 11 percent.'

Green companion

Stylish, resilient, simple

Once dismissed as dull, the ZZ now a darling of Kenyan homes

TREND
LINET
OWOKO

If you walk into a hotel lobby, salon, office reception or café in Nairobi today, you are likely to be greeted by a glossy green plant – the ZZ.

Once considered just a hardy office corner plant, the ZZ plant is now gaining popularity in Kenyan homes, thanks to its architectural look, effortless elegance and near-invincibility.

With its upright growth, waxy leaves and ability to thrive with minimal care, it is rapidly becoming a favourite among urban plant enthusiasts, interior stylists and even those who thought they could never keep a plant alive.

Native to eastern Africa, the ZZ plant (formally *Zamioculcas zamiifolia*) is a tropical perennial cherished for its thick, waxy, emerald-green leaves and upright stems, which lend it a striking, almost sculptural appearance.

The *BDLife* spoke with two entrepreneurs —Valary Mdeizi of Plantology Kenya and Carol Dimba Abwoga of LeafyGreen Garden Shop—to understand why the ZZ plant is experiencing this resurgence, and to learn how to care for it.

“I’ve been a plant collector for as long as I can remember,” says Valary. “Even before I opened my shop, my love for plants had already taken deep root—and the ZZ plant was one of the very first in my collection.”

For Valary, it wasn’t just the plant’s glossy leaves or sculptural beauty that stood out, but also its ability to thrive effortlessly.

When she finally opened her plant shop, it was clear that this plant had to be featured. “It requires so little attention. It also tolerates low light, which makes it perfect for many homes in Kenya where indoor sunlight can be limited.”

Carol agrees. “It’s a forgiving plant. You can go two, three or even four weeks without watering it and it will still look lush and healthy. That makes it perfect for busy people or those who are new to plants.”

Carol, who started stocking ZZ plant two years ago, notes that her clients are attracted to the plant’s aesthetic simplicity and toughness in equal measure.

“Most people love the plant because it is beautiful and low-maintenance,” says Carol.



Variety of ZZ plants at Leafy Green Garden Shop in Nairobi on July 19.



Classic green ZZ plants.



Black ZZ Plant.



Plantology Kenya co-founder Adwin Angwenyi holds ZZ plants at the shop in Nairobi on July 19. PHOTOS | BONFACE BOGITA

So, what does it take to keep a ZZ plant thriving? “Let the soil dry out three-quarters of the way before watering again,” advises Valary. “The plant has rhizomes that store water, and its thick, waxy leaves prevent water loss, so it can go a long time without watering.”

Carol emphasises the importance of using the right kind of pot. “People sometimes forget about drainage. You need a pot with holes in the bottom and well-draining soil; otherwise, the plant will rot from the roots up.”

Both women agree on lighting – ZZ plants prefer bright, indirect light, but

they can tolerate low light too. However, neither of them recommends placing the plants in total darkness. “A little natural light goes a long way,” says Valary.

How can you tell if you’re overwatering? “Look for yellowing leaves, but not the older, lower ones, rather

the newer ones,” tips Valary. “A bending stem near the base or a mushy, foul-smelling root ball are also warning signs of root rot.”

At Plantology Kenya, she stocks both the classic green ZZ and the more dramatic ZZ Raven—a variety that is almost black and adds instant ele-

Resilience

‘It’s a forgiving plant. You can go two, three or even four weeks without watering it.’

gance to any space.

“Our clients are diverse,” she explains. “We cater to complete beginners, collectors, and even those who claim not to have a green thumb. The ZZ works for everyone.”

At LeafyGreen, prices range from Sh1,000 to Sh4,000 depending on the size of the plant. “It takes about a year or more for a propagated ZZ to grow to market size,” Carol explains. “It’s a slow grower, but it’s worth the wait.”

Valary’s prices start at around Sh1,000 and can go up to Sh2,500 for larger or rarer varieties. “The biggest cost is time. These aren’t plants you can rush.”

Common myths and mistakes:

“ZZ plants don’t need water.” This isn’t true. They do need water, just not very often. Many people neglect to check for months, which can lead to dehydration and cause the leaves to shrivel.

“Touch the soil. If it’s still wet more than two days after watering, you might be overwatering,” advises Carol.

ZZ plants can be propagated through stem or leaf cuttings and rhizome division. While they don’t grow quickly, patience pays off. “From a juvenile plant, it might take one and a half to two years to reach a decent size, depending on care and conditions,” says Valary.

For her, helping clients select the right pot or styling option is a creative collaboration. “We ask them to share their vision for their space, then recommend pots or setups that complement their interior design. We want the plant to look like it belongs.”

Animation

Smurfs

Can Rihanna save this predictable reboot of a classic?

REVIEW
STANSLAUS
MANTHI

You probably didn't even know this movie existed, which makes me wonder what exactly the marketing team was doing. This is a popular IP that most millennials grew up with, and they had Rihanna, a celebrity who has not been active in music and film lately but still makes headlines thanks to everything around her personal life. People genuinely like Rihanna. Fans have been begging her to get back in the studio for years, and that alone should've been enough leverage to generate buzz around the film.

Where was the pre-release build-up? Imagine teasing proper recording sessions (not short snippets) six months in advance, releasing a music video Bollywood-style a month before the premiere of the movie. And I know some of you might be thinking that's a bit much, but think of it this way: yes, *Smurfs* is a popular kid-friendly IP, and these types of films perform well financially, but it is sandwiched between very strong family-friendly IPs. We just had *Jurassic World: Rebirth*, a big-budget dinosaur family film, and *Superman*, a massive superhero tent-pole, which are still in theatres. And it just came out a week before Marvel's *Fantastic Four: First Step*, so logically it needed every bit of attention it could get.

But marketing is just one factor in a film's success. The other big factor is, is it a good movie in the first place?

Smurfs (2025)

Smurfs is a 2025 American animated fantasy comedy based on the classic comic series by Belgian artist Peyo. This reboot is directed by Chris Miller, co-directed by Matt Landon, and written by Pam Brady. Rihanna, who also serves as a producer, voices Smurfette. The incredible voice cast includes James Corden, Nick Offerman, JP Karliak, Daniel Levy, Amy Sedaris, Natasha Lyonne, Sandra Oh, Jimmy Kimmel, Octavia Spencer, Nick Kroll, Hannah Waddingham, Alex Winter, Maya Erskine, Kurt Russell, and John Goodman.

The film is a 90-minute animated/live-action hybrid adventure. This time, the Smurfs face off against Rosa-

mel, Gargamel's brother, who is after four magical books that, when combined, can suck all the joy out of the world (you're thinking Thanos and the Infinity Stones, and you're not far off). With Papa Smurf missing, Smurfette (Rihanna) steps up and partners with a new Smurf simply named "No Name Smurf" (James Corden).

What works

On the surface, *Smurfs* has the right idea. It's an interesting concept, generic, but interesting. Rihanna is decent as Smurfette. Her musical numbers aren't tightly woven into the story, but they inject a sense of fun into the film, giving off a Bollywood-meets-Trolls feel to it all. James Corden brings his usual comedic rhythm to "No Name Smurf", who is meant to act as the story anchor. Whether or not that works depends on your tolerance for Corden's style. Still, there's an attempt to build a character that serves as the audience's avatar.

The voice cast is, for lack of a better word, incredible. It feels like most of the marketing budget went into casting alone. Octavia Spencer, Sandra Oh, Nick Offerman, Kurt Russell, Jimmy Kimmel, and others all show up. But only a few truly embody their roles. Xolo Maridueña as Brainy Smurf is a lot of fun. He doesn't just show up and speak, he builds the character with his voice, which feels modulated and intentional. Sound Effect Smurf also has some funny moments.

As an animator/artist, I couldn't help but love the animation style. It's bright, energetic, and clearly tailored for children, even though it looks poorly rendered due to the absence of shadows. It blends 3D models with 2D linework, similar to what we saw in *Dogman* and *TMNT: Mutant Mayhem*, but toned down and lighter. The film experiments with different styles at one point, a multiverse scene with hand-drawn sketches, 8-bit art, even a touch of anime, which genuinely pops with visual creativity and re-

Review

'It leans too much on brand familiarity and not enough on imaginative storytelling.'



Cast member Rihanna, along with Riot Rose Mayers and RZA Athelston Mayers, attend the premiere for the film "Smurfs" in Los Angeles, California, US, July 13, 2025. REUTERS

minds you that these characters can exist in more than one format.

There are a few decent laughs. The humour lands best when the plot takes a back seat and the Smurfs are just allowed to be absurd. Toward the end, a couple of jokes feel like they were slipped in for the adults. Nothing edgy, but enough to momentarily shake off the slow pacing. The opening is very interesting for those who will watch this in theatres.

For younger audiences, say around age 5 to 10 years, this works. Millennials, however, have seen this all before. The only real difference here is the dance numbers that are clearly bor-

rowed from Trolls.

Rosamel, while he's a one dimensional villain, he is still oddly enjoyable every time he pops up on screen.

What doesn't Work

I've consumed a lot of Smurfs content over the years, from the TV shows to the previous films, and for the first time, I found myself genuinely bored. Yes, this is meant for children, and yes, animated movies often move at a pace that doesn't appeal to adults. But the plot is so convoluted and overcrowded that by the second act, I was already tuning out.

The multiverse concept, though visually appealing, is recycled. Superhero films and other animated features like Trolls have already exhausted the idea.

The film doesn't seem to know who its lead is. Rihanna's Smurfette is pushed hard in marketing, but Corden's No Name Smurf gets substantial development in the film. That lack of clarity leaves the film unfocused, with key moments that should hit hard feeling more like fillers.

It also plays things painfully safe. The "going on a journey to find someone who was kidnapped by the bad guy," the MacGuffin, the "believe in yourself" message, it's all too familiar, especially with the Smurfs IP. And it's all been done better elsewhere. The story structure is basic, with a script that lacks depth and originality.

Visually, the animated/live-action hybrid will impress some animation enthusiasts, but for everyone else, it might feel jarring. The Smurfs interact with real-world environments, but the live action actors don't respond convincingly. It looks like the blue characters were dropped in during post-pro-

duction and poorly composed into the scenes.

Another big issue is how forgettable most of the Smurfs are. Aside from Smurfette, No Name, Papa and Brainy Smurfs, the rest are just background aesthetics. The film tries to make up for this by introducing new characters and expanding the world, but it feels like the result of a script rewritten too many times by too many people, with a lot of influence from the studio. Fans hoping for deeper lore or emotional storytelling will likely be disappointed.

Then there's the introduction of the "Snooter Poots," clearly designed to sell toys. They're essentially this film's Minions from the *Despicable Me* franchise.

Conclusion

The story hits all the usual *Smurfs* beats, find the MacGuffin, a Smurf gets kidnapped, someone unlocks new powers, and self-worth is discovered. It's a classic hero's journey that's been rinsed and repeated. For millennials, this may feel like a hollow retreat. For children, there's enough colour, movement, and sound to stay entertained, but not mind-blown.

Rihanna's vocals, the animation, and the multiverse experiment prevent this from being a total disaster. But anyone expecting Pixar-level charm or the heart of the original series will be left wanting. It's a film that leans too much on brand familiarity and not enough on imaginative storytelling. Basically, it's a safe movie.

And as I complete this article, it all suddenly makes sense. Maybe that's why this movie wasn't aggressively marketed in the first place.

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Navigating the tax dispute resolution process in Kenya

TAXATION
GLADWINNIE
NGATIA

Understanding the steps to take is crucial to protecting your rights and avoiding costly delays in tax matters



In an increasingly complex tax environment, it is crucial for taxpayers to understand the avenues available to resolve disputes with the Kenya Revenue Authority (KRA).

The tax dispute resolution framework in Kenya is structured to ensure fairness, efficiency, and adherence to the rule of law, with provisions anchored in the Tax Procedures Act (TPA) and supported by administrative and judicial mechanisms. Sticking to statutory timelines is key to ensure that your disputes are resolved effectively.

Disputes typically arise when there is a disagreement between the taxpayer's self-assessment and the KRA's assessment. Upon receiving an assessment or enforcement notice, a taxpayer has the right to contest the decision by lodging an objection under Section 51 of the TPA. This objection must be filed within 30

days. The objection contains detailed statement of the grounds of objection.

Once an objection is filed, the Commissioner is required to issue an objection decision within 60 days. Failure to do so results in the objection being deemed allowed by default, an important safeguard for taxpayers. If the taxpayer is dissatisfied with the decision, the next step is to seek redress through quasi-judicial and judicial mechanisms.

A Notice of Appeal to the Tax Appeals Tribunal must be filed within 30 days of receiving the Objection Decision from the Commissioner. Following this, the taxpayer is required to submit a Memorandum of Appeal and a Statement of Facts within 14 days of filing the Notice of Appeal. The Memorandum of Appeal outlines the grounds of appeal, while the State-

ment of Facts provides a detailed explanation of the factual background supporting those grounds.

After filing these documents, the taxpayer may opt to pursue resolution of the dispute through litigation or the Alternative Dispute Resolution (ADR), a mechanism provided under Section 55 of the TPA.

The ADR process takes 120 days and offers a collaborative platform for taxpayers and the KRA to resolve disputes amicably without resorting to formal litigation. It is cost-effective, confidential, and time-saving. The outcome is binding once formalised, and parties are expected to abide by the terms agreed upon. Once an ADR agreement is reached, tax payers then record a consent at the Tax Appeals Tribunal, which marks the dispute as closed.

Where ADR fails or is not pursued, the taxpayer may appeal to the Tax Appeals Tribunal within 30 days of receiving the objection decision. The Tribunal is an independent body established under the Tax Appeals Tribunal Act. It reviews matters of fact and law and has jurisdiction over disputes involving income tax, VAT, customs, and excise duties. Proceedings at the Tribunal are less formal than in court, yet decisions are binding and enforceable.

If dissatisfied with the Tribunal's decision, a taxpayer may appeal to the High Court on matters of law. This must be done within 30 days of the Tribunal's ruling. Further appeals may be taken to the Court of Appeal and subsequently to the Supreme Court, but only on issues involving constitutional interpretation or matters of general public importance.

The multi-tiered dispute resolution process underscores the government's commitment to upholding taxpayers' rights while protecting public revenue. However, challenges such as delayed decisions, backlog of cases, and procedural rigidity at times undermine the system's efficiency. The increasing uptake of ADR is a testament to the need for more flexible and collaborative mechanisms.

The writer is a tax lawyer and an advocate of the High Court of Kenya



LAST WORD.



"If you spend too much time thinking about a thing, you'll never get it done."

Bruce Lee
HONG KONG-AMERICAN MARTIAL ARTIST, ACTOR, FILMMAKER, AND PHILOSOPHER



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CROSS WORD

YESTERDAY'S SOLUTION
TIMES CROSSWORD 8,216

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ACROSS

- 1 Major football match (3,5)
- 7 Surprise attack (6)
- 8 Ridicule, scoff at (6)
- 9 Mythical monster (6)
- 10 Exhibit, display (8)
- 12 Three-pronged spear (7)
- 13 Release the grip of (7)
- 16 Destructive sea waves (8)
- 17 Deeply distressing experience (6)
- 18 Insurance document (6)
- 20 Wave; bird (6)
- 21 Window in a roof (8)

DOWN

- 1 Dishonourable man (3)
- 2 Chart of elements (8,5)
- 3 Bring about (6)
- 4 Climbing aid (6)
- 5 Sport involving free fall (6,7)
- 6 Study of speech sounds (9)
- 10 Framework; building (9)
- 11 Paces (5)
- 14 Way between floors (6)
- 15 Straighten out, unwind (6)
- 19 Still, even (3)

TIMES CROSSWORD 8,217

