



## **BUDGET PRICE INCREASES ARE FORCING HARD-UP CITIZENS TO COMPENSATE FOR RAMPANT ILLICIT TRADE**

Tuesday 11 May 2021 – NEW Budget proposals expose the urgent need for Kenya to combat the menace of illicit trade that is robbing the nation of billions of shillings every week.

According to the proposals presented to parliament by CS Yatani through the Finance Bill 2021, there will be increases in the price of a range of goods including bread, motorcycles and medical equipment.

Stephen Mutoro, leader of Stop Crime Kenya (StoCK), says: “Government is increasing the tax burden on honest, hard-working citizens to compensate for the money being looted by criminals in the rampant illicit economy.

“Instead of punishing a population already hit hard by the pandemic, our leaders should do their duty and ensure that the Treasury collects the money we are owed by crooks in illicit trade.”

The trade in smuggled and fake goods costs the country more than Sh153 billion tax in lost revenue annually, according to a [2020 report](#) from the Anti-Counterfeit Authority (ACA). That means:

- The entire Budget allocation for health (Sh106bn) PLUS agriculture and food security (Sh40.6bn) could be funded by illicit trade losses
- Criminals in illicit trade steal more taxes in THREE WEEKS than the Sh8bn Government will spend on affordable housing in the coming year
- The money we lose to illicit trade for the rest of this year would pay for TWO Covid vaccines for EVERY Kenyan

Mr Mutoro says: “Illicit trade is costing lives. Struggling Kenyans are going to have to pay more for their daily bread as a result of the proposed Budget. There are also new taxes for other essentials like baby formula and syringes.

“Decent, hard-working families are already going hungry and the innocent and vulnerable are dying unnecessarily. Now is not the time to be increasing the burden on households struggling to make ends meet. It is time to treat the menace of illicit trade with the seriousness it deserves.”

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