



# **THE IMPACT OF TAX ON WOMEN SMALL-SCALE TRADERS.**



**OXFAM**



Name: Martha Kemunto

Age: 37 years

Location: Kibera

It is the smell of fish and chapatti that welcomes you to this small establishment, in the middle of a church and some metal workers' workshops and a garage.

Martha Kemunto owns this small, dark, smoke filled food kiosk in Kibra at a local market commonly referred to as Toy market. She uses the shop to only prepare food, then hawks it to her potential customers.

She began her business in 1995, with a more solid structure however after the post election violence of 2007, her life and business took a major hit.

"My food kiosk was blazed down in 2007, I had to move my business elsewhere and since then business has never been the same." She says.

In 2010, she started paying cess, it is a requirement by the county government. Something she says, has put a strain on her business and her family, aying cess and running her business. Sometimes her family lacks because the expenses are too high.

"I make roughly 600 per day, I pay cess (KES 50) on Monday and Friday. I still have to pay my worker around KES 150 per day, pay the security fee of KES 20 and at the end of the day pay my suppliers, after which I am left with very little for my family.

She sells to other small business owners who are also facing difficulties since they are also paying cess, which is collected twice every week by the County Government or market management. Hence she has to lower the cost of food and ends up making very little to zero profit.

“I make roughly 600 per day, I pay cess worth KES 50 (about fifty cents US dollars) on Monday and Friday. I still have to pay my worker around KES 150 per day, pay the daily security fee of KES 20 and at the end of the day pay my suppliers, after which I am left with very little for my family.

“I used to cook chicken, fish and ugali but after the increase in taxation, from KES 25 to KES 50. I can't afford it and neither can my customers. I now make them beans, green grams and other cereals with rice or ugali and sometimes I prepare fish when it is not very expensive for me.”

“The county council should build us better stalls - 'kiosks', toilets, install lights and provide water. The taxes we pay must account for something,”  
Kemunto says





Name: Colleta Nyairabu

Age: 32 years

Location: Kibera

Coletta Nyairebu, 32, is a businesswoman who has been running her fish business for the past two years. Her fish stand, amongst other businesses is located along a busy side of the road in Nairobi's 'Chocolate city' Sarangombe, Kibra.

We are seated in her single room; one she shares with her two children, which is evident because of the baby clothes lying on the bed on the extreme left. Some cups with traces of tea sit on the floor.

Coletta starts her day at 4.30 a.m. prepares her children for school and heads off to buy fish. She is a small business owner, with early mornings and late evenings, so as to provide for herself and her children.

Being a small business trader, Coletta is not spared from cess which is collected twice every week by the County Government or market management - a fee that is not easy to come by.

"I buy a kilo of fish at KES 220 that means that one fish is KES 30, I sell the fish for KES 70 I make KES 40 from each fish. Sometimes I lower the price of fish so that my clients can afford.

“The profit I make from my sales, I use it to pay for garbage collection, water and security services. I used to pay cess of KES 25 but we now pay KES 50 (about fifty cents US dollars) twice a week.”

The increase in cess has affected the prices of food, “We have to increase the food prices to be able to make profit while still paying cess,” she says. This has greatly affected her business. She finds it hard to do as much as she would want for her family because tax has become an expense. She has to split monies made between feeding her children, paying school fees and paying cess.

Sometimes she has rough days when it rains, or when she doesn't have enough money to buy her raw fish. Such days are tough, but she strives to make ends meet and hopes that one day, her value for money will bear results.

“I hope that from the cess we pay, I will one day be able to run my business from a place with a shed, never have to incur garbage collection expenses, better yet have access to better toilets and have security for me and my business,” says Coletta.





Name: Rebecca Ndeto

Age: 35 years

Location: Kawangware

It is a one room metallic structure with a sheet that separates her bedroom and her kitchen area. Right outside, is her shop made of wooden planks a common design for many businesses in the informal sector.

The house also doubles up as storage for the consumables: carrots, kales, pumpkins, onions and tomatoes, sold at the shop.

Meet Rebecca, occupant of the house, a married mother of three who started her business in 2008. "I wake up at 5:00 a.m., get to the market by 5:30 a.m., buy my stock and I am back at my stall by 8:30 a.m. Business is hard because people around me are opening the same type of businesses making sales harder." She says.

Rebecca is one of the small business traders who had to pay cess. "Two years ago, we used to pay cess worth 50 KES (about fifty cents US dollars) three times a week.

"The county government did not care whether you had made any sales or not. All they needed was payment. I sometimes had to borrow money from friends to prevent them from carrying my items," she explains.

The current Governor of Nairobi, Hon. Mike Mbuvi brought relief to her and other small business owners exempting them from paying cess as a campaign promise. However, she still pays operational levies like garbage collection, water and security out of her own pocket.

“When I used to pay cess, I did not see value for my money. We still have no proper roads, there is sewage and water pipes have burst. The County Government needs to step up and work towards creating a better work environment

Rebecca recommends that; the County government should construct market places nearby, to ease client access and reduce the other levies small-scale traders have to pay for in Kawangware.





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