PTTI COUNTRY PROFILE — KENYA

Premix Taxes and Tariffs Index · Prepared for the Global Alliance for Improved Nutrition (GAIN)

Reference GCC-GAIN-PTTI-2026-01 | Dataset: Master workbook v1.5.56 (17 September 2026) | Profile v2.11 | 17 September 2026

1. PURPOSE AND BASIS OF PREPARATION

This profile is one of eight prepared for the Global Alliance for Improved Nutrition under the Premix Taxes and Tariffs Index engagement. The index records, for sixty-six countries, the taxes, duties and charges levied at the border on imported micronutrient premix — the concentrated blend of vitamins and minerals that millers and food producers add to staple foods such as wheat flour, edible oil and salt in food fortification programmes. Many countries that fortify foods import their premix, and the charges collected at the border can represent a material share of total programme cost. The fiscal treatment of premix at import is therefore of direct consequence to those who design, fund and operate fortification programmes, and this profile is written for that readership rather than for customs specialists.

Every figure cited traces to a source recorded in the citation log of the PTTI master workbook, version 1.5.56 of 17 September 2026. The modelling convention throughout the index is a single consignment valued at USD 1,000,000 on the cost, insurance and freight (CIF) basis — the value of the goods delivered to the port of entry, which is the base on which most import charges are computed. Where a charge is instead levied on the free-on-board (FOB) value, the convention takes FOB as USD 900,000. The modelled consignment is a bulk multi-micronutrient premix — vitamins and minerals on a food-grade carrier — for wheat-flour fortification, in industrial packing and of non-preferential origin, entered for home consumption at standard rates. The importer modelled is a registered manufacturer importing the premix as an input to its own production; a flour mill is taken as the reference case, and section 5 sets out how the VAT treatment of the fortified product bears on the credit. Where the evidence supporting a figure is secondary, or awaits verification against the primary legal instrument, this profile says so.

2. SUMMARY ASSESSMENT

An importer bringing the modelled consignment into Kenya pays USD 212,200 at the border — 21.22 per cent of the value of the goods, below the index median of 31.14 per cent.

Two features of the Kenyan position stand out. First, the East African Community's common tariff contains a dedicated line — 2106.90.40, "mineral premix used in fortification" — at a zero rate, so a consignment classified to that line pays no customs duty; the modelled consignment is a bulk multi-micronutrient premix for flour fortification and is taken to be so classified (section 4 explains the basis and its limits). Second, the largest charge in the bill, value added tax of USD 167,200, is creditable in principle by a registered person who uses the premix to make taxable supplies — and since wheat and maize flour have been standard-rated in Kenya since 1 July 2023, a flour miller deducts it in the ordinary VAT return; section 5 sets out the position for other fortified products. The Import Declaration Fee and the Railway Development Levy, USD 45,000 together, are charges that no importer can credit.

3. THE CHARGES AT THE BORDER

Three charges arise on the modelled consignment. The customs duty line is shown because its zero rate is the foundation of the Kenyan position.

Charge	Character and legal basis	Rate and base	Amount (USD)
Customs duty	None for goods classified to the EAC Common External Tariff's dedicated line 2106.90.40, "mineral premix used in fortification", at a zero rate (see section 4)	0% of CIF	0
Value added tax	VAT on the taxable value of imported goods: customs value plus duty and the two levies below (USD 1,045,000); creditable in principle as input tax by a registered person making taxable supplies — by set-off or, for zero-rated output, by refund claim (see section 5)	16% of base	167,200
Import Declaration Fee (IDF)	Processing levy under the Miscellaneous Fees and Levies Act s.7(2), at the reduced rate set by the Finance Act 2023	2.5% of CIF	25,000
Railway Development Levy (RDL)	Levy under the Miscellaneous Fees and Levies Act s.8(2), funding railway development; reduced to 1.5 per cent by the Finance Act 2023 and restored to 2 per cent by the Tax Laws (Amendment) Act 2024	2% of CIF	20,000
Total gross import charges	**21.22% of the CIF value of the consignment**		**212,200**

Two points of mechanics assist the reader. First, the VAT base includes the two levies as well as the customs value, so the effective VAT incidence on the goods is 16.7 per cent of their value rather than 16. The index applies the statutory definition: section 14(1)(c) of the Value Added Tax Act 2013 adds to the customs value "the amount of duty of customs, if any, paid on those goods", and section 2 defines "duty of customs" as "import duty, excise duty, export duty, countervailing duty, levy, cess, tax or surtax charged under any law for the time being in force relating to customs or excise" — which brings the Import Declaration Fee and the Railway Development Levy into the base. Readers should be aware that some published guidance and worked examples compute import VAT on the

customs value plus duty alone, on which basis the VAT would be USD 160,000 and the total 20.50 per cent; the recorded figure follows the statute, and the point should be confirmed against an actual assessment before it is relied upon. Second, no African Union import levy appears in the table, and its absence is deliberate: Kenya meets its AU assessed contributions from Import Declaration Fee proceeds by statutory earmark (Legal Notice 10 of 2017 under the Public Finance Management Act) rather than through a separate charge on the importer. Some published compilations show an AU levy as an additional Kenyan border charge; the index records that treatment as incorrect.

4. THE CLASSIFICATION POSITION

Kenya's position is the mirror image of the classification accidents recorded elsewhere in the study. The East African Community is one of a small number of customs territories among the sixty-six studied — with Mozambique, Uzbekistan and the ASEAN members — whose tariff names fortification premix explicitly, and one of the few to attach a zero rate to the dedicated line. The line is 2106.90.40, "mineral premix used in fortification", at 0 per cent in the Common External Tariff, 2022 version, as renumbered by Legal Notice EAC/1/2023 (Table I, item 10) with effect from 1 July 2023 from the former 2106.90.92; the renumbered line and its rate are sighted in the Kenya Revenue Authority's published print of the tariff as updated June 2023, and the renumbering is reflected in the Authority's tariff-ruling register. Two qualifications attach. The tariff description is "mineral premix used in fortification": a multi-micronutrient premix containing vitamins as well as minerals, in bulk industrial packing for a fortifying mill, is the product the index models and the product the EAC line was written for, and the Authority's ruling register records premix classified to it; but the words of the line are part of the eligibility test, and a blend that departs from that description — a vitamin-only premix, a retail-packed supplement, or a preparation on a food carrier — would need its own classification analysis, for which an advance ruling is the safe route. And a declaration made under the lapsed number 2106.90.92 invites query and delay even where the goods are not in doubt, so declarants should confirm the current number at each tariff revision. Classification ambiguity is recorded as low for the modelled product on this basis, not merely because a conveniently named line exists.

5. THE RECOVERABILITY POSITION IN PRACTICE

The distinction between what is paid at the border and what is creditable is important in Kenya, but it must be drawn with care. Of the USD 212,200 paid, the VAT of USD 167,200 is

creditable in principle under section 17 of the Value Added Tax Act 2013 as input tax of a registered person, to the extent that the premix is used in making taxable supplies, with apportionment under section 17(6) where the business also makes exempt supplies. How the entitlement is realised depends on the VAT status of the fortified product. Wheat or meslin flour, maize flour and cassava flour are standard-rated: the Finance Act 2023 deleted both their former exemption (First Schedule, paragraph 108) and their former zero-rating (Second Schedule, paragraph 22) with effect from 1 July 2023, and nothing since has restored either. A flour miller therefore charges 16 per cent on its flour and deducts the import VAT on premix against that output tax in the ordinary monthly return — the simplest outcome. Ordinary bread is zero-rated (Second Schedule, paragraph 13A), so a bakery's deduction leaves an excess of input tax which section 17(5) requires the Commissioner to refund, on a claim lodged within twelve months of the tax becoming due (a limit reduced from twenty-four months by the Finance Act 2025) and after verification; such refunds have historically been slow to pay. Edible cooking oil and salt appear in neither Schedule and are standard-rated, so an oil refiner or salt producer is in the miller's position. The two levies carry no credit mechanism. A programme importing through an entity that is not registered for VAT would have no entitlement to the credit and should treat the full 21.22 per cent as cost.

Two cautions apply to every creditable charge in this profile, and the index applies them throughout. First, a credit is a legal entitlement, not cash. VAT or sales tax paid at import may be credited, carried forward or refunded only under the local rules, including the treatment of the importer's own output: where the fortified product is exempt the input credit is denied in whole or in part, and where it is zero-rated the excess is recovered by refund claim rather than set-off. Advance income-tax collections follow separate rules — adjustment against the year's liability, minimum-tax treatment for some importers, and refund of any excess — and are not affected by the VAT status of the output. Second, recovery takes time and is contestable: claims are subject to time limits, audit, partial disallowance, delay and dispute, and an amount identified as creditable in principle is not a guaranteed receipt. For these reasons the index reports the gross figure — what must be paid and financed at the border — as its headline, records for each charge whether it is creditable in principle, and computes no net figure. Programme plans should budget on the gross amount, distinguish the charges no importer can credit from the creditable principal and the financing cost of delayed recovery, and test denial and delay scenarios.

6. THE RELIEF AND EXEMPTION POSITION

The index records fortificant relief as evidenced in Kenya, and here the relief is the tariff itself: goods classified to the dedicated line attract the ordinary zero rate of the common tariff, so no separate customs-duty exemption, certificate or ministerial approval has to be obtained. That is a narrower but real advantage over relief granted by discretionary instrument: the rate can change only by amendment of the common tariff, and the importer's task is to classify and declare the goods correctly rather than to secure and renew an exemption. It is not immunity: the tariff can be amended, the description "used in fortification" is part of the eligibility test, and a mis-declared consignment loses the rate. The charges that no importer can credit are the two levies — a processing fee and a railway levy, USD 45,000 on the modelled consignment. For the main fortification vehicles the VAT is a financing cost recovered through the return, so any engagement with the Kenyan authorities on fortification costs should be framed around the levies and, for zero-rated producers such as bakeries, the pace of refunds. The relief position recorded is that evidenced by the instruments cited for the modelled line; any relief for which a particular importer may separately qualify should be confirmed in writing with the relevant ministry before it is relied upon.

7. THE BORDER OPERATING ENVIRONMENT

Kenya's border indicators are mid-range. The country was last scored on the World Bank's Logistics Performance Index in 2018, at 2.81 overall (ranked 68th) with a customs component of 2.65. The legacy Doing Business measurements of 2020, indicative only, put border compliance for an import at approximately 194 hours and USD 833 per shipment, with documentary compliance adding some 60 hours and USD 115. Kenya's notified implementation rate under the WTO Trade Facilitation Agreement stands at 92.4 per cent, with both the national single window and advance rulings recorded as implemented — the latter offering importers a formal route to certainty on classification questions should one ever arise on the premix line. The logistics vintages cited are each country's most recent scored edition — the 2025 LPI publishes no country scores — and the 2020 legacy compliance figures are context, not current measurements.

8. OBSERVATIONS RELEVANT TO PROGRAMME PLANNING

Three observations follow. First, the Kenyan treatment is the study's standing exhibit of what a dedicated premix line achieves. With the 2028 edition of the Harmonized System giving premix a subheading of its own (2106.20, in force 1 January 2028), the East African

Community's task is transposition: carrying its existing line into the new subheading with the zero rate preserved, since the new code by itself sets no rate. Programmes operating in Kenya are well placed to document the treatment in practice as that work proceeds. Second, the economics of importing depend on who imports and what is made from the goods: the importer of record should be a VAT-registered person whose use of the premix and whose downstream supplies support the input-tax credit, the VAT status of the fortified product should be confirmed before the credit is counted on (flour is standard-rated, bread zero-rated), and where recovery runs through a refund claim it should be lodged within the twelve-month limit and followed through rather than assumed. Third, the remaining engagement agenda is specific — the two levies, which no importer can credit, and the pace of VAT refunds — and declarants should track tariff renumbering at each EAC revision so that the favourable line is claimed under its current code.

9. DATA QUALITY AND LIMITATIONS

The Kenyan assessment carries high confidence on the published tariff rate and the levy rates, and the confidence should be read component by component. The zero duty rate rests on the Common External Tariff as renumbered by Legal Notice EAC/1/2023, sighted in the Kenya Revenue Authority's published print; the two levies are verified against the Miscellaneous Fees and Levies Act, with the Finance Act 2023 reduction of the Import Declaration Fee and the 2024 restoration of the Railway Development Levy to 2 per cent applied. The eligibility of a particular consignment for the dedicated line is a classification question on which an advance ruling is the safe route; the VAT base is recorded on the statutory reading and is disclosed in section 3 as a point some practice computes differently; and the recovery of the VAT depends on the importer's registration and on the VAT status of its output, which the index records in principle and not in practice. Classification ambiguity is recorded as low for the modelled product. The evidence that would restate this profile is an amendment to the common tariff or to the line's description or rate, a change to the Miscellaneous Fees and Levies Act or the Value Added Tax Act affecting the levies, the VAT base or the treatment of the fortified product, or a ruling on classification. The figures are prepared on the index's common conventions to support

comparison and programme-level planning; they are not a substitute for a binding ruling or an entry-specific computation.

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