

PRESS STATEMENT

For Immediate Release

NON-REMITTANCE OF STATUTORY DEDUCTIONS BY BIG TECH COMPANIES LIKE FACEBOOK AN INSULT TO “AFRICA’S SILICON SAVANNAH”.

Nairobi - June 21, 2023: We are deeply concerned about the recent revelations by Business Daily regarding Samasource’s non-remittance of statutory deductions to KRA from its employees in the period in which they worked at the company. In a period our government is in dire need of resources, the government has drawn up a 3.6 trillion shilling (\$26.2 billion) budget for 2023/24 with the proposed new taxes. Citizens are duly required to pay taxes however; large foreign private companies are allegedly conducting illegal practices of non-compliance.

Samasource is a multinational company that has operations in Kenya. It was outsourced by Meta to moderate content posted on social media platforms such as Facebook, Instagram and ChatGPT. Between 2019 and 2023, the company hired 184 people from different countries to serve as content moderators. These employees were entrusted with the critical responsibility of filtering and removing potentially harmful content from these online platforms. However, it has come to our attention that earlier this year, Samasource declared all the 184 employees redundant. Additionally, we have learnt that the company has on several occasions failed to fulfil its legal obligation of remitting statutory deductions to the Kenya Revenue Authority (KRA) on behalf of its employees.

This failure to remit statutory deductions is a serious violation of the law, and an affront to the well-being of the affected employees and to Kenya’s economic growth. Samasource’s actions are a textbook definition of impunity and evidence of a predatory culture by Big Tech companies in Africa. Siasa Place strongly believes in the importance of tax compliance and fair treatment of employees, majority of whom are young and hardworking Africans. It is therefore disheartening to witness such blatant disregard for these principles by a company that brands itself as an ethical outsourcer. We would also like to see Meta, the parent company that owns Facebook, Whatsapp and Instagram take more direct responsibility towards our country. As the true employer of Moderators, Meta is directly culpable in this tax evasion scheme as well.

To address this serious issue an immediate investigation into Samasource’s non-remittance of statutory deductions needs to be done. We expect that KRA will conduct a thorough inquiry, determine the extent of the violation, and take appropriate legal measures against Samasource. Siasa Place stands in solidarity with the former employees of Samasource who have been impacted by this neglect. We will continue to advocate for their rights and work towards a society that values transparency, fairness, and respect for the rule of law.

Nerima Wako
Executive Director

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About Siasa Place

Siasa Place is a youth-serving NGO dedicated to fostering an informed, liberated, engaged, and dignified society in Kenya. For more information visit <https://siasaplace.com/>.

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