



PREAMBLE

The Kenya Anti-Corruption Commission is required under section 36 of the Anti-Corruption and Economic Crimes Act, 2003, to prepare quarterly reports.

Section 35 provides that:

1. Following an investigation, the Commission shall report to the Attorney General on the results of the investigation.
2. The Commission's report shall include any recommendation the Commission may have that a person be prosecuted for corruption or economic crime.

Section 36 provides that:

1. The Commission shall prepare quarterly reports setting out the number of reports made to the Attorney General under section 35 and such other statistical information relating to those reports, as the Commission considers appropriate.
2. A quarterly report shall indicate if a recommendation of the Commission to prosecute a person for corruption or economic crime was not accepted.
3. The Commission shall give a copy of each quarterly report to the Attorney General.
4. The Attorney General shall lay a copy of each quarterly report before the National Assembly.
5. The Commission shall cause each quarterly report to be published in the Gazette.

This report is therefore made pursuant to section 36 of the Anti-Corruption and Economic Crimes Act, 2003. The report covers the second quarter of the year 2007 and is for the period commencing 1st April, 2007 to 30th June, 2007.

**INVESTIGATIONS COVERING THE PERIOD 1ST APRIL, 2007
TO 30TH JUNE, 2007**

1. KACC/FI/INQ/111C/2005

Inquiry into allegations of irregular payment of honoraria of Kshs. 7,696,400/- by Harambee Sacco Ltd to an inquiry team. The investigations noted that there were irregularities in the way the honoraria was utilised. It was recommended that the Harambee Sacco should consider recovering the unsurrendered imprest on account of fuel from the concerned members of the inquiry team. It was also recommended that Section 2 of the Anti-Corruption and Economic Crimes Act, 2003 should be amended to include Co-operative Societies as public bodies in line with the Public Officer Ethics Act, 2003.

The file was forwarded to the Attorney General on 2nd April 2007 with recommendation for administrative action. The recommendation was accepted on 25th April 2007. The Attorney General also agreed to amend Section 2 of the Anti-Corruption and Economic Crimes Act, 2003 in order to include Co-operative Societies in the definition of public bodies.

2. KACC CR 911/487/2006- COURT FILE: KAKAMEGA ACC 2460/2006

Inquiry into allegations that a Senior Executive Officer of Bungoma Law Courts solicited for a benefit of Kshs. 5,000/- as an inducement to trace a Court file in respect of Criminal Case No. 579 of 2006 in which the complainant's brother was the accused. Investigations established that the said officer indeed solicited and received the bribe. He was arrested and arraigned before the Kakamega Anti-Corruption Court with four counts of corruption.

The file was forwarded to the Attorney General on 2nd April 2007 with recommendation that the pending case be prosecuted to conclusion. The recommendation was accepted on 19th April 2007

3. KACC CR 142/148/2006 - COURT FILE: NAIROBI ACC 71/06

Inquiry into allegations that a City Council of Nairobi askari attached to the Inspectorate Department had corruptly solicited for a sum of Kshs. 20,000/- as an inducement to facilitate the release of the complainant's motor vehicle which had been detained at City Hall parking yard for contravention of the City by-laws. Investigations confirmed the solicitation. The suspect was arrested and arraigned before the Nairobi Anti-Corruption Court.

The file was forwarded to the Attorney General on the 10th April, 2007 with a recommendation that the case pending before Court be prosecuted to conclusion. The recommendation was accepted by the Attorney General on 26th April 2007.

4. KACC.CR. 141/917/2006 – COURT FILE: NAIROBI ACC. NO. 105/2006

Inquiry into allegations that two Police officers attached to the Tourist Police Unit had solicited for a bribe of Kshs. 3,000/- as an inducement to forbear arresting and charging the complainant with the offence of tour guiding without a licence. Investigations confirmed the solicitation by the two officers and receipt of Kshs. 3,000/- by one of them. The suspects were arrested and arraigned before the Nairobi Anti-Corruption Court.

The file was forwarded to the Attorney General on the 19th April, 2007 with a recommendation that the case pending before Court be prosecuted to conclusion. The recommendation was accepted by the Attorney General on 14th May 2007.

5. KACC/AT/INQ/24/2006

Inquiry into allegations that directors of Rothman's Holdings Limited illegally acquired public land reference Mombasa Municipality Block XXXV1/681/M1 situated at Kizingo area. The investigation established that the piece of land was lawfully acquired and there was no element of fraud in the transaction.

The file was forwarded to the Attorney General on 2nd May 2007 with recommendation to close the same. Advise of the Attorney General is awaited.

6. KACC CR 141/855/2006 - COURT FILE: NAIROBI ACC 96/2006

Inquiry into an allegation that a Senior Systems Analyst with the City Council of Nairobi had solicited for a bribe as an inducement to facilitate the awarding of Information and Communication Technology Consultancy tender to Softwise (Kenya) Limited. Investigations established that the solicitation was made on three occasions. The suspect was arrested and charged with three counts of soliciting for a bribe before the Nairobi Anti-Corruption Court.

The file was forwarded to the Attorney General on 3rd May 2007 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted on 15th June 2007.

7. KACC CR 141/421/2005

Inquiry into allegations that members of Kajiado District Lands Tribunal had solicited and received a bribe of kshs. 20,000/- as an inducement to settle a land dispute. They were after initial investigations charged before the Nairobi Anti-Corruption Court with the offence of corruption, but the case was withdrawn as the Magistrate indicated that she did not have jurisdiction. After further investigations however, the Commission established that the evidence gathered was not sufficient to sustain a criminal offence.

The file was forwarded to the Attorney General on 3rd May 2007 with recommendation that the inquiry file be closed. The recommendation was accepted by the Attorney General on 16th July 2007.

8. KACC CR 141/118/2007 – COURT FILE: NAIROBI ACC 8/2006

Inquiry into an allegation that a Police Officer attached to Kabati Police Station in Maragwa District solicited for a bribe of kshs. 10,000/- from the complainant as an inducement to forbear arresting the complainant for allegedly being in possession of a firearm without a firearm certificate. Investigations established the solicitation. The suspect was arrested and charged before the Nairobi Anti-Corruption Court with three counts of soliciting for a bribe.

The file was forwarded to the Attorney General on 8th May 2007 with recommendation that the case pending before court be prosecuted to its logical conclusion. The recommendation was accepted by the Attorney General on 21st June 2007.

9. KACC CR 141/921/2006 – COURT FILE: NAIROBI ACC 104/2006

Inquiry into an allegation that a Process Server based at Githunguri Law Courts had solicited for a bribe of kshs. 20,000/- in order to facilitate the writing of a favourable judgment in a criminal case pending before the Githunguri Magistrates Court against the complainant. Initial investigations established a bribe demand and the suspect was arrested and charged with solicitation. Further investigations however established that the evidence was not sufficient to sustain a charge.

The file was forwarded to the Attorney General on 14th May 2007 with recommendation that the case pending before Court be terminated by way of a nolle prosequi, and administrative action be taken against the accused by the Judicial Service Commission. The recommendation was accepted by the Attorney General on 31st May 2007.

10. KACC CR 805/751/2006 – COURT FILE: KERICHO ACC 25/2006

Inquiry into an allegation that an Administration Police Officer based at Merigi Post in Bomet District had demanded a bribe of Kshs. 1,000/= as an inducement not to take legal action against the complainant for allegedly causing disturbance in a bar within Merigi Area. Investigations established that the suspect had indeed solicited for a benefit. He was arrested and charged with four counts of corruption under section 39 (3) (a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on the 14th May, 2007 with a recommendation that the case pending before Court be prosecuted to conclusion. The recommendation was accepted by the Attorney General on 12th June 2007.

11. KACC CR 170/377/2006 – COURT FILE: NAIROBI ACC 99/2006

Inquiry into an allegation that a Police Corporal was demanding a sum of Kshs. 5,000/- as an inducement to hasten the forwarding to the Officer Commanding Station Kilimani, of an inquiry file in respect to a complaint she was investigating. Investigations established the

demand and receipt of Kshs. 4,000/-. The suspect was arrested and charged in the Nairobi Anti-Corruption Court with three counts of soliciting and receiving a bribe.

The file was forwarded to the Attorney General on 17th May 2007 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted by the Attorney General on 11th June 2007.

12. KACC CR 921/616/2006 – COURT FILE: BUNGOMA ACC 2629/2006

Inquiry into an allegation that a Chief Inspector of Police attached to the Western Provincial CID Headquarters, Kakamega, had solicited and obtained a bribe of kshs. 50,000/- from the complainant's brother as an inducement so as not to charge the complainant with an alleged offence of misappropriation of funds. Investigations established the solicitation and receipt of the said sum by the suspect. The investigation further established that a Corporal who was working with the suspect received the money on behalf of the suspect. The Chief Inspector was arrested and charged with four counts of corruption in the Bungoma Anti-Corruption Court.

The file was forwarded to the Attorney General on 17th May 2007 with recommendation that the case pending before Court be prosecuted to its logical conclusion. It was also recommended that the Corporal who was used as a conduit in the transaction be subjected to disciplinary action. The recommendations were accepted by the Attorney General on 15th June 2007.

13. KACC CR 141/1017/2006 – COURT FILE: NAIROBI ACC 110/2006

Inquiry into an allegation that an Inspector of Police serving as a Public Prosecutor in Limuru Law Courts, Kiambu, corruptly solicited for Kshs. 10,000/- from the complainant as an inducement to influence the outcome of a criminal case No. 1711 of 2006 pending before Limuru Law Courts. Investigations established the solicitation and receipt of Kshs. 8,000/-. The suspect was arrested and charged with three counts of corruption.

The file was forwarded to the Attorney General on 18th May 2007 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted by the Attorney General on 18th June 2007.

14. KACC CR 141/1035/2006 – COURT FILE: NAIROBI ACC 115/2006

Inquiry into an allegation that the Chief Islamic Preacher (Chief Maalim) based at Kenya Prisons Services, corruptly solicited for a bribe of Kshs. 10,000/- as an inducement to facilitate the reinstatement of the Imam of Meru Main Prison Mosque. The investigation confirmed that the Imam solicited and received Kshs. 10,000/- from the complainant. He was arrested and charged before the Nairobi Anti-Corruption Court with three counts of corruption.

The file was forwarded to the Attorney General on 18th May 2007 with recommendation that the case pending before Court be prosecuted to conclusion. The recommendation was accepted by the Attorney General on 21st June 2007.

15. KACC/INQ/FI/90A/2005

Inquiry into allegations of misappropriation of Kshs. 7,500,000/- granted to M/S Par Aid (Herbalists & Researchers) by the National Aids Control Council (NACC) for purposes of funding research on the efficacy of herbal treatment of HIV/Aids. Investigations revealed that the sum of Kshs. 7,500,000/- was a grant alleged to be for the purposes of funding a research on the efficacy of a herbal treatment of HIV/Aids.

It was also noted that the research proposal was drafted with the assistance of two Doctors based at Moi University and a Professor at the University of Nairobi, who jointly vouched for the positive results of an alleged earlier study. Investigations disclosed that some forged receipts allegedly issued by Moi University were tendered to NACC in support of expenses incurred as laboratory test fees in the sum of Kshs. 3,833,800/-.

The file was forwarded to the Attorney General on 18th May 2007 with a recommendation that the two partners of Par Aid be prosecuted with the offences of obtaining money by false pretences and uttering false documents. Further recommendations were made to the Director, NACC to lodge a complaint with the

Medical Practitioners and Dentists Board against the two Doctors working at the Moi University and the Professor based at the University of Nairobi for professional misconduct. Advise of the Attorney General is awaited.

16. KACC CR 760/153/2007- COURT FILE: NAKURU ACC 300/07

Inquiry into an allegation that traffic police officers based in Kajiado were demanding bribes from lorry drivers who transport building materials along Kajiado-Namanga Road. Investigations were instituted and there was evidence of such corruption. A Police Constable who was found red handed was arrested and charged before the Nakuru Anti-Corruption Court with two counts of corruption for soliciting and receiving Kshs. 200/- from one of the drivers. He was arrested and charged with offences.

The file was forwarded to the Attorney General on 28th May 2007 with recommendation that the case pending before Court be prosecuted to conclusion.

17. KACC/FI/INQ/52(A)/2005

Inquiry into an allegation that the Kenya Revenue Authority officials colluded with two Somali registered companies to divert goods destined for export from the Export Processing Zone (EPZ) into the local market without paying the relevant tax, resulting to an estimated loss of kshs. 12,000,000/- per month to the Government of Kenya in tax evasion. Investigations did not establish any offence against the officers of KRA. KRA was however advised to look at Pay As You Earn (PAYE) of the Directors of companies operating within EPZ as there were indications that they were hiding their true income by passing off the greater part of their earnings as company drawings.

The file was forwarded to the Attorney General on 4th June 2007 with recommendation that same be closed. Advise of the Attorney General is awaited.

18. KACC CR 141/696/2006 – COURT FILE: KERICHO ACC 3/2007

Inquiry into allegations that a Chief Inspector of Police attached to Ongata Rongai Police Station as the officer in charge corruptly solicited for a sum of Kshs. 3,000/- from the complainant as an

inducement to forbear charging her with an alleged offence of affray. Investigations established the solicitation and receipt of the bribe. The suspect was arrested and charged before the Kericho Anti-Corruption Court with three counts of corruption and another charge of obstructing an investigator acting under the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 7th June 2007 with recommendation that the case pending before Court be prosecuted to conclusion.

19. KACC/FI/INQ/62/05

Inquiry into allegations of tax evasion by Cable Television Network Ltd. Investigations established that KRA had computed the tax liability of Cable Television Network. The same included income tax, Value Added Tax. KRA is already in the process of recovering the tax and additional penalties which were imposed on the said Company under the Income Tax Act and the Value Added Tax Act. Under the circumstances, the Commission took the position that criminal proceedings were not desirable in view of the penalties already imposed by KRA.

The file was forwarded to the Attorney General on 12th June 2007 with recommendation that the same be closed. The advise of the Attorney General is awaited.

20. KACC CR 132/297/2007 – COURT FILE: MAKADARA ACC 11/2007

Inquiry into an allegation of corruption against a Clerk based in the Makadara Registration of Persons office had corruptly solicited for a benefit of Kshs. 10,000/- as an inducement to process application forms for change of name in the complainant's Kenya National Identity Card. Investigations established the solicitation and receipt of Kshs. 5,000/-. The suspect was arrested and charged before the Makadara Anti-Corruption Court.

The file was forwarded to the Attorney General on 15th June 2007 with recommendation that the case pending before Court be prosecuted to conclusion.

21. KACC CR 141/1016/2006, COURT FILE: NAIROBI ACC 111/2006

Inquiry into an allegation that a Police Officer attached to Kasarani Police Station had corruptly solicited for a benefit of Kshs. 20,000/- from the complainant as an inducement to forbear arresting her for an undisclosed offence. Investigations established the solicitation and receipt of Kshs. 10,000/- from the complainant. The suspect was arrested and charged before the Nairobi Anti-Corruption Court with three counts of corruption.

The file was forwarded to the Attorney General on 26th June 2007 with recommendation that the case pending before Court be prosecuted to conclusion.

22. KACC CR 122/06/2006 – COURT FILE: NAIROBI ACC 2/2007

Inquiry into an allegation that the Chief of Eastleigh North Location had on numerous occasions solicited for bribes from the small Scale Somali traders who sell their wares at Eastleigh Sixth Street. Investigations confirmed the allegations of corruption. The suspect was arrested and charged with soliciting of various sums of money ranging from Kshs. 40,000/- to Kshs. 10,000/-. His agent was also charged with the offence of corruptly receiving a benefit of Kshs. 10,000/-.

The file was forwarded to the Attorney General on 26th June 2007 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

23. KACC CR 032/6/2007 - COURT FILE: KISUMU ACC 141/2007

Inquiry into an allegation that the Deputy OCS of Isebania Police Station had solicited for a bribe of Kshs. 5,000/- as an inducement to forbear charging the complainant's husband with an offence of being in possession of government stores. Investigations established the solicitation and receipt of the bribe. The suspect was arrested and charged with three counts of corruption before the Kisumu Anti-Corruption Court.

The file was forwarded to the Attorney General on 26th June 2007 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

24. KACC CR 142/98/2006 – COURT FILE: NAIROBI ACC 32/2005

Inquiry into an allegation that an Advocate acting for the National Bank of Kenya in High Court Civil Case No. 1377 of 1996 was demanding a bribe of Kshs. 50,000/- as an inducement to forbear committing the complainant to civil jail for failing to repay a loan he had guaranteed. Investigations established the solicitation and receipt of the money. The suspect was arrested and charged with two counts of corruption. However, after further evaluation of evidence, the Commission formed the opinion that the case should be withdrawn as a key witness could not be traced.

The file was forwarded to the Attorney General on 26th June 2006 with recommendation that the case pending before Court be terminated by nolle prosequi. The recommendation was accepted by the Attorney General 17th July 2007.

25. KACC CR 021/04/2007 – COURT FILE: MOMBASA ACC 3/2007

Inquiry into an allegation that the Town Clerk of Kwale Town Council had solicited for a bribe of Kshs. 200,000/- as an inducement so as to facilitate the payment of kshs. 601, 879, 92/- being payment for the construction of Kwale Market. Investigations established that the said Clerk made demands on various occasions and indeed received a sum of Kshs. 10,000/- from the complainant. The suspect was arrested and charged with five counts of corruption in the Mombasa Anti-Corruption Court.

The file was forwarded to the Attorney General on 26th June 2007 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

**STATISTICAL SUMMARY OF FILES FORWARDED TO THE ATTORNEY
GENERAL**

Total No. of files forwarded to the Attorney General	25
No. of files recommended for prosecution	20
No. of files recommended for administrative or other action	1
No. of files recommended for closure	4
No. of files where recommendation to prosecute accepted	19
No. of files recommended for prosecution and the cases are already lodged in court	19
No. of files where recommendation for administrative or other action accepted	1
No. of files where recommendation for closure accepted	1
No. of files returned for further investigations	0
No. of files where recommendation to prosecute not accepted	0
No. of files where administrative or other action not accepted	0
No. of files forwarded in previous quarters and received during this quarter	2
No. of files where closure not accepted	0
Total No. of files awaiting Attorney General's action	4

DATED AT NAIROBI THIS

DAY OF

2007

JUSTICE (RTD) A. G. RINGERA
DIRECTOR/CHIEF EXECUTIVE