



**THE FIRST QUARTERLY REPORT FOR THE YEAR
2008 COVERING THE PERIOD 1ST JANUARY 2008 TO
31ST MARCH 2008**

THE KENYA ANTI-CORRUPTION COMMISSION

THE FIRST QUARTERLY REPORT FOR THE YEAR 2008 OF THE KENYA ANTI-CORRUPTION COMMISSION

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 first quarter of the year 2008 and is for the period commencing 1st January, 2008 to 31st March, 2008.

INVESTIGATIONS COVERING THE PERIOD 1ST JANUARY 2008 TO 31ST MARCH 2008

1. KACC/FI/INQ/12/2007

Inquiry into allegations of fraudulent sale of Kenya Reinsurance Corporation's property No. LR 1160/613 to Rockhound Properties Ltd. The investigation established that the said property had indeed been fraudulently disposed of to Rockhound Properties Ltd.

The file was forwarded to the Attorney General on 18th January 2008 with the recommendation that the former Managing Director and the Corporation Secretary of Kenya Reinsurance Corporation be charged with fraudulent disposal of public property. It was also recommended that Rockhound Properties Ltd and one of its directors, as well as the former Finance & Corporate Services Director of Kenya Reinsurance Corporation, be charged with the offence of fraudulent acquisition of a public property. The former Finance and Corporate Services Director was to be further charged with the offence of conflict of interest. The recommendation was accepted by the Attorney General on 17th March 2008.

2. KACC /FI/INQ/46(B)/2005

Inquiry into an allegation that a part of South Western Mau forest was irregularly excised and alienated to various companies as parcel numbers 20629, 20630 and 20597. Investigations established that the allocation of land to Kericho Multipurpose Co-operative Society Ltd was irregular and the land ought to revert to the Government.

The file was forwarded to the Attorney General on 9th January 2008 with recommendation that the then Permanent Secretary in the Ministry of Lands and the former Commissioner of Lands be charged with abuse of office. It was also recommended that the Department of Civil Litigation and Asset Recovery of KACC look into the issue with a view to recovering the land and any unjust enrichment of Kericho Multipurpose Co-operative Society Ltd. The recommendation was accepted by the Attorney General on 29th February 2008.

3. KACC /FI/INQ/58/2006

Inquiry into allegations that a Procurement Officer based at the Anti-Stock Theft Unit, Gilgil was engaged in corruption and acts of abuse of office by awarding quotations to firms owned by his wife. It was also alleged that the Procurement Officer had over thirty rubber stamps for different firms which he was using to stamp procurement documents to give the false impression of competitive bidding. A search of the officer's residence was carried out and 24 rubber stamps, blank invoices and delivery notes, among other items, were recovered. The investigation established that the suspect used his office to confer a benefit on firms owned by his wife. The investigations also established acts of conflict of interest on the part of the suspect.

The file was forwarded to the Attorney General on the 20th February, 2008 with a recommendation that the officer be prosecuted for the offences of abuse of office and conflict of interest. Advice of the Attorney General is awaited.

4. KACC/AT/1/2007

Inquiry into an allegation that the business and assets of a company known as Atta (1974) Ltd were stolen by two of the Company's directors with the collusion of the Company Secretary and Auditor. Investigations confirmed that two directors fraudulently transferred the business and assets of the company worth Kshs. 40 Million to the detriment of the company's other shareholders.

The file was forwarded to the Attorney General on 12th March 2008 with recommendation that the two directors be charged with the offence of fraudulent appropriation of company property contrary to Section 328(a) of the Penal Code, making of a false document contrary to Section 329(a) of the Penal Code and failure by director to disclose interest in a contract contrary to Section 200(4) of the Companies Act. Advice of the Attorney General is awaited.

5. KACC/FI/INQ/39/2007

Inquiry into allegations of fraud and abuse of office against the Managing Trustee of the Local Authorities Pension Trust (LAP-Trust). The Managing Trustee is also alleged to have received double salaries in the months of July and August 2006 thereby using his

office to improperly confer a benefit on himself to the tune of kshs. 197,390.40. Investigations established that the double payment was occasioned by a genuine hitch in the payment process due to change of account particulars of the Managing Trustee. When the anomaly was detected, it was rectified and the money was treated as a salary advance and the same has been recovered in full.

The file was forwarded to the Attorney General on 12th March 2008 with recommendation that the file be closed. Advice of the Attorney General is awaited.

6. KACC/INQ/AT/14/2005

Inquiry into allegations of corruption and possession of unexplained assets by the Deputy Chief Economist at the Ministry of Finance. Investigations established that the suspect submitted a declaration form to the Public Service Commission which declaration she knew was false. The Commission however lacks jurisdiction to deal with offences created under the Public Officer Ethics Act.

The file was forwarded to the Attorney General on 3rd January 2008 with recommendation that the file be submitted to Criminal Investigation Department for investigation and the investigation file by KACC be closed. Advice of the Attorney General is awaited.

7. KACC/FI/INQ/61/05

Inquiry into allegations of irregular procurement of a multi-channel digital voice and data recorders by the then Directorate of Civil Aviation. Investigations established that the equipment worth Kshs. 49,428,705 that was procured and installed could not function properly due to a problem of compatibility with the existing radar data processor. It further established that though documents of tender did not conform to the standard documents of tender, the procurement process was largely transparent and did not expose any tenderer to prejudice. The Commission found it undesirable and disproportionate to charge with criminal offences officers who were involved in the procurement for failing to strictly observe the provisions of the procurement regulations.

The file was forwarded to the Attorney General on 9th January 2008 with recommendation that the Director of Kenya Civil Aviation Authority and Procurement officers of the Kenya Civil Aviation Authority be reprimanded for gross negligence in the way they

handled the procurement of the multi-channel digital voice and data recording system. Advice of the Attorney General is awaited.

8. KACC/AT/INQ.10/2007

Inquiry into allegations that land and houses belonging to the Municipal Council of Nakuru were illegally allocated to Councillors and chief officers of the Council without approval of the Minister for Local Government and that the Council had failed to implement the Government directive of 2004 to recover the same. Investigations established that though the Minister had granted approval for sale of certain plots in order to raise money to pay off a loan, the Council went ahead and sold houses and other plots, including plots set aside for water works and a Primary School, without authority of the Minister.

The file was forwarded to the Attorney General on 18th February 2008 with recommendation that the inquiry file be closed as the evidence was not sufficient to sustain a criminal case. It was further recommended that the Department of Civil Litigation and Asset Recovery of KACC do proceed to recover all the properties belonging to the Municipal Council that were irregularly allocated to individuals. The Attorney General recommended further investigations in the matter on 6th March 2008.

9. KACC/AT/INQ/3/28.2.2005

Inquiry into allegations that the Director of the Local Authorities Inspectorate had acquired unexplained wealth. After the investigation, the Commission was satisfied that the suspect had sufficiently accounted for his wealth and explained the sources thereof. No evidence of corruption was found.

The file was forwarded to the Attorney General on 15th January 2008 with recommendation that the same be closed. The recommendation was accepted on 1st April 2008.

10. KACC/AT/INQ/25/2006

Inquiry into an allegation that plot No. Mombasa Island/Block XLII/185, Mombasa Island /Block XLIV/118 and Mombasa Island/Block XLIV/3 were irregularly allocated to an individual yet they were road reserves. With regard to plot No. Mombasa Island/Block XLIV/3, the investigation established that the

beneficiary had properly inherited the same from his grandmother. The investigation further established that the Commissioner of Lands lacked power to allocate government land to an individual and therefore the allocation of Mombasa Island/Block XLII/185 and Mombasa Island/Block XLIV/13 was irregular. However, the evidence was not enough to sustain any criminal offence against the Commissioner.

The file was forwarded to the Attorney General on 25th March 2008 with recommendation that the file be closed. Advice of the Attorney General is awaited.

11. KACC CR 142/144/2007: NAIROBI ACC 58/2007

Inquiry into an allegation that a debt collector of Kenya Power & Lighting Company Ltd. was soliciting for a benefit of Kshs. 300,000/- from the Manager of Upper Hill Springs Restaurant as an inducement to forbear payment of an alleged outstanding electricity bill amounting to Kshs. 1,800,000 in respect of account number 0176324-04 with Kenya Power & Lighting Co. Ltd. Investigations established the solicitation and receipt of Kshs. 20,000/-. The suspect was arrested and charged with three counts of corruption contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 11th January 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted on 20th February 2008.

12. KACC CR 111/348/2007; NAIROBI ACC 32/2007

Inquiry into allegations that a Police Officer attached to the Banking Fraud Investigation Unit was demanding a bribe of Kshs. 100,000 as an inducement to release two of the complainant's relatives who had been arrested on allegations of having committed banking fraud offences. The investigation established the solicitation of Kshs. 100,000/- and receipt of a benefit of Kshs. 40,000/-. The officer was arrested and charged with two counts of corruption contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act.

The file was forwarded to the Attorney General on 7th January 2008 with recommendation that the case pending before Court be

prosecuted to its logical conclusion. The recommendation was accepted on 24th January 2008.

13. KACC CR 921/612/2007: KAKAMEGA ACC 2578/2007

Inquiry into allegations that the District Officer II attached to Kakamega North District was soliciting for a bribe of Kshs, 80,000/- as an inducement so as to recruit the son of the complainant as an Administration Police Constable. Investigations confirmed the solicitation and receipt of Kshs. 30,000/-. The suspect was arrested and charged in Kakamega Anti-Corruption Court with three counts of corruption contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 9th January 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted on 24th January 2008.

14. KACC CR 111/279/07: NAIROBI ACC 37/2007

Inquiry into an allegation that the officer-in-charge of Administration Police, Kiambu West District based in Limuru Town had demanded for an inducement of Kshs. 60,000 so as to release some six passports which he had confiscated from a gymnasium for allegedly belonging to non-Kenyan citizens. Investigations confirmed the solicitation and receipt of a benefit in the sum of Kshs. 50,000 for which the suspect was arrested and arraigned before the Nairobi Anti-Corruption Court.

The file was forwarded to the Attorney General on 3rd March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

15. KACC CR 141/610/2007: NAIROBI ACC 57/2007

Inquiry into an allegation that a Clearing Agent was working with some Kenya Revenue Authority officers to demand a bribe of Kshs. 50,000 from the complainant in order to have an import query relating to goods imported by the complainant cleared from Kenya Revenue Authority's computer system. The initial investigation revealed that there was solicitation and a Clerk at Kenya Revenue Authority working on a temporary basis was charged with the

offence. After review of the file however, it became apparent that the evidence was not sufficient to sustain the charge of solicitation.

The file was forwarded to the Attorney General on 13th March 2008 with recommendation that the case pending before Court be withdrawn under Section 87(a) of the Criminal Procedure Code and the file be closed. The recommendation was accepted on 1st April 2008.

16. KACC CR 142/503/2007: NAIROBI ACC 38/2007

Inquiry into an allegation that the Fraud Manager at the Embassy of the United States of America was soliciting for a benefit of Kshs. 50,000 as an inducement so as to give a favourable report to the complainant and his wife for purposes of issuing a diversity visa (green card). Investigations established solicitation. The suspect was arrested and charged with three counts of solicitation contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 3rd March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

17. KACC CR 440/29/2008: NAIROBI ACC 1/2008

Inquiry into an allegation that the Machakos District Coordinator of the Electoral Commission of Kenya had solicited for a benefit of Kshs. 50,000 as an inducement to expedite the payment of Kshs. 469,800 being the amount owed to the complainant by the Electoral Commission of Kenya for transport services rendered. Investigations confirmed the solicitation and receipt of Kshs. 20,000 for which the suspect was arrested and arraigned before the Nairobi Anti-Corruption Court.

The file was forwarded to the Attorney General on 14th March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

18. KACC CR 141/602/2007: NAIROBI ACC 53/07

Inquiry into an allegation that a Police Officer based at Central Police Station was soliciting for a bribe of Kshs. 20,000/- as an inducement so as not to charge the complainant's secretary with

an alleged offence of forgery. Investigations established the solicitation and receipt of a benefit of Kshs. 10,000/- . The suspect was arrested and charged with three counts of corruption contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 24th January 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

19. KACC CR 141/632/2007: NAIROBI ACC 65/2007

Inquiry into an allegation that the Assistant Chief of Njathaini Sub-location in Kasarani Division had solicited for a bribe of Kshs. 20,000 as an inducement to assist the complainant resolve a land dispute. The investigation established the solicitation and receipt of Kshs. 3,000. The suspect was arrested and charged in Nairobi Anti-Corruption Court with three counts of soliciting and receiving of a benefit contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 19th February 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted on 14th March 2008.

20. KACC CR 411/83/07: NAIROBI ACC 4/2007

Inquiry into an allegation that a Police Constable attached to the Divisional Criminal Investigation Department in Kirinyaga had corruptly solicited for Kshs. 20,000 from the complainant so as to purportedly remove photographs of the complainant from Police records. Investigations established the solicitation and receipt of Kshs. 8,000 from the complainant. The suspect was arrested and charged with three counts of solicitation and receipt of a benefit contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 21st February 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

21. KACC CR 141/682/2007: NAIROBI ACC 68/2007

Inquiry into an allegation that two meter readers with Nairobi City Water and Sewerage Co. Ltd were demanding a benefit of Kshs. 15,000 as an inducement to forbear charging the complainant for a water bill in the sum of Kshs. 75,000. The investigation established the solicitation and receipt of Kshs. 10,000. The suspect was arrested and charged with three counts of solicitation and receiving a benefit in the Nairobi Anti-Corruption Court contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 20th February 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

22. KACC CR 142/126/2007: NAIROBI ACC 41/2007

Inquiry into allegations that a Clerk based in the Githunguri Land Disputes Tribunal was demanding a bribe of Kshs. 15,000 from the complainant so as to facilitate a favourable ruling by the Land Disputes Tribunal. The investigation established solicitation and receipt of a benefit and the suspect was arrested and charged with three counts of solicitation and receipt of a benefit contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 3rd March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

23. KACC CR 141/629/2007: NAIROBI ACC 62/2007

Inquiry into an allegation that a City Constable working for the City Council of Nairobi had solicited for a benefit of Kshs. 10,000 so as to offer "protection" to the complainant while constructing his house without approval by the City Council of Nairobi. Investigations confirmed the solicitation and receipt of Kshs. 5,000 for which the suspect was arrested and arraigned before the Nairobi Anti-Corruption Court.

The file was forwarded to the Attorney General on 13th March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

24. KACC CR 141/641/2007: NAIROBI ACC 66/2007

Inquiry into an allegation that a Labourer attached to the City Council of Nairobi had solicited for a benefit of Kshs. 10,000 as an inducement to allow the complainant to continue with his building construction within Lucky Summer area in spite of the building plans not having been approved and also to have the building plans approved. Investigations confirmed the solicitation and receipt of Kshs. 5,000 for which the suspect was arrested and arraigned before the Nairobi Anti-Corruption Court.

The file was forwarded to the Attorney General on 5th March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

25. KACC CR 141/628/2007: NAIROBI ACC 63/2007

Inquiry into an allegation that a Field/Reconnection Assistant with Kenya Power & Lighting Co. Ltd had solicited for a benefit of Kshs. 10,000 as an inducement so as not to disconnect electricity supply to the complainant's residential premises in Kawangware. Investigations established the solicitation for Kshs. 10,000. The suspect was arrested and charged in Nairobi Anti-Corruption Court with two counts of solicitation for a benefit contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 13th February 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted on 3rd March 2008.

26. KACC CR 132/28/2007: KISUMU ACC 361/2007

Inquiry into an allegation that a Police Officer attached to Migori Criminal Investigations Department had solicited for various amounts of money ranging from Kshs. 1,000 to Kshs. 10,000 as an inducement to forbear charging the complainants with an alleged offence of threatening to kill. Investigations confirmed the solicitation and receipt of Kshs. 5,000 for which the suspect was arrested and arraigned before the Kisumu Anti-Corruption Court.

The file was forwarded to the Attorney General on 14th March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

27. KACC CR 121/754: NAIROBI ACC 59/2007

Inquiry into an allegation that the Assistant Chief of Thiba Sub-Location in Mwea Division had demanded for a bribe of Kshs. 2,000/- from the complainant so as not to take adverse action against the complainant for brewing illicit liquor. The investigation established the solicitation and receipt of the money. The suspect was arrested and charged in Nairobi Anti-Corruption Court with three counts of solicitation and receipt of a benefit contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 5th February 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted on 3rd March 2008.

28. KACC CR 021/55/2007: MOMBASA ACC 10/2007

Inquiry into an allegation that a Forest Guard in charge of Wundanyi Forest Station had solicited for a benefit of Kshs. 2,000 as an inducement so as to release timber which had been detained allegedly for not having a certificate of origin. Investigations confirmed the solicitation and receipt of Kshs. 2,000 for which the suspect was arrested and arraigned before the Mombasa Anti-Corruption Court.

The file was forwarded to the Attorney General on 13th March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

29. KACC CR 011/94/07; NAIROBI ACC 43/2007

Inquiry into an allegation that a Nairobi City Council askari was demanding a bribe of Kshs. 2,000/- as an inducement so as not to charge the complainant with violating the City Council by laws relating to zebra crossings. The investigation established the solicitation and the subsequent receipt of the benefit. The officer was arrested and charged with soliciting and receiving a benefit

contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 3rd January 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted on 11th March 2008.

30. KACC CR 141/580/2007: MAKADARA ACC 48/2007

Inquiry into allegations that a Civil Registration Officer with the Department of Civil Registration in Sheria House was soliciting for Kshs. 2,000 as an inducement to process the complainant's birth certificate for which he had already paid the prescribed fee of Kshs. 50/-. The investigation established the solicitation and receipt of the benefit. The suspect was arrested and charged with four counts of solicitation and receipt of a benefit contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 18th February 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

31. KACC CR 021//62/2007; MOMBASA ACC 11/2007

Inquiry into an allegation that the Chief of Kambe Location, Kaloleni District, solicited for a benefit of Kshs. 1,000/= as an inducement to facilitate the arrest of a suspect in a criminal case filed by the complainant's sister at Kaloleni Police Station. Investigations conducted by the Commission established the solicitation. It was also established that though the suspect was arrested before he received the bribe he solicited for, he was ready, willing and agreeable to receiving the same at a later time. He was arrested and charged with the offences of soliciting and agreeing to receive a benefit contrary to section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on the 22nd February, 2008 with a recommendation that the pending case be prosecuted to conclusion.

32. KACC CR 021/80/2007: MOMBASA ACC 14/2007

Inquiry into an allegation that a Police Constable attached to Mariakani Police Station solicited for a benefit of Kshs. 1,000 from the complainant as an inducement to facilitate the processing of photographs of a dog that had bitten the complainant's children and the said photographs were to be used in Kaloleni Criminal Case number 177/2007. Investigations confirmed the solicitation and receipt of a benefit in the sum of Kshs. 1,000 for which the suspect was arrested and arraigned before the Mombasa Anti-Corruption Court.

The file was forwarded to the Attorney General on 3rd March 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion.

33. KACC CR 141/606/2007: NAIROBI ACC 55/2007

Inquiry into allegations that a person who represented himself as an agent of an undisclosed employee of the Department of Registration of Births and Deaths had solicited for kshs. 1,000/- as an inducement to facilitate the issuance of a birth certificate to the complainant's child. Investigations established the solicitation and receipt of a benefit. The suspect was charged in Nairobi Anti-Corruption Court with the two counts of solicitation and receipt of a benefit contrary to Section 39(3)(a) of the Anti-Corruption and Economic Crimes Act, 2003.

The file was forwarded to the Attorney General on 18th February 2008 with recommendation that the case pending before Court be prosecuted to its logical conclusion. The recommendation was accepted on 14th March 2008.

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

Total No. of files forwarded to the Attorney General	33
No. of files recommended for prosecution	26
No. of files recommended for administrative or other action	2
No. of files recommended for closure	5
No. of files where recommendation to prosecute accepted	24
No. of files recommended for prosecution and the cases are already lodged in court	22
No. of files where recommendation for administrative or other action accepted	0
No. of files where recommendation for closure accepted	2
No. of files returned for further investigations	2
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	9
No. of files where closure not accepted	0
Total No. of files awaiting Attorney General's action	6

DATED AT NAIROBI THIS

DAY OF

2008

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