



# **DIRECTORATE OF INVESTIGATION AND ASSET TRACING**

**MONTHLY REPORT, OCTOBER 2008**

## Introduction

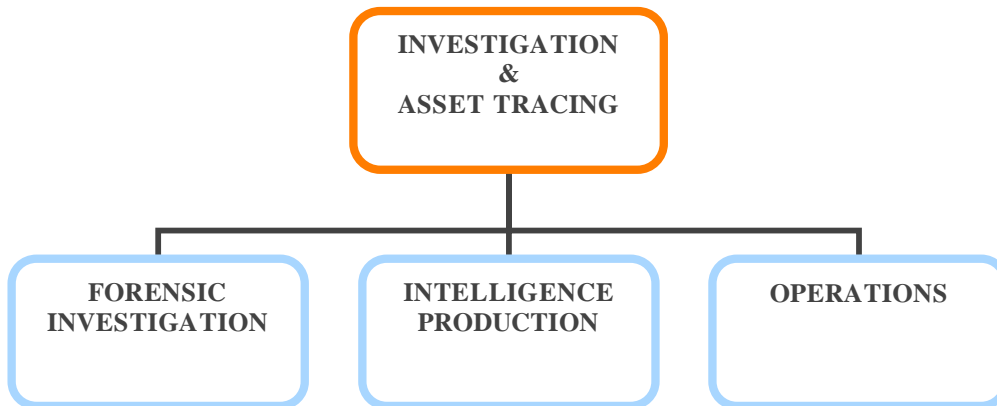
The Directorate of Investigation and Asset Tracing is one of the four Directorates of the Kenya Anti-Corruption Commission. The functions of the Directorate are to;

- Investigate Corruption and Economic Crimes as stipulated in the Anti-Corruption and Economic Crimes Act (2003).
- Investigate the extent of liability, loss or damage to any public property for purposes of recovery or compensation,
- Investigate and trace the whereabouts of corruptly acquired assets for purposes of recovery.
- Assist any law enforcement agency in the country in investigation of corruption or economic crimes.

In January 2008, the Directorate was reorganised into three departments, namely; Operations, Forensics and Intelligence.

- i. Operations- comprising two divisions; Report Centre and Rapid Response,
- ii. Forensics- comprising two divisions; Forensic Investigation and Asset Tracing,
- iii. Intelligence- comprising three divisions: Analysis & Production, Preliminary Investigation and Collection

## Structure of the Directorate



## Mombasa Office

The Mombasa Regional Office, which is under the Directorate of Investigation and Asset Tracing, commenced operations on 4<sup>th</sup> October 2007 and was officially launched on 4<sup>th</sup> December 2007. All the three departments of the Directorate, namely; Forensic Investigation (FI), Operations (OPS) and Intelligence Production (IP) are represented.

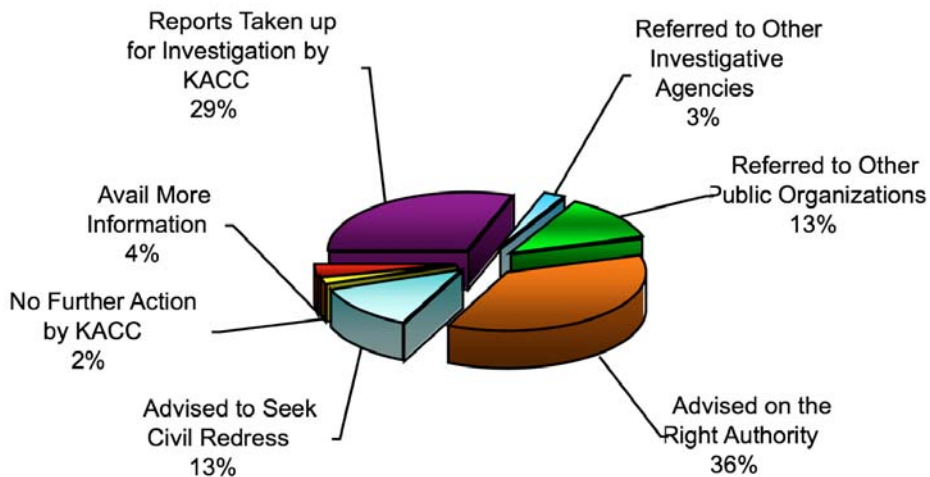
## Report Centre - Nairobi

During the month of **October 2008**, the Reports Centre Division processed **320** (new) reports as compared to **378** reports received in September, 2008. The number of reports received is slowly on the rise with an average of about **302** reports per month. This however, is still relatively low as compared to last year's average of about **616** reports per month during the same period

After analysis and classification the reports were disposed off follows:

- The Commission took up for investigation **97** reports found to be within its mandate. The Intelligence Production Department accounted for **61** of the cases, Rapid Response Division took up **31** cases, Forensics Investigations took up **4** cases, and the Legal Services Directorate took up **1** case.
- **8** cases were forwarded to other investigative agencies for action with the Criminal Investigations Department accounting for **3**, Immigration **4** and KRA **1**.
- **40** cases were referred to various public service organisations for administrative intervention,
- In **40** cases the complainants were advised to seek civil redress,
- In **117** cases the complainants were advised on the right authority to report to
- After analysis of **6** reports, they were marked as requiring No Further Action (NFA)
- In **12** cases, the complainants were requested to avail more information.

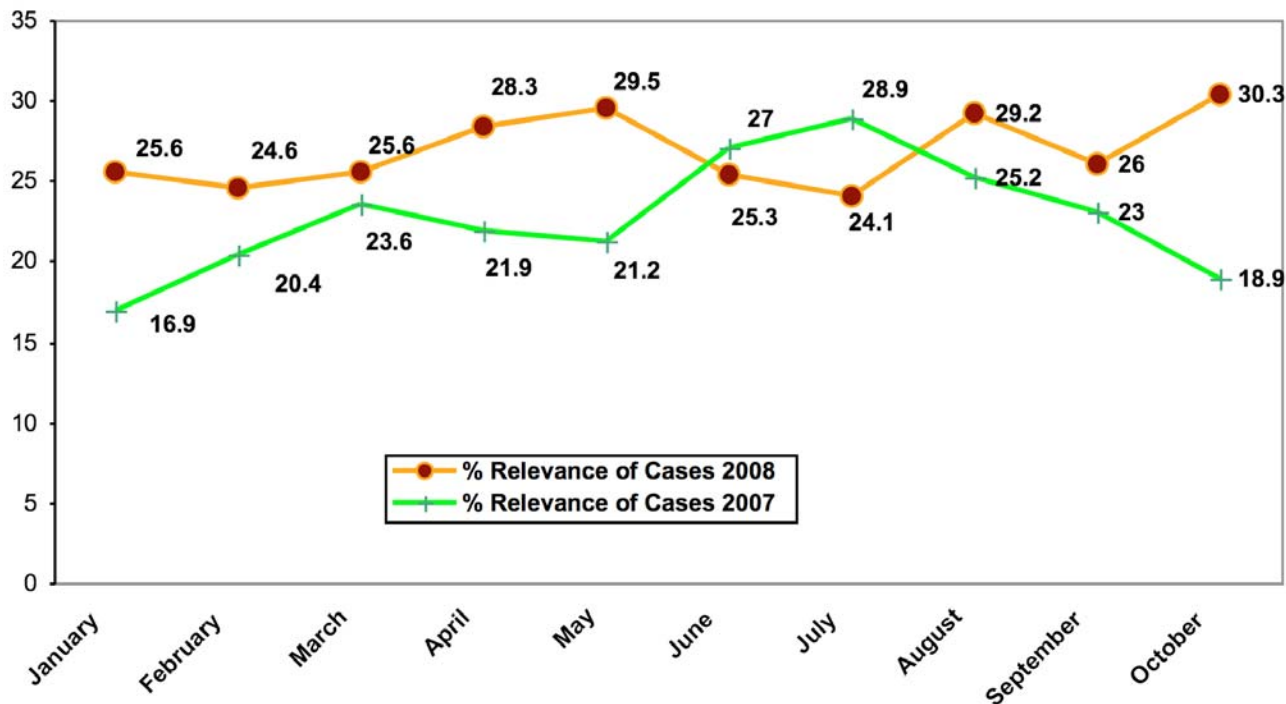
## Categorization of reports Processed by KACC in October 2008



## Breakdown of Reports Processed.

	Category	Referral Agency	No. of cases	Total
1	Reports taken-up for action by KACC	KACC - Intelligence Productions	61	97
		KACC – Rapid Response	31	
		KACC – Forensics	4	
		KACC – Legal Services	1	
2	Reports Forwarded to Other Investigative Agencies	Criminal Investigations Department	3	8
		Kenya Revenue Authority KRA	1	
		Department of Immigration	4	
3	Reports Forwarded to Other Public Service Organisations	Ministry of Education	14	40
		Ministry of Health	5	
		Ministry of Lands	3	
		Provincial Administration	3	
		CDF National Management Committee	2	
		Ministry of Finance	3	
		Ministry of Co-operative Development	1	
		Department of Prisons	1	
		Other Organisations	8	
4	Advised to Pursue the Matter in Court			40
5	Advised on the right authority to report matter to			117
6	Complainants to Avail More Information			12
7	No Further Action by KACC			6
<b>Total</b>				<b>320</b>

**Comparative Analysis showing the % of cases taken up by the Commission over the past 2 years**



**Report Centre - Mombasa**

During the month of **October 2008**, the Reports Centre Division processed **29** new reports. After analysis and classification the reports were disposed off as follows:-

- A total of **7** reports were within the mandate of KACC and were taken up for investigation. **3** of the cases went to Intelligence Production, **3** were taken by Rapid Response while **1** were assigned to Forensic Investigations.
- **1** case was forwarded to the Provincial Investigations Officer Coast.
- **1** to Kenya Revenue Authority
- **3** complainants were advised to seek civil redress
- In **17** cases complainants were advised on the right authority to refer their complaints.

**Table 1: Breakdown of Reports Processed.**

	<b>Category</b>	<b>Referral Agency/Department</b>	<b>No. of cases</b>	<b>TOTAL</b>
1.	Cases taken up for action by KACC	KACC – Intelligence Production	3	<b>7</b>
		KACC – Rapid Response	3	
		KACC – Forensic Investigations	1	
2.	Referred to other Investigative Agencies	Provincial Criminal Investigations, Coast	1	<b>2</b>
		Kenya Revenue Authority	1	
4.	Advised to Pursue the Matter in Court			<b>3</b>
5.	Advised on the right authority to report matter to			<b>17</b>
<b>TOTAL</b>				<b>29</b>

## Forensic Investigation – Nairobi

### Summary of Cases as at 31<sup>st</sup> October 2008

Item	Description	No. of Cases	
		Segment	Total
1.PUI	Cases Pending Investigation	534	852
	Completed Files with the Crime Reader	26	
	Cases Pending Allocation for Investigation	281	
2.PBC	Cases Pending Before Court (PBC)	74	77
	PBC with Part Discharges	1	
	PBC With Prohibition Orders	1	
<b>3.FINALISED</b>	<b>Cases finalised before court:</b>		
	- Convictions	12	56
	- Acquittals	12	
	- Discharges	34	
	- 'Nolle prosequi'	-	
<b>4. To A-G</b>	<b>Files Sent to A-G</b>		
	With Recommendation to Prosecute	69	147
	With Recommendation for Closure	67	
	With Recommendation for Administrative Action	9	
	After Further Investigation	2	
<b>5. From A-G</b>	<b>Attorney-General Advice</b>		
Advice	- To Prosecute	30	198
	- For Closure	98	
	- For further Investigation	13	
	- Administrative Action	53	
	- Consolidated Files	4	
<b>6.REFERRED</b>	Cases Referred to Other Agencies	26	<b>26</b>
<b>7.DISCHARGE</b>	Discharges under s. 87(a) for New Charges	18	<b>18</b>
<b>8.STOPPED</b>	PUI Cases stopped by Court injunctions	1	<b>1</b>

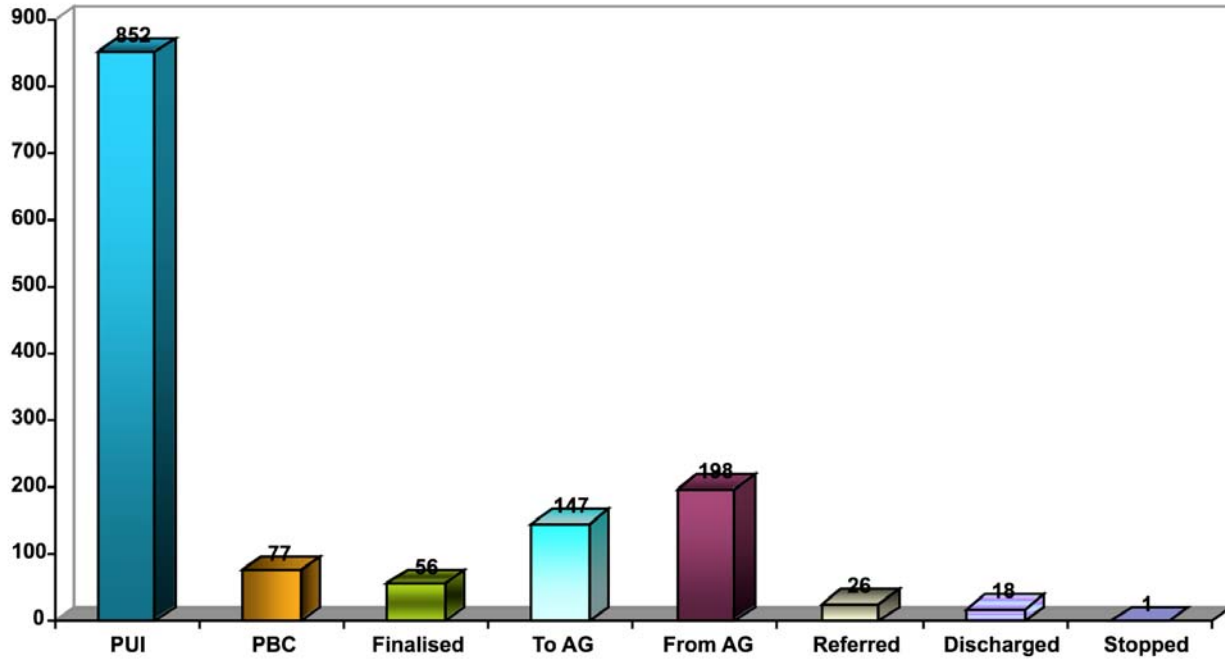
## CASE OUTPUT FOR THE MONTH OF OCTOBER 2008

Item	Description	No. of Cases	
		Segment	
<b>1.PUI</b>	<b>Cases Pending Investigation</b>		
	Cases Received for Investigation	11	<b>25</b>
	Cases Assigned for Investigation	11	
	Completed Files Forwarded to Crime Reader	3	
<b>2.Pbc</b>	<b>Cases Taken to Court:</b>		
	- Cases Taken for Plea	1	<b>1</b>
<b>3.Finalised</b>	<b>Cases Finalized Before Court:</b>		
	- Convictions	-	<b>-</b>
	- Acquittals	-	
	- Discharges	-	
	- 'Nolle prosequi'	-	
<b>4.TO A-G</b>	<b>Files sent to the Attorney-General:</b>		
	- With Recommendation to Prosecute	2	<b>8</b>
	- With Recommendation for Closure	4	
	- With Recommendation for Administrative Action	1	
	After Further Investigations	1	
<b>5. From A-G</b>	<b>Files Received from the Attorney-General</b>		
<b>Advice</b>	To Prosecute	-	<b>8</b>
	To Close Due to Insufficient Evidence	6	
	For Administrative Action	1	
	For Further Investigation	1	
	For Consolidated	-	
<b>6.REFERRED</b>	Cases Referred to Other Agencies	-	<b>-</b>
<b>7.REPORTS</b>	Investigation Reports Prepared For Action	-	<b>-</b>

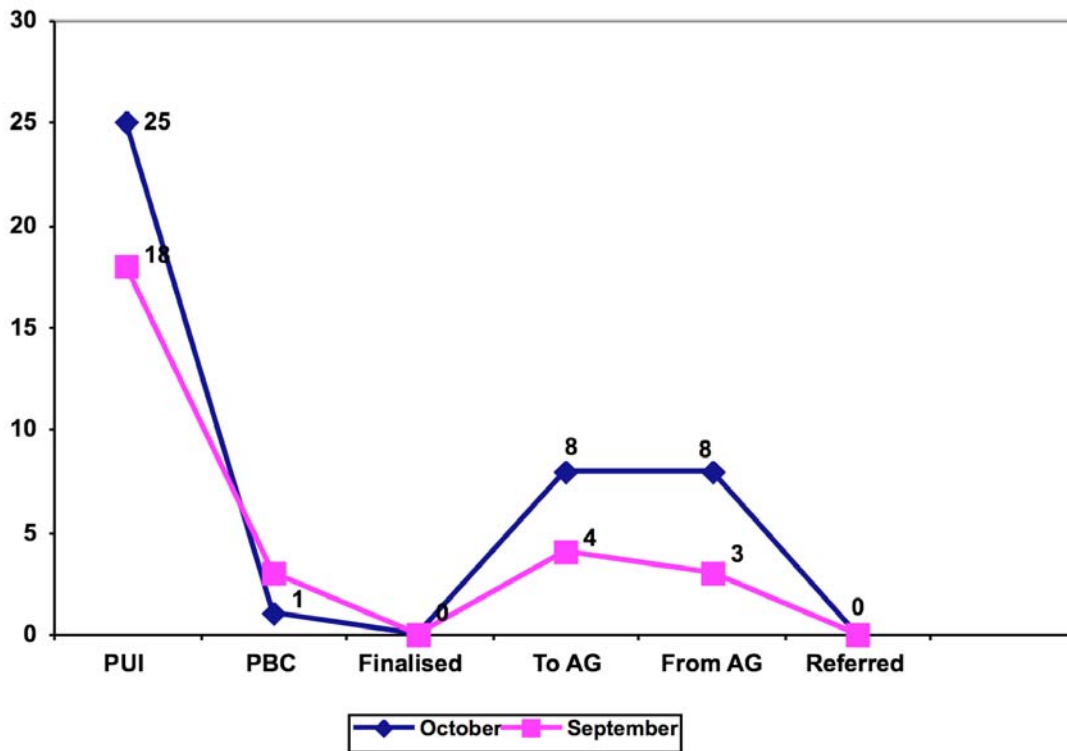
\* Bribe demand cases not included.



## Graphical Representation of the Cases as of 31<sup>st</sup> October 2008



## Comparative Analysis of Cases processed in September and October 2008



## Forensic Investigation – Mombasa

The Forensics Investigations Department in Mombasa received **1** report for the month of October, 2008. The following table shows how these reports were handled.

Item	Description	No. of Cases	
		Segment	
<b>Cases Received for Investigation</b>		<b>3</b>	
<b>1. PUI</b>	Cases Pending Allocation	0	<b>1</b>
	Cases Assigned for Investigation	1	
	Completed Files Forwarded to Crime Reader	0	
<b>2. PBC</b>	<b>Cases Taken to Court:</b>		
	Cases Taken for Plea	-	-
<b>3. Finalised</b>	<b>Cases Finalized Before Court:</b>		

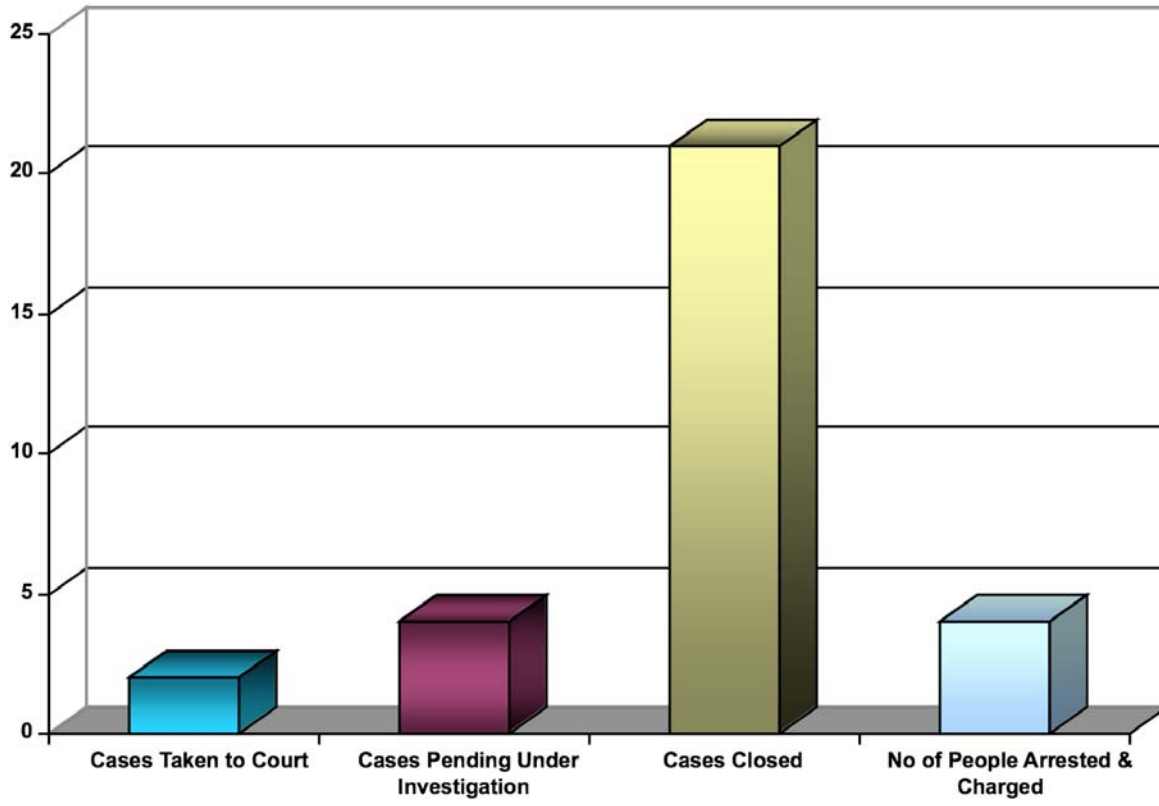
## Rapid Response – Nairobi

### Summary of Cases Received

Below is a tabulation of the number of cases handled by the Department during the month under review and the respective status;

Category		Status	No. of cases
1	Bribery	Number of cases taken to court	2
		Cases pending under Investigations	4
		Cases Closed, No Further Action	21
		Pending Arrest of Known Accused	1
<b>TOTAL</b>			<b>28</b>
<b>Number of persons arrested and charged</b>			<b>4</b>

**Graphical Representation of the cases processed.**



## Rapid Response – Mombasa

The Division received a total of **3** reports. The following table gives the summary.

Category		Status	No. of cases
1	Bribery	Case received	3
		PBC	1
		PUI	1
		Cases Closed, No Further Action	1
		Cases referred	0
<b>TOTAL</b>			<b>3</b>
<b>Number of persons arrested and charged</b>			<b>4</b>

## INTELLIGENCE DEPARTMENT - Nairobi

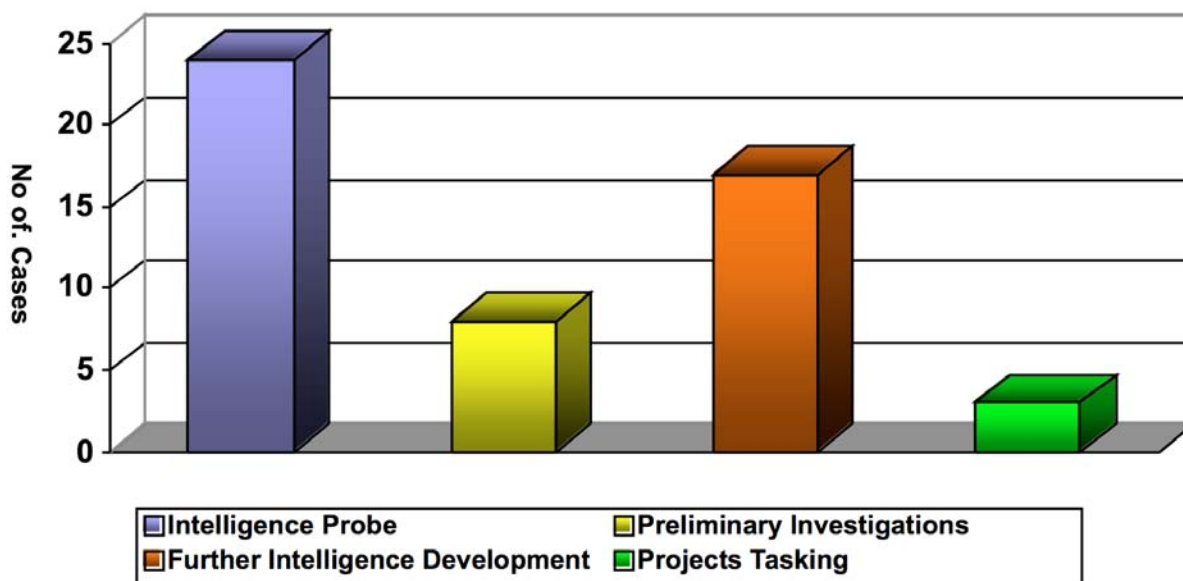
The following report outlines the activities undertaken by Intelligence Production Department during the month under review.

### Reports

The Department received **49** reports from the Report Centre and **6** Intelligence Reports (IR) from various officers within the commission in the month of October 2008 and were distributed for action as follows:-

Item	Sources	No of Reports	Total	
Reports Received	Report Centre	49	57	
	ADPS – Direct to PI	2		
	Confidential Sources	6		
<b>Handling of the Reports</b>				
	Task	Division	No of Reports	Total
1	Intelligence Probe	Collection	24	49
2	Preliminary Investigation	Preliminary Investigation	8	
3	Further Intelligence Development	Analysis and Production	17	
4	Projects tasking	Project Devolved funds	3	3

### Graphical Representation of Handling of Cases



### Reports from Confidential Sources

	TARGET	ALLEGATION	RECOMMENDATION
1	MP Turkana Central Hon. Ethuro	Misappropriation of CDF.	Analysis ongoing
2	Ministry of livestock	Fraudulent procurement of PPR vaccine.	Referred to forensic investigations.
3	Ministry of Special Programs & Provincial Administration.	Misappropriation of funds for IDP resettlement.	Analysis ongoing.
4	Nairobi City Council	Embezzlement of funds.	More information to be gathered.
5	HDL Company Thika	Tax evasion	More information to be gathered.
6	OCS Kiamanga Police Station, Mathira division.	Bribery demand	Forwarded to Rapid Response

## Disseminated Intelligence Briefs to Management

1. **NSSF Brief** – on various investments by NSSF, suspicious disposal of the funds assets and other irregularities by the management.
2. **Grain Bulk Handling Brief**- on cancellation of tender for introduction of an alternative bulk grain handling firm at the Port of Mombasa by the KPA management.

## Intelligence Production – Mombasa

The Department received **3** reports from the Report Centre and **6** intelligence reports from its intelligence sources during the month under review. The Intelligence reports concerned alleged irregular release of containers at the Mombasa Port without the relevant taxes being paid. It was recommended that the containers be stopped pending verification to ascertain the veracity of the allegations and the information was forwarded to the Investigations Branch of KRA for action.

During the month, the Intelligence Team continued with preliminary investigations into two cases commenced in the month of September 2008.

In addition the Intelligence Team carried out the following activities:

- Intelligence investigations into a reportedly long running tax evasion scheme at the port of Mombasa involving a cartel of customs officials, clearing agents and importers.
- A covert investigation into allegations of procurement irregularities relating to the award of a contract to a firm for bulk fertilizer handling by the Kenya Ports Authority.

## Breakdown of reports received/generated in October 2008

Item	Sources	No. of Reports	Remarks	Total
Reports Received	Msa Report Centre	3	Pending allocation	2
	Nbi Report Centre	0		0
	Confidential Sources	5	Action taken on all	5
Handling of the Reports				
Task	Division	No. of Reports	Remarks	Total
Intelligence Probe				
Preliminary Investigation	Intelligence Production	2	Investigations ongoing	2
Further Intelligence Development	Intelligence Production	2	Intelligence development progressing well.	2

## Status of Preliminary Investigation cases

Case Status	No. of Reports
Old Cases Completed	0
Completed cases recommended for closure	0

Cases Referred for full investigations	0
Cases referred to the Legal Department	0
Cases under investigation	3
Cases referred to other agencies	0