



DIRECTORATE OF INVESTIGATION AND ASSET TRACING

MONTHLY REPORT, JUNE 2010

Introduction

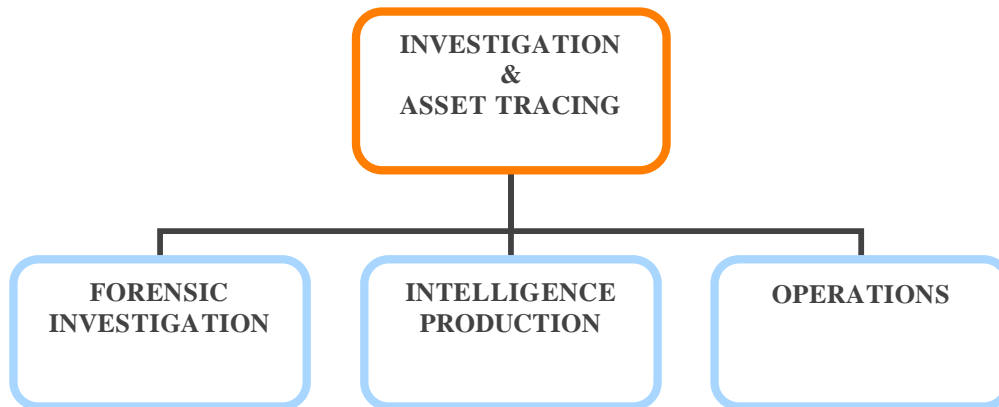
The Directorate of Investigation and Asset Tracing is one of the four Directorates of the Kenya Anti-Corruption Commission. The functions of the Directorate are to;

- 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.

The Directorate was reorganised into three Departments, namely; Operations, Forensics and Intelligence.

- i. Operations- comprising two divisions; Reports Centre and Rapid Response,
- ii. Forensics- comprising three divisions; Preliminary Investigation, Forensic Investigation and Asset Tracing,
- iii. Intelligence- comprising two divisions: Analysis, Production 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 4th June 2007. All the three Departments of the Directorate, namely; Forensic Investigation (FI), Operations (OPS) and Intelligence Production (IP) are represented.

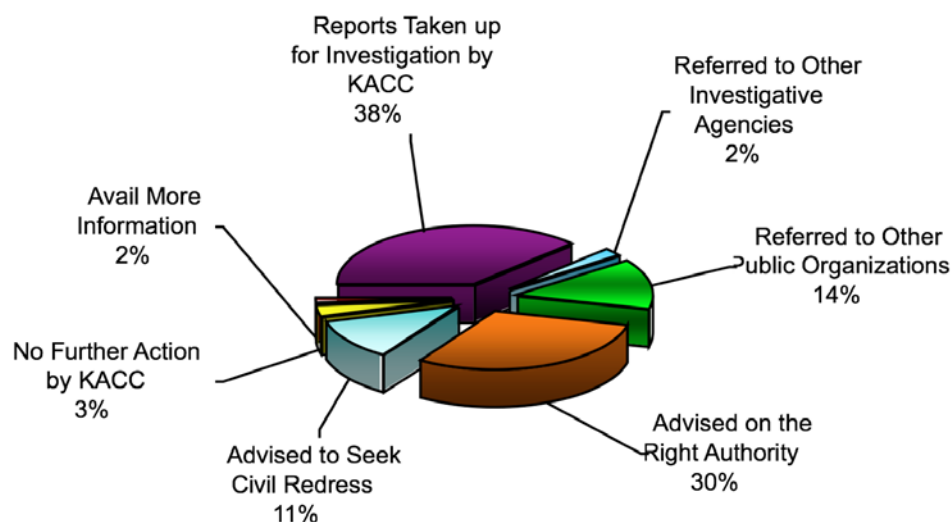
Reports Centre – Nairobi

During the month of **June 2010**, the Reports Centre Division processed a total of **393** reports as compared to **324** in **May 2010**.

After analysis and classification, the reports were disposed off as follows:

- The Commission took up for investigation **148** reports which were found to be within its mandate. The Intelligence Production Department accounted for **43** of the reports; the Operations Department took up **28** while the Forensics Department took up the remaining **77** reports.
- **9** reports were forwarded to other investigative agencies for action with the Criminal Investigations Department accounting for **1**, Police **2**, Immigration **1** and the Kenya Revenue Authority **5**.
- The Commission referred **55** other reports to various Public Service Organisations for administrative intervention.
- In **45** reports the complainants were advised to seek civil redress.
- In **119** reports the complainants were advised on the right authority to report to.
- **11** reports did not disclose offences requiring intervention and were marked for No Further Action (NFA).
- In the remaining **6** report, the complainant was requested to avail more information.

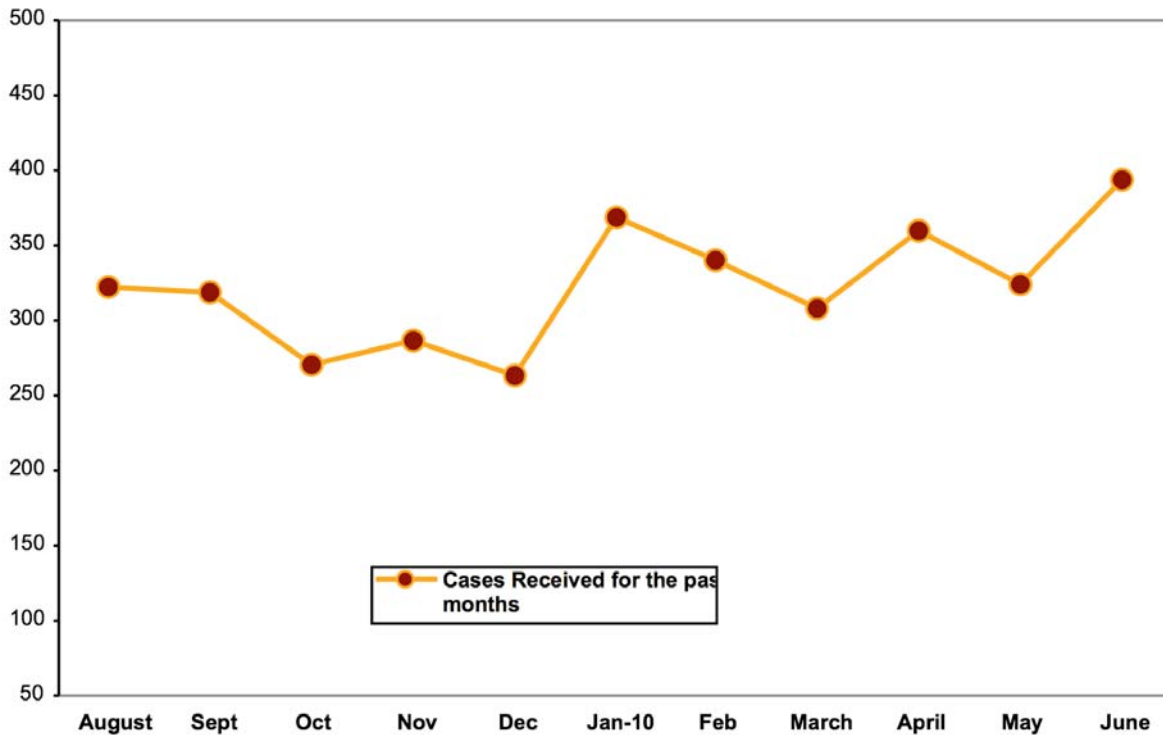
Categorization of reports processed by KACC in June 2010



Breakdown of Reports Processed.

	Category	Referral Agency	No. of cases	Total
1	Reports taken-up for action by KACC	KACC - Intelligence Production	43	148
		KACC – Rapid Response	28	
		KACC – Forensics	77	
		KACC – Legal	-	
		KACC – Preventive Services	-	
2	Reports Forwarded to Other Investigative Agencies	Criminal Investigations Department	1	9
		Police	2	
		Kenya Revenue Authority KRA	5	
		Immigration Department	1	
3	Reports Forwarded to Other Public Service Organisations	Ministry of Basic Education	19	55
		CDF National Management Committee Secretariat	8	
		Provincial Administration	6	
		Nairobi city Council	2	
		Ministry of Transport	2	
		Public Procurement Oversight Authority	2	
		Ministry of local Government	2	
		Other Public Bodies	14	
4	Advised to Pursue the Matter in Court			45
5	Advised on the right authority to report matter to			119
6	Complainants to Avail More Information			6
7	No Further Action by KACC			11
Total				393

Total cases received for the Past 10 Months.



Highlights of the Major Reports Received in Nairobi

- The allegations that Managing Director of the Kenya Broadcasting Corporation is accused of involvement in sleazy investment deals which have occasioned the state broadcaster huge financial losses. Authors of the anonymous report containing the information allege that senior management opposed to business deals citing viability have been sacked under the guise of restructuring and rationalization of staff. The ventures alleged to have drained the corporation's resources.

Case No: 26139

Date Received: 21/06/2010

- Allegations that the Management of Ewaso Ngiro North Development Authority cannot account for over Ksh 100 million disbursed for development in the period July 2009 to May 2010. It is alleged that the Managing Director used Ksh 30 million in the months of November and December 2009 without the Board's approval. The money was allegedly channelled through the regional offices and withdrawn as imprest by the regional coordinators for non-existent activities.

Case No: 26187

Date Received: 24/06/2010

Allegations that two individuals by the name of Amos A. Liboyi and a Mr. Andrew K. Sang impersonated KACC investigators and proceeded to demand for a benefit from the chairperson of the Islamic Foundation. The suspects informed the complainant that a matter was under investigation over unpaid rent and land rates for the Koran House. The suspects proceed to demand for a bribe so as not to forward the matter to higher authorities.

Case No: 26301

Date Received: 30/06/2010

- A number of reports have been forwarded to us by the Pending Bills Closing Committee (PBCC) under the Ministry of Finance. Some of these reports are as follows:-

- ✓ Allegations that Kirinyaga Construction Company Ltd was awarded a project for improvement of Road No.C99 Emali Town-Upendo Market Makueni District at a contract sum of Ksh 54,367,055 .The amount paid was kshs.51,359,778.24. The contractor claims further payments of Kshs254, 693,937.60.

Case No: 26169 **Date Received:** 22/6/2010

- ✓ Construction work at Trans Nzoia District Headquarters cost the government Ksh 186,589,041.40- twice the actual cost price. Findings indicate the construction work cost Ksh 92,742,949, but the project was overvalued by Ksh 93,846, 092.60 bringing the total sum paid by the Government to Ksh 186 589,041.40.

Case No: 26167 **Date Received:** 22/06/2010

- ✓ The Government is seeking to recover Ksh 139,993,549.07 being overpayment to M/s China Road and Bridge Corporation for contract no. RD0161- Tana Basin Road Development Project, Phase II construction of Hola-Garsen Malindi. The contractor on other hand is claiming a further Ksh 848,293,892.73 on top of the Ksh 2,737,395,079/= that has so far been paid. The demand from the contractor if settled would rocket the total project cost to Ksh 3,444,200,614.21 from the tender sum of Ksh 2,131,402,622.75.

Case No: 26180 **Date Received:** 23/06/2010 **Referred to:** *Intelligence*

Reports Centre - Mombasa

A total of **35** reports were received and processed in the month of **June 2010**. Disposal after analysis is as follows:-

12 reports fell within KACC's mandate and were distributed as follows:

- **0** went to Intelligence Production,
- **4** to Forensic Investigations
- **4** to Rapid Response
- **1** to avail more details

10 reports were referred to the other government bodies and investigative agencies.

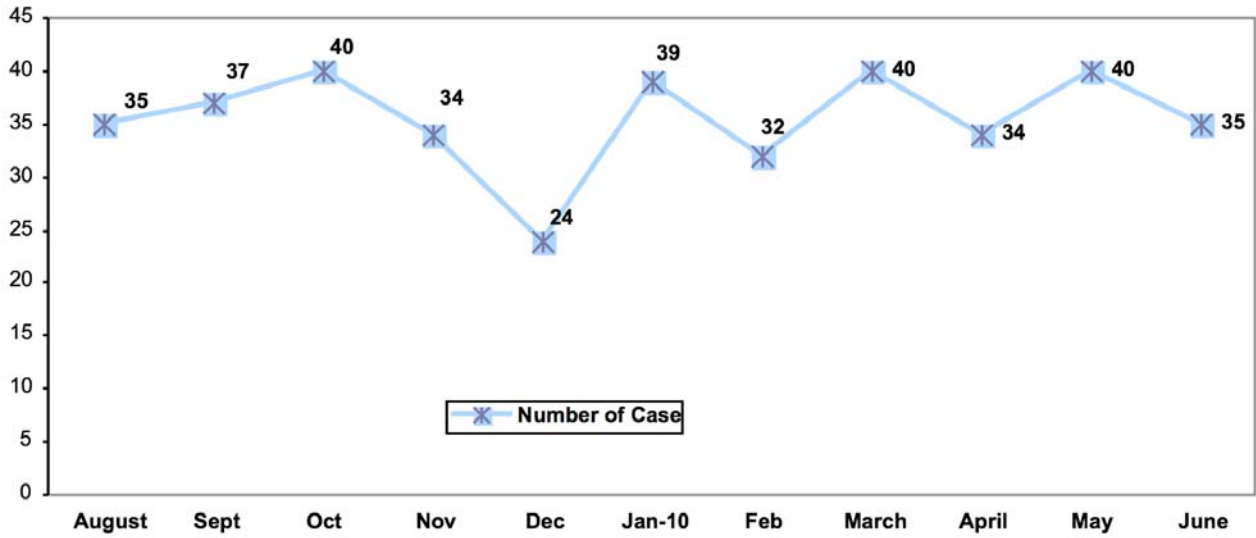
12 Advised accordingly

TABLE 1: Breakdown of Processed Reports.

	Category	Referral Agency/Department	No of Cases	Total
1	Cases taken up for action by KACC	Intelligence Production	-	12
		Rapid Response	8	
		Forensic	4	
2	Referred to other Investigative Agencies	Police	2	4
		Immigration Department	2	
3	Referred to other Organisations	Public Complaints Standing Committee	1	6
		NSSF	1	
		Others	4	
4	Advised	Pursue the matter in court	5	12

	Right Authority	7	
5	Complainants to Avail More Details		1
TOTAL			35

No of Cases received for the past 11 Months.



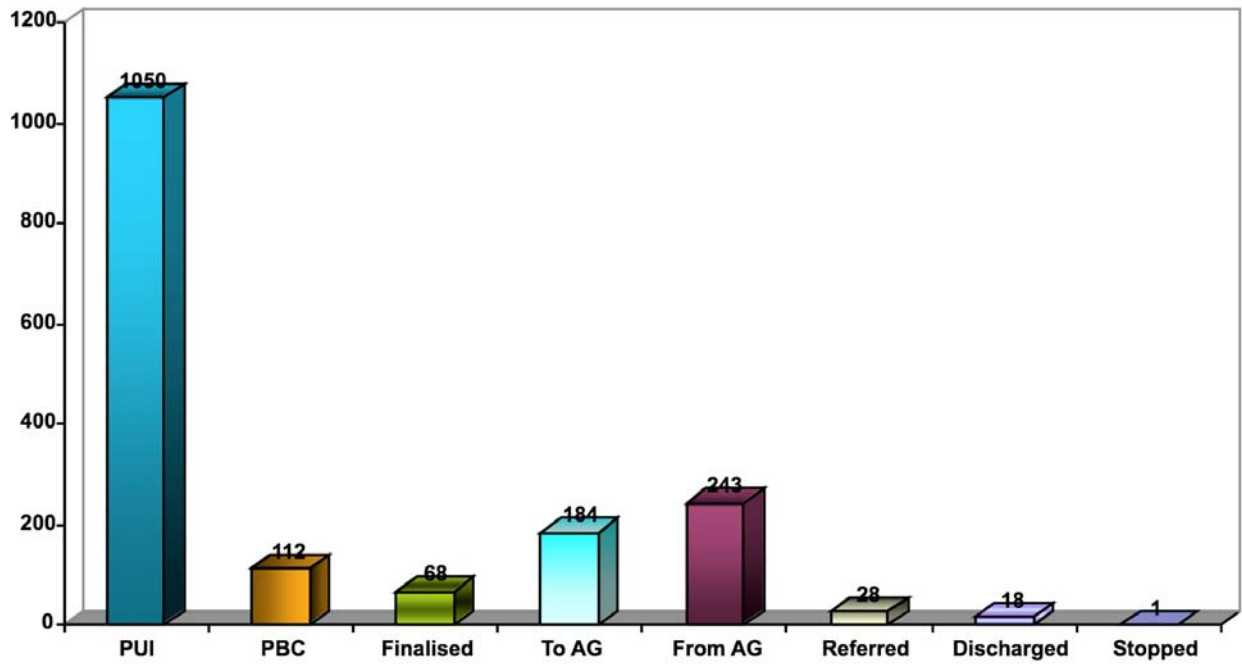
Forensic Investigation – Nairobi

Case Output for the month of June 2010

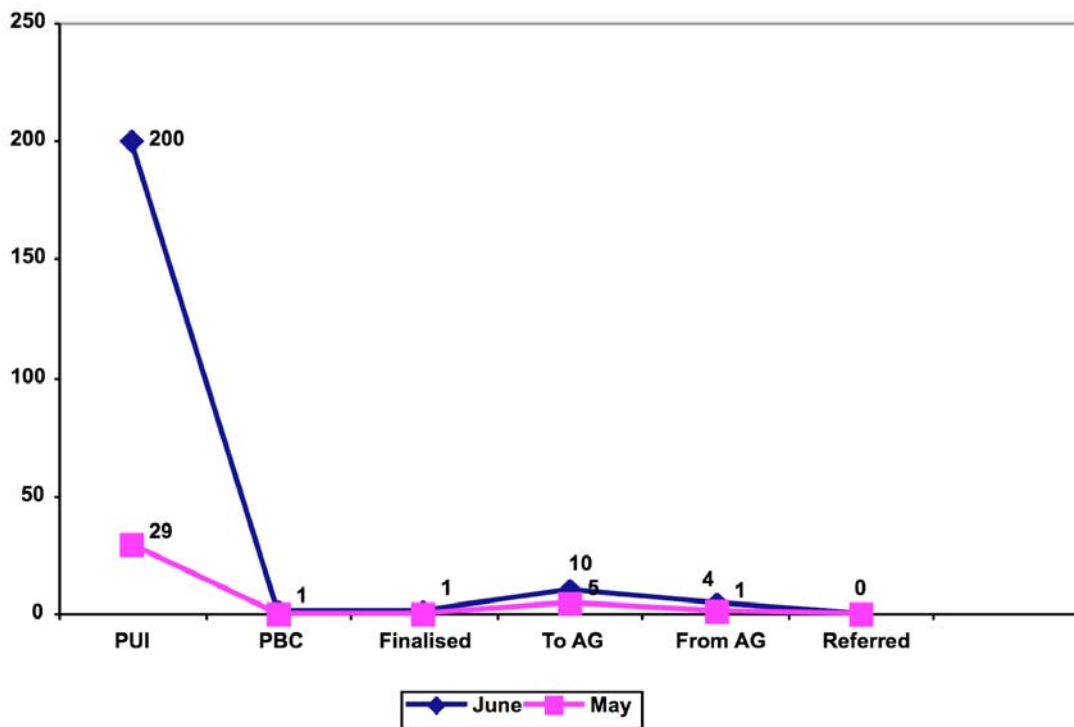
Item	Description	No. of Cases	
		Segment	
1.PUI	Cases Pending Investigation		
	Cases Received for Investigation	94	200
	Cases Assigned for Investigation	96	
	Completed Files Forwarded to Crime Reader	10	
2.Pbc	Cases Taken to Court:		
	- Cases Taken for Plea	1	1
3.Finalised	Cases Finalized Before Court:		
	- Convictions	1	1
	- Acquittals	-	
	- Discharges	-	
	- 'Nolle prosequi'	-	
4.TO A-G	Files sent to the Attorney-General:		
	- With Recommendation to Prosecute	3	10
	- With Recommendation for Closure	7	
	- With Recommendation for Administrative Action	-	
	After Further Investigations	-	
5. From A-G	Files Received from the Attorney-General		
Advice	To Prosecute	2	4
	To Close Due to Insufficient Evidence	2	
	For Administrative Action	-	
	For Further Investigation	-	
	To Consolidate	-	
6.REFERRED	Cases Referred to Other Agencies	-	-
7.REPORTS	Investigation Reports Prepared For Action	-	-

* Bribe demand cases not included.

Graphical Representation of the Cases as of 30th June 2010



Comparative Analysis of Cases processed in May 2010 and June 2010



Forensic Investigation – Mombasa

Below is a tabulation of cases and their respective status handled by the Department in June 2010

Item	Description/Status	No of cases	Total
1. Cases/ Reports	Case Status/Distribution	-	
	New Cases Received during the month	4	
	Cases assigned for Investigations	1	
	Cases under investigations	5	
	Cases awaiting allocation	-	
2.To A-G	Files sent to Crime Reader(s)	-	
	- With Recommendation to Prosecute	-	
	- With Recommendation for Closure	-	
	- With Recommendation for Administrative Action	1	
	- After Further Investigations	-	
3. From A-G	Files Received from the Attorney-General/Crime Reader(s)	-	
	To Prosecute	1	1
	To Close Due to Insufficient Evidence	-	
	For Administrative Action	-	
	For Further Investigation	-	
	To Consolidate	-	
4. Court	Cases in Court:	-	
	- Cases Taken for Plea	1	1
	- Cases on going	-	-
5. Finalised	Action taken	-	-
	- Convictions	-	-
	- Acquittals	-	-
	- Discharges	-	-
	- <i>'Nolle prosequi'</i>	-	-
	- Recommended for Administrative action	-	-
6. REFERRED	Cases Referred to Other Agencies	-	-

Rapid Response – Nairobi

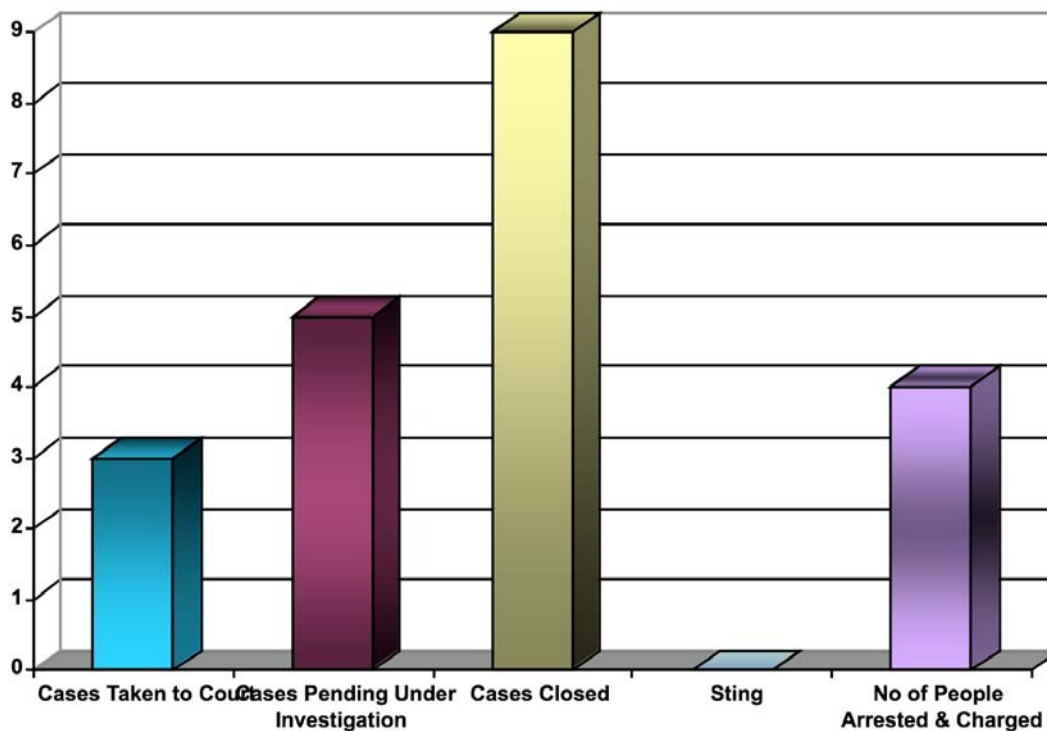
Summary of Cases Received in June 2010

Below is a tabulation of cases and their respective status handled by the Department in **June 2010**

New cases received During the Month

Category		Status	No of Cases
1.	Bribery	Number of cases taken to court	3
		Cases pending under Investigations	5
		Cases Closed, No Further Action	9
		Cases Referred to other Agencies	1
2.	Sting		
TOTAL			18
Number of persons arrested and charged			4

Graphical Representation of the cases processed.



Running Summary of Cases in 2010

The summary below shows the cumulative total number of cases dealt with by the Rapid Response Division- Nairobi from January-June 2010.

Intelligence Production Department- Nairobi

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

1. Reports

The Department received **30** reports from the Report Centre, **12** Intelligence Reports (IR) from various officers during the month of June **2010**.

Breakdown

Item	Sources	No of Reports	Total
Reports Received	Report Centre	30	42
	Confidential Sources (Self generated by officers)	12	
	Handling of the Reports		
	Task	Division	No of Reports
1	Intelligence Development/Probe	Collection	18
2	Analysis	Retained for analysis	7
3	Sting	Rapid Response	1
4	Integrity Testing Programme	Collection	1
5	Preliminary Investigations	Preliminary Investigations	15
TOTAL			42

Intelligence Production – Mombasa

The Department received 2 Reports from the Reports Centre and 2 reports from confidential sources.

Months Activities

1. Undercover investigations /activities at the port of Mombasa
2. Undercover activities at the Council's revenue collection points with the aim of identifying areas of pilferage and officers concerned.