

KENYA ANTI-CORRUPTION COMMISSION

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PRESS RELEASE

To Chief News Editors,

The Kenya Anti-Corruption Commission is currently carrying out an examination into the systems, policies, procedures and practices at the Ministry of Roads and Public Works alongside the Kenya Roads Board. The examination exercise was launched on 26th October 2006 and was attended by the Permanent Secretary, Ministry of Roads and Public Works, Ambassador (Eng) Mohamed M. Mahamud, Engineer Hudson Kihumba Manager, Planning and Programmining Officer of Kenya Roads Board and Mrs. Fatuma Sichale, Deputy Director of the Kenya Anti-Corruption Commission.

The road construction sector is vulnerable to corruption because of the size, complexity and potentially huge cost of most of the projects. Most of the projects are one-off, large and unique in nature which makes it difficult to compare. This therefore opens opportunities for inflating costs.

Corruption in road projects thrives due to the weaknesses and loopholes that exist in the entire project cycle from planning and design, tendering and implementation process.

There have been several reports of poor project planning and implementation, poor service delivery, inefficiencies, breach of procedures, soliciting for bribes, questionable dealings, outright theft, fraud and other corruption related activities in all roads projects. This has led to poor infrastructure, delay in project implementation, payment for incomplete/shoddy work, increased costs of projects, and insecurity among others.

Some of these reports have been made to the KACC while others are made through the media. These reports include: -

Procurement irregularities.

There are allegations of corrupt practices in the roads projects involving public officers during the procurement process. These include

Under/over specification so as to facilitate contract variations or to discourage potential contractors respectively,

Leakage of information to 'preferred' bidders so as to facilitate bid rigging.

Conflict of interest as a result of the officers not declaring their interest and participating in the award of contracts to related companies. There are also

cases of collusion between contractors and the public officers to disregard adherence to procurement procedures among others.

Irregular variation of Contract in terms of Cost, specification and scope of work

There are allegations in the media regarding variations to the initial cost of project over and above the required thresholds without prerequisite approval by the responsible authorities. The reports highlighted this as a major problem and proposed that the government blacklists some of the contracts involved.

Use of sub – standard materials.

Some contractors are reported to have used sub – standard construction materials. This results in poor quality of works thereby reducing the life span of the roads. This is an indication that specifications spelt out during the preparation of tender documents are not exhaustive. Lack of adequate specifications at the tendering stage opens room for negotiations during the implementation time. It is also an indication of collusion with officers who approve such works for payments

Diversion of project materials and other resources

There are allegations of diversion of road projects materials and other resources to private use or for resale. This is outright theft which results in abandonment of projects.

False/exaggerated claims against the Contractors

Some public officers raise false/exaggerated claims against contractors to unfairly withhold the contractor's progress payments. This enables the public officers to create opportunity with contractors to give bribes. It is also used as a bait for extortion.

Conflicts of interest/payments for works not done.

There are allegations that the Ministry is losing millions of shillings annually to 'phony' companies created and managed by officers in the Ministry. There are also allegations of Contractors being paid for works not completed particularly bridges and cases of double payments.

Road reserves

Some private developers have colluded with public officers to illegally build on road reserves. This is done through alterations of the original road design to circumvent irregular developments with the approval of the Ministry Engineers.

Favoritism /Nepotism

There are allegations of favoritism/nepotism in deployment of Resident Engineers and other Ministry personnel to various projects and 'strategic' installations such as weighbridges.

Bribery

There are allegations of bribery at the weighbridges involving the Ministry officers and the police in order to allow overloaded Lorries to pass without being weighed. This is made possible by the discretionary powers that officers have in warning

drivers of overloaded vehicles. Some reports indicate that some of the transport companies pay bribes in advance.

There are also allegations of collusion between the officers at the weighbridge and lorry owners to under – declare the weights. The scheme is facilitated by partially ‘stepping’ on the weighbridge to reduce the weight load. All these allegations suggest that there are systemic weaknesses that provide opportunities for corrupt practices hence the need for the proposed Examination.

The National Corruption Perception Survey launched by KACC in June 2006, featured the Ministry of Roads and Public Works amongst the Ministries with high incidence of corruption. The Ministry was ranked at No. 7 out of 33 Ministries. The Survey indicated that 23.7% of the respondents singled out poor infrastructure as one of the major problems facing the Country.

The roads sub sector has since the mid nineties started a reform process in line with Sub Saharan Road Maintenance Initiative (RMI) in order to improve the delivery and sustenance of road infrastructure. Major reform achievements include the establishment of the Road Maintenance Levy Fund (RMLF) in 1993 to ensure a sustainable source of maintenance funds.

The road infrastructure forms the bedrock for any economic development in a country. Good road networks enable the inhabitants to access essential services. In a country like Kenya, whose economy is 80% agricultural oriented, the road network contributes significantly to the cost of transportation of farm inputs and products. Roads also facilitate access to markets which in turn generate financial resources that are critical for development and poverty eradication.

The road infrastructure has implications for maintenance of security. Areas with poor road infrastructure have been characterized by several incidences of insecurity where rescue operations are delayed due to poor road network. This is notable in the North Eastern Province and parts of Rift Valley. There are also instances where poor road network has denied many citizens access to essential services such as health facilities, schools and emergency responses such as famine relief, security and flooding. This undermines the confidence of the public in the government and stifles development. Provision of good roads is definitely a critical component in the process of realizing social and economic goals of development.

Investment in road infrastructure requires massive resources, both financial and human. Thus the country can ill afford to ignore inefficiencies in the management of these resources. Any losses in the sector bring about substantial losses of Government revenue, interference with the government’s development goals and disillusionment on the members of the public. The various institutions charged with the responsibility of overseeing effective utilization of resources in the roads sector must therefore do so optimally devoid of any corrupt practices.

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Principal Public Relations Officer

30th October 2006