

Approved for tabling.

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REPUBLIC OF KENYA



✓ Paper laid by  
Finance  
14 JUN 2017  
P.O. Box 41842-00100, NAIROBI

THE NATIONAL ASSEMBLY

ELEVENTH PARLIAMENT – FIFTH SESSION

DEPARTMENTAL COMMITTEE ON FINANCE, PLANNING & TRADE

REPORT ON THE VETTING FOR APPROVAL OF MR. SAITOTI KIMEREI MAIKA,  
NOMINEE FOR APPOINTMENT AS THE DIRECTOR – GENERAL OF THE  
FINANCIAL REPORTING CENTRE

DIRECTORATE OF COMMITTEE SERVICES,  
CLERKS CHAMBERS,  
PARLIAMENT BUILDINGS,  
NAIROBI

JUNE 2017

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## ABBREVIATIONS

ACAMS	-	Association of Certified Anti-Money Laundering Specialist
AMLAB	-	Anti-Money Laundering Advisory Board
CID	-	Directorate of Criminal Investigations
CRA	-	Commission on Revenue Authority
DC	-	District of Colombia
EACC	-	Ethics and Anti-Corruption Commission
FRC	-	Financial Reporting Centre
HELB	-	Higher Education Loans Board
IFPRI	-	International Food Policy Research Institute
KIPPRA	-	Kenya Institute for Public Policy Research and Analysis
KRA	-	Kenya Revenue Authority
POCAMLA	-	Proceeds of Crime and Anti-Money Laundering Act
ESAAMLG	-	Eastern and Southern Africa Anti-Money Laundering Group

## **CHAIRPERSON'S FOREWORD**

On Tuesday 6<sup>th</sup> June 2017 the Speaker of the National Assembly conveyed a message from the Cabinet Secretary for the National Treasury regarding the nomination of **Mr. Saitoti Kimerei Maika** as the Director-General of the Financial Reporting Centre pursuant to Section 25 of the Proceeds of Crime and Anti-Money Laundering Act, 2009 and Standing Order 216(5)(f). In furtherance of the provisions of Article 118 of the Constitution and sections (3) and (5) of the Parliamentary Appointments (Parliamentary Approval) Act, 2011, the Speaker referred the credentials of the nominee to the Departmental Committee on Finance, Planning & Trade for vetting

The nominee was vetted on 13<sup>th</sup> June 2017 based on the criteria set in the Public Appointments (Parliamentary Approval) Act 2011, Leadership and Integrity Act 2012 as well as the Constitution of Kenya 2010 and other relevant provisions of the law

After vetting, the **Mr. Saitoti Kimerei Maika** was found qualified and suitable to serve as the Director-General of the Financial Reporting Centre.

The Committee appreciates the assistance provided by the Office of the Speaker and the Clerk of the National Assembly that enabled it to discharge its mandate during the approval hearings. I further wish to express my appreciation to the Honourable Members of the Committee who dedicated their time to participate in the activities of the Committee and preparation of this Report

It is therefore my pleasant duty and privilege, on behalf of the Departmental Committee on Finance, Planning & Trade, to table the Report on the vetting of the nominee for appointment as the Director-General of the Financial Reporting Centre for consideration and adoption by the House in accordance with the provisions of Section 25 of the Proceeds of Crime and Anti-Money Laundering Act, 2009.

**Hon. Benjamin Langat, CBS, MP**

## EXECUTIVE SUMMARY

This report contains the Committee's proceedings of the approval hearings of **Mr. Saitoti Kimere** **Maika** for appointment as the Director-General of the Financial Reporting Centre **Mr. Maika** had been nominated by the Cabinet Secretary pursuant to the provisions of Section 25 of the Proceeds of Crime and Anti-Money Laundering Act, 2009 and the same communicated to the Speaker of the National Assembly vide his letter dated 30<sup>th</sup> May 2017. The Speaker on 6<sup>th</sup> May 2017 pursuant to sections (3) and (5) of the Parliamentary Appointments (Parliamentary Approval) Act, 2011 and Standing Order 216(5)(f) referred the name of the nominee and his curriculum vitae to the Departmental Committee on Finance, Planning & Trade for vetting

On Tuesday 13<sup>th</sup> June 2017, the Committee vetted the nominee based on the criteria set out in Section 25 of the Proceeds of Crime and Anti-Money Laundering Act of 2009 and the Public Appointments (Parliamentary Approval) Act of 2011. During the approval hearings, the Committee observed that the nominee had been cleared for appointment as the Director General Financial Reporting Centre by the KRA, CID, EACC, & HELB. The Committee further noted that due process was followed in the recruitment that began with advertisement in the local dailies, long listing, shorting listing, interviewing and nomination of the best applicant for appointment

On his suitability for appointment, the Committee found Mr. Maika suitable and qualified to serve as the Director-General of the Financial Reporting Centre having in depth knowledge of Kenya's and international Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) legal, regulatory and compliance frameworks. He had also met all the qualifications provided in Section 25 of the Proceeds of Crime Anti-Money Laundering Act of 2009

## 1.1 MANDATE OF THE COMMITTEE

The Committee on Finance, planning & Trade is one of the Departmental Committees of the National Assembly established under Standing Order 216 and mandated:

- (a) to investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;
- (b) to study the programme and policy objectives of ministries and departments and the effectiveness of the implementation;
- (c) to study and review all legislation referred to it;
- (d) to study, assess and analyse the relative success of the ministries and departments as measured by the results obtained as compared with their stated objectives;
- (e) to investigate and inquire into all matters relating to the assigned ministries and departments as they may deem necessary and as may be referred to them by the House;
- (f) to vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order 204 (*Committee on Appointments*); and**
- (g) make reports and recommendations to the House as often as possible, including recommendation of proposed legislation.

The Committee is mandated to consider subject matters relating to public finance, monetary policies, public debt, financial institutions, investment and divestiture policies, pricing policies, banking, insurance, population, revenue policies, planning, national development, trade, tourism promotion and management, commerce and industry (growth of the industries in Kenya especially the small businesses).

## 1.2 COMMITTEE MEMBERSHIP

<b>Chairman</b>	The Hon. Benjamin Langat, MP
<b>Vice Chairman</b>	The Hon Nelson Gaichuhie, MP
	The Hon Dr. Oburu Oginga, MP
	The Hon. Jimmy Nuru Angwenyi, MP
	The Hon Eng Shadrack Manga, MP
	The Hon. Ahmed Shakeel Shabbir Ahmed, MP
	The Hon. Alfred W. Sambu, MP
	The Hon Sammy Koech, MP
	The Hon Sammy Mwaita, MP
	The Hon Tiras N Ngahu, MP
	The Hon Abdul Rahim Dawood, MP
	The Hon Abdullswamad Sheriff, MP
	The Hon. Anyanga Andrew Toboso, MP
	The Hon Daniel E. Nanok, MP
	The Hon. Dennis Waweru, MP
	The Hon. Hezron Awiti Bolo, MP
	The Hon. Joash Olum, MP
	The Hon Jones M Mlolwa, MP
	The Hon Joseph Limo, MP
	The Hon Kirwa Stephen Bitok, MP
	The Hon. Lati Lelelit, MP
	The Hon Mary Emase, MP
	The Hon Ogendo Rose Nyamunga, MP
	The Hon Patrick Makau King'ola, MP
	The Hon Ronald Tonui, MP
	The Hon Sakaja Johnson, MP
	The Hon. Sakwa John Bunyasi, MP
	The Hon Sumra Irshadali, MP

### 1.3 COMMITTEE SECRETARIAT

First Clerk Assistant	-	Evans Oanda
Third Clerk Assistant	-	Nicodemus Maluki
Third Clerk Assistant	-	Fredrick Otieno
Legal Counsel II	-	Emma Esendi
Research Officer III	-	Sharon Rotino

### 1.4 RECOMMENDATION

The National Assembly approves the nomination of **Mr. Saitoti Kimerci Maika** for appointment by the Cabinet Secretary for the National Treasury as the Director-General of the Financial Reporting Centre pursuant to the provisions of Section 25 of the Proceeds of Crime and Anti-Money Laundering Act of 2009.



## 2.0 BACKGROUND INFORMATION

### 2.1 Legal provisions

The Financial Reporting Centre (FRC) is a Government institution created by the Proceeds of Crime and Anti-Money Laundering Act (POCAML) 2009, with the principal objective being to assist in the identification of the proceeds of crime and the combating of money laundering.

#### **Section 25: Appointment of Director-General and Deputy Director General-General**

- 1 There shall be a Director-General and a Deputy Director-General of the Centre
- 2 The Director-General and the Deputy Director-General shall be fit, competent and proper persons recommended by the Board and approved by the National Assembly for appointment to their respective positions
- 3 On approval of a person by the National Assembly under subsection (2), the Cabinet Secretary shall appoint that person to the office in respect of which the approval was given.
- 4 A person shall not be appointed as a Director or Deputy Director unless that person—
  - a holds a degree in law, *public administration, management, International Relations, economics or finance* from a recognized institution,
  - b *has at least ten years work experience in the relevant field at least three shall be in senior management, and*
  - c meets such other requirements that may be prescribed by the Board
- 5 The persons appointed as the Director-General and the Deputy Director-General shall hold office—
  - a for a term of four years and three years, respectively, subject to renewal for one further term of four years and three years, respectively; and
  - b on such terms and conditions as may be determined by the *Cabinet Secretary in Consultation with the Board* and set out in the instrument of appointment which shall include specific and measurable performance targets.

6. The provisions of subsection (3) shall apply to the renewal of an appointment under subsection (5)(a).

### **Section 28: Responsibilities of the Director-General**

1. The Director-General shall be the Chief Executive Officer of the Centre and shall be responsible for its direction and management.
2. Without prejudice to the generality of subsection (1), the Director-General as the Chief Executive Officer shall be responsible for—
  - a. the formation and development of an efficient and performance driven administration;
  - b. control and maintenance of discipline of staff; and
  - c. taking all decisions of the Centre in the exercise, discharge and performance of the Centre's objectives, powers, functions and duties

### **2.2 Recruitment of Mr. Saitoti Kimerei Maika**

Pursuant to the provisions of Section 25 of the Proceeds of Crime and Anti-Money Laundering Act of 2009, the nominee for appointment as the Director-General of the Financial Reporting Centre was duly recruited as follows:

1. On 23<sup>rd</sup> March 2017, the Anti-Money Laundering Advisory Board (AMLAB) resolved to advertise for the position of the Director-General of the Financial Reporting Centre.
2. On 28<sup>th</sup> March 2017, advertisement for the position were placed in four main dailies and also uploaded in the FRC's website.
3. On 10<sup>th</sup> April 2017, the Human Resource Department of the Board shortlisted eleven of the sixty six applicants.
4. Background checks of the shortlisted applicants were done.
5. On 18<sup>th</sup> April 2017, the AMLAB approved nine applicants who had been shortlisted and confirmed appearance for interview. The AMLAB also approved the assessment tool to be used in the interview.
6. On 20<sup>th</sup> and 21<sup>st</sup> April 2017, interviews were conducted by the AMLAB members.

- 7 Mr. Saitoti Kimerei Maika emerged top in the interview with a score of 79.1%.
- 8 On 30<sup>th</sup> May 2017, the Cabinet Secretary nominated Mr Saitoti Kimerei Maika as the Director-General for the Financial Reporting Centre and forwarded his name to the National Assembly for approval

### **2.3 Communication from the Speaker**

Through his letter dated 30<sup>th</sup> May 2017, the Cabinet Secretary communicated to the Speaker of the National Assembly the nomination of Mr Saitoti Kimerei Maika as the Director-General of the Financial Reporting Centre pursuant to Section 25 of the Proceeds of Crime and Anti-Money Laundering Act of 2009. On Tuesday 6<sup>th</sup> June 2017 the Speaker referred the name of the nominee and his curriculum vitae to the Departmental Committee on Finance, Planning & Trade to conduct approval hearings. He urged the Committee to present its report to the House by the morning of 14<sup>th</sup> June 2017 for debate.

### **2.4 Committee proceedings**

During the approval hearings, the Committee held two meetings.

### **2.5 Notification to public and submission of memoranda**

On Friday 8<sup>th</sup> June 2017, through the Print Media, the Clerk of the National Assembly notified the general public of Committee's vetting programme and requested for memoranda by way of written statement on oath (**sworn affidavit**) regarding the nominees' suitability to serve or otherwise. By the time of vetting on Tuesday 13<sup>th</sup> June 2017, the Committee had not received any memorandum.

Section 6(9) of the Public Appointments (Parliamentary Approval) Act (No 33 of 2011) provides that *"any person may, prior to the approval hearing and by a written statement on oath, provide the Clerk with evidence contesting the suitability of a candidate to hold the office to which the candidate has been nominated"*

### **2.6 Clearance requirements**

On 7<sup>th</sup> June 2017, the Clerk of the National Assembly wrote to the nominee informing him of his nomination for the position of the Director-General of the Financial Reporting Centre and requested him to appear for vetting by the Departmental Committee on Finance, Planning & Trade.

on Tuesday 13<sup>th</sup> June 2017. He further requested the nominee to bring with him the clearance certificates from the Ethics and Anti-Corruption Commission (EACC); Kenya Revenue Authority (KRA), Higher Education Loans Board (HELB), and the Criminal Investigation Department (CID)

On the same date, the Clerk of the National Assembly wrote to the KRA, HELB, EACC, and CID requesting for tax compliance, loan repayments, integrity and criminal record status respectively of the nominee. By the time of vetting and compiling this report, none of these agencies had objected to the appointment of the nominee.

### **3.0 APPROVAL HEARINGS**

The nominee appeared before the Committee on Tuesday 13<sup>th</sup> June 2017 for approval hearings. During the vetting, the Committee was guided by the Constitution, the Proceeds of Crime and Anti-Money Laundering Act of 2009, Public Appointments (Parliamentary Approval) Act, Standing Orders and other relevant statutes. Specifically, the nominee was examined on the following criteria as set out in the Public Appointments (Parliamentary Approval) Act No 33 of 2011:-

- Academic qualifications
- Employment record (whether the nominee had ten years in the relevant field , three of which being in senior management)
- Professional affiliations
- Potential conflict of interest
- Knowledge of the relevant subject
- Integrity
- Vision and leadership
- Expectations and key priorities

#### **(a) Self-introduction and Educational Background**

Mr. Saitoti informed the Committee that he is a Kenyan citizen born on 7<sup>th</sup> January 1970 in Kajiado County. He holds a Bachelor of Arts in International Relations and Diplomacy from Technical University of Kenya and a diploma in security and strategic studies from the University of Nairobi. He has also attended many security conferences/trainings regarding anti money laundering.

#### **(b) Employment record**

The nominee informed the Committee that he has worked for the Public Service for the last 26 years in the following capacities:

- Currently Senior Advisor to the Cabinet Secretary, Ministry of Interior and Coordination of National Government. He is on Secondment from the NIS as a Principle Intelligence officer (Level 12)
- October 2013 to February 2015. Head of Intelligence & Policy Development, Financial Reporting Centre
- September 2009 to September 2013. Deputy Head of Counter Organized Crime Department, National Intelligence Service

- July 2006 to August 2009 Head of Europe & America Region, National Security Intelligence Service
- July 2004 to June 2006: Head of Counter Organized Crime Unit, National Security Intelligence Service
- July 2002 to June 2004 Head of Counter Narcotics Unit, National Security Intelligence Service
- July 1999 to June 2002: Senior Intelligence Analyst, National Security Intelligence Service
- August 1996 to June 1999 Senior Liaison Officer, Office of the President, Liaison Department (seconded from DOD)
- August 1990 to July 1996 Lieutenant/ Captain, Operations Officer, Kenya Army, Department of Defence

### **(c) Publications**

Mr Saitoti informed the Committee that he has co-authored a paper on

Republic of Zambia Anti - Money Laundering / Combating the Financing of Terrorism Mutual Evaluation / Assessment Report (2008) commissioned by the Eastern and Southern Africa Anti – Money Laundering Group (ESAAMLG) Co-authored with 3 other assessors

### **(d) Nomination process**

Mr Saitoti informed the Committee that he saw the advertisement, applied, got interviewed and his name was forwarded for approval

### **(e) Functions of Financial Reporting Centre.**

The nominee informed the Committee that all the financial institutions are legally obligated to report suspicious transactions to the Financial Reporting Centre. The FRC then gathers relevant information on the suspicion from competent government agencies (CID or EACC) and finally forwarded to the relevant prosecuting agencies for prosecution

### **(f) Working relationship of the FRC with the Anti Fraud Department of CBK**

Mr. Saitoti informed the Committee that the prudential guidelines require that the CBK only report to FRC on issues related to money laundering. However, CBK is mandated to supervise Banks.

**(g) On Professional Association/ Memberships,**

Mr Saitoti informed the Committee that he is a Member of the Association of Certified Anti Money Laundering Specialists (ACAMS) Membership No 1000194040

**(h) Clearance requirements.**

Mr Saitoti confirmed to the Committee that he had no integrity issues, had no criminal records, had complied with his tax obligations, and had fully paid his HELB loan.

**(i) Structure of FRC**

Mr. Saitoti confirmed to the Committee that the FRC is domiciled within the National Treasury NAMLAB is the administrative body and is required to report to the National Assembly annually

**(j) Relationship of FRC with the insurance companies**

Mr Saitoti confirmed to the Committee that just like banks, insurance companies are also obligated to report to the FRC.

**(k) Conveyance of cash**

Mr Saitoti confirmed to the Committee that cashing more than a million shillings would generate a suspicious transaction. However, looking at the nature of our economy, a million may not be much especially when the concept of Know Your Customer is implemented correctly

**(l) On charity / Pro - Bono**

Mr Saitoti confirmed to the Committee that he has on various occasions helped but cannot quantify it

#### 4.0 COMMITTEE OBSERVATIONS

The Committee having considered the curriculum vitae and heard oral submissions during the vetting exercise/interview, made the following observations:-

##### 4.1 Nomination process

Mr. Saitoti was duly nominated fairly and competitively for appointment as the Director-General of the Financial Reporting Centre pursuant to Section 25 of the Proceeds of Crime and Anti-Money Laundering Act of 2009. Advertisement was made, shortlisting, interviews done and the best applicant nominated for the position. The average score for all the nominees are itemized in the table below:

NO.	NAME	AVERAGE SCORE (%)
1.	Saitoti Kimerei	79.1
2.	Andrew Tanui	72.0
3.	James Manyonge	71.5
4.	Lucas Meso	65.2
5.	Isaiah Nyaga	59.3
6.	Andrew Ogombe	55.7
7.	Jimmy Mwithi	52.9
8.	John Onyango	Did not attend the interview
9.	Mercy Buku	Not interviewed as she did not present all the required documents to the panel
10.	Louise Kabucho	Not interviewed as she did not have all the required documents
11.	Christine Ondimu	Did not attend the interview

##### 4.2 Memoranda from the public

As at the time of compiling this report, the Committee had not received any memoranda from the public on the suitability or otherwise of the nominee to serve as the Director-General of the Financial Reporting Centre.

##### 4.3 Clearance requirements

As at the time of compiling this report, none of the clearing offices (CID, KRA, HELB, EACC & CRA) had raised objections for appointment of the nominee.



#### **4.4 Educational qualifications and work experience**

The nominee holds a Bachelor of Arts degree in International Relations and Diplomacy from Technical University of Kenya (Dec 2015) and a diploma in security and strategic studies from the University of Nairobi (Dec 2010)

He has a wealth of experience in security matters related to organized crimes having worked in the following capacities:

- Headed the Intelligence and Policy development in the Financial Reporting Centre between October 2013 and February 2015.
- He was the national Intelligence Service (NIS) representative to the National Task Force on Anti-Money Laundering and Combating the Financing of Terrorism between 2009 and 2013
- Between 2006 and 2009, he was NSIS representative to the National Task Force on Anti-Money Laundering and Combating the Financing of Terrorism.
- In November 2016, he consulted on COMESA baseline study on Inter-Agency information sharing frameworks for purposes of combating money laundering and other financial related organized crimes in 2016,
- In August 2016, he participated in the ESAAMLG Typology project on “Laundering of proceeds of cigarettes smuggling in the ESAAMLG region
- In August 2015, he participated in ESAAMLG Typology project on “Poaching and illegal trading in wildlife and wildlife products, and associated money laundering in the ESAAMLG region”.

He therefore meets the educational and work experience requirements set out in section 25 of the POCAMLA of 2009

#### **4.5 General observations**

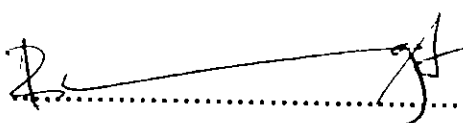
- i) He has never been dismissed from office for contravention of the provisions of Article 75 of the Constitution that deals with conduct of state officers and neither has he been adversely mentioned in any investigatory report of Parliament or any Commission of Inquiry
- ii) He has never participated in any charity or pro-Bono

- iii) He is a Kenyan Citizen born on 7<sup>th</sup> January 1970 in Kajiado County.
- iv) On qualification for appointment as the Director-General of the Financial Reporting Centre, the Committee found the nominee suitable and qualified. He meets the appointment requirements provided for in Section 25 of the proceeds of Crime and Anti-Money Laundering Act of 2009

## 5.0 COMMITTEE RECOMMENDATION

Having conducted approval hearings for the nominee pursuant to Articles 118 of the Constitution, the Proceeds of Crime and Anti-Money Laundering Act of 2009, Public Appointments (Parliamentary Approval) Act, and the Standing Orders the Committee recommends that:

**The National Assembly approves the nomination of Mr. Saitoti Kimerei Maika as the Director-General of the Financial Reporting Centre pursuant to Section 25 of the Proceeds of Crime and Anti-Money Laundering Act of 2009.**

Signed  Date 13<sup>th</sup> June 2017

(HON. BENJAMIN LANGAT, C.B.S, M.P)

**CHAIRPERSON, DEPARTMENTAL COMMITTEE ON FINANCE, PLANNING &  
TRADE**

**MINUTES OF THE 33<sup>RD</sup> SITTING OF THE DEPARTMENTAL COMMITTEE ON FINANCE, PLANNING & TRADE HELD ON TUESDAY 13<sup>TH</sup> JUNE, 2017 IN THE COMMITTEE ROOM, 4<sup>TH</sup> FLOOR, CONTINENTAL HOUSE AT 10.30AM**

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**PRESENT**

1. Hon. Benjamin Langat, MP - **Chairperson**
2. Hon. Nelson Gatchuhie, MP - **Vice-Chairperson**
3. Hon Jimmy Nuru Angwenyi, MP
4. Hon Daniel Epuyo Nanok, MP
5. Hon Joash Olum, MP
6. Hon. Ronald Tonui, MP
7. Hon. Patrick Makau King'ola, MP
8. Hon Tiras Ngahu, MP
9. Hon. Abdul Rahim Dawood ,MP
10. Hon Ogendo Rose Nyamunga, MP
11. Hon Dr. Oburu Oginga, MP

**APOLOGIES**

1. Hon. Eng. Shadrack Manga, MP
2. Hon Shakeel Shabbir, MP
3. Hon. Hezron Bolo Awiti,MP
4. Hon Abdullswamad Shariff, MP
5. Hon. Mary Emase, MP
6. Hon Anyanga Andrew Toboso, MP
7. Hon Jones Mlolwa, MP
8. Hon Joseph Limo, MP
9. Hon. Kirwa Stephen Bitok, MP
10. Hon Sakwa John Bunyasi, MP
11. Hon Alfred Sambu, MP
12. Hon Sammy Mwaita, MP
13. Hon. Dennis Waweru, MP
14. Hon. Sammy Koech, MP
15. Hon Sakaja Johnson, MP
16. Hon Sumra Irshadali, MP
17. Hon Lati Lelelit, MP

**COMMITTEE SECRETARIAT**

1. Mr Evans Oanda - First Clerk Assistant
2. Mr Nicodemus Maluki - Third Clerk Assistant
3. Mr Fredrick Otieno - Third Clerk Assistant

- |                        |   |                |
|------------------------|---|----------------|
| 4. Ms. Emma Essendi    | - | Legal Counsel  |
| 5. Mr. Collins Mahamba | - | Audio recorder |
| 6. Mr. Chacha Machage  | - | Fiscal Analyst |

**NOMINEE**

Mr. Saitoti Maika - nominee for appointment as the DG of the FRC

**MIN.NO. DCF/ 127/2017: PRELIMINARIES**

The Chairperson called the meeting to order at 10 55am followed by a word of prayer from the Hon. Nelson Gaichuhie, MP. He further requested all present to make self- introduction. He then introduced the agenda of the day as “vetting of the nominee for appointment as the Director General of the Financial Reporting Centre”.

**MIN.NO. DCF/128 /2017: VETTING OF MR. SAITOTI MAIKA**

Mr. Saitoti appeared before the Committee for vetting and informed the Committee as follows under oath:

**(a) Self-introduction and Educational Background**

Mr. Saitoti informed the Committee that he is a Kenyan citizen born on 7<sup>th</sup> January 1970 in Kajiado County. He holds a Bachelor of Arts in International Relations and Diplomacy from Technical University of Kenya and a diploma in security and strategic studies from the University of Nairobi. He is He has also attended many security conferences/trainings regarding anti money laundering.

**(b) Employment record**

The nominee informed the Committee that he has worked for the Public Service for the last 26 years in the following capacities:

- Currently Senior Advisor to the Cabinet Secretary, Ministry of Interior and Coordination of National Government. He is on Secondment from the NIS as a Principle Intelligent officer (Level 12).
- October 2013 to February 2015: Head of Intelligence & Policy Development, Financial Reporting Centre
- September 2009 to September 2013: Deputy Head of Counter Organized Crime Department, National Intelligence Service
- July 2006 to August 2009: Head of Europe & America Region, National Security Intelligence Service

- July 2004 to June 2006: Head of Counter Organized Crime Unit, National Security Intelligence Service
- July 2002 to June 2004: Head of Counter Narcotics Unit, National Security Intelligence Service
- July 1999 to June 2002: Senior Intelligence Analyst, National Security Intelligence Service
- August 1996 to June 1999: Senior Liaison Officer, Office of the President, Liaison Department (seconded from DOD)
- August 1990 to July 1996: Lieutenant/ Captain, Operations Officer, Kenya Army, Department of Defence

**(c) Publications**

Mr. Saitoti informed the Committee that he has co-authored a paper on:

Republic of Zambia Anti - Money Laundering / Combating the Financing of Terrorism Mutual Evaluation / Assessment Report (2008) commissioned by the Eastern and Southern Africa Anti – Money Laundering Group (ESAAMLG). Co-authored with 3 other assessors.

**(d) Nomination process**

Mr. Saitoti informed the Committee that he saw the advertisement, applied, got interviewed and his name was forwarded for vetting.

**(e) Functions of Financial Reporting Centre.**

The nominee informed the Committee that all the financial institutions are legally obligated to report suspicious transactions to the Financial Reporting Centre. The FRC then gathers relevant information on the suspicion from competent government agencies (CID or EACC) and finally forwarded to the relevant prosecuting agencies for prosecution.

**(f) Working relationship of the FRC with the Anti Fraud Department of CBK**

Mr. Saitoti informed the Committee that the prudential guidelines require that the CBK only report to FRC on issues related to money laundering. However, CBK is mandated to supervise Banks.

**(g) On Professional Association/ Memberships,**

Mr Saitoti informed the Committee that he is a Member of the Association of Certified Anti Money Laundering Specialists (ACAMS). Membership No. 1000194040

**(h) Clearance requirements.**

Mr Saitoti confirmed to the Committee that he had no integrity issues, had no criminal records, had complied with her tax obligations, and had fully paid her HELB loan.

**(i) Structure of FRC**

Mr Saitoti confirmed to the Committee that the FRC is domiciled within the National Treasury NAMLAB is the administrative body and is required to report to the National Assembly annually

**(j) Relationship of FRC with the insurance companies**

Mr Saitoti confirmed to the Committee just like banks, insurance companies are also obligated to report to FRC of any suspicious transactions

**(k) Conveyance of cash**

Mr. Saitoti confirmed to the Committee that cashing more than a million shillings would generate a suspicious transaction. However, looking at the nature of our economy, a million may not be much especially when the concept of Know Your Customer is implemented correctly

**(l) On charity / Pro - Bono**

Mr Saitoti confirmed to the Committee that he has on various occasions helped but can't quantify it

**Committee resolution:**

Mr Saitoti was qualified to be appointed. He is competent, had relevant career background, and was composed in the manner he responded to vetting questions. He was therefore unanimously approved for appointment

**MIN.NO. DCF/129/2017: ANY OTHER BUSINESS**

1. The Chairperson reported to the Committee that the petition on irregular transfer of Muiri Coffee estate would be discussed once the requested investigative CID report on the matter has been availed to the Committee.
2. The PBO took the Committee through the analysis of the sessional paper on KQ borrowing guarantee of Kshs 75.26 billion. The following was highlighted.
  - KQ does not meet the requirements under PFMA regulations (section 58)
  - The government is currently paying for loan guarantees that turned into bad debts to a tune of Kshs 1 103 bn (2017). Some of these institutions include EAPC, TARDA and KBC
  - In his last audited report; the Auditor General expressed concern on whether KQ can continue as a going concern.
  - Kenya's Debt to GDP is currently 53% – way beyond the 50% threshold provided for under the PFMA
  - Currently, Kenya is contributing about Kshs 1.3 trn on debt annually
  - There are positive signs that KQ will turn into profitability in the next 5 to 10 years.

**Committee Observations**

- KQ should be privatized. However, there is a need to clean up the Balance sheet.
- With the fully operational KQ, Nairobi will become a financial hub.
- The KQ / National Treasury has not submitted additional documents requested by the Committee. Therefore as drafted, the sessional paper does not meet the PFMA requirements

The Committee resolved to meet on Wednesday 14th June 2017 to continue considering the sessional. The Secretariat was directed to follow up with the National Treasury for the documents earlier on requested

**MIN.NO. DCF/130/2017: ADJOURNMENT**

The Chairperson adjourned the meeting at 13.10pm

Signed.....

**Chairperson**

Date.....



REPUBLIC OF KENYA



**NATIONAL ASSEMBLY  
ELEVENTH PARLIAMENT - FIFTH SESSION**

In the Matter of consideration by the National Assembly of a person nominated for appointment as the Director-General of Financial Reporting Centre

**NOTIFICATION FOR VETTING BY THE DEPARTMENTAL  
COMMITTEE ON FINANCE, PLANNING AND TRADE**

Pursuant to the provisions of Section 25 (2) of the Proceeds of Crime and Anti-Money Laundering Act, 2009 (as amended by section 5 of the Proceeds of Crime and Anti-Money Laundering (Amendment) Act, 2017) and Section 5(1) of the Public Appointments (Parliamentary Approval) Act, 2011, the Cabinet Secretary for the National Treasury has nominated **Mr. Saitoti Kimerei Maika** for appointment as the **Director-General of the Financial Reporting Centre**.

Following the receipt of the nomination from the National Treasury, the **Departmental Committee on Finance, Planning and Trade** is mandated to vet, consider his suitability for appointment and submit its report to the House for approval.

Pursuant to provisions of Article 118 of the Constitution, section 6(4) of the Public Appointments (Parliamentary Approval) Act (No. 33 of 2011) and Standing Order 45(3) of the National Assembly Standing Orders, the general public is hereby notified that the Departmental Committee on Finance, Planning and Trade shall vet **Mr. Saitoti Kimerei Maika** on **Tuesday 13<sup>th</sup> June, 2017 at 10.30 am in Committee Room on 4<sup>th</sup> Floor, Continental House, Parliament Buildings.**

The nominee should bring the originals of his identity card, academic and professional certificates and clearance/ compliance from:-

1. Ethics and Anti- Corruption Commission.
2. Kenya Revenue Authority.
3. Higher Education Loans Board.
4. Criminal Investigation Department.
5. Any Credit Reference Bureaus.

**JEREMIAH NDOMBI  
FOR: CLERK OF NATIONAL ASSEMBLY**

28 | County

REPUBLIC OF KENYA



**NATIONAL ASSEMBLY  
ELEVENTH PARLIAMENT - FIFTH SESSION**

In the Matter of consideration by the National Assembly of a person nominated for appointment as the Director-General of Financial Reporting Centre

**SUBMISSION OF MEMORANDA**

Pursuant to the provisions of Section 25 (2) of the Proceeds of Crime and Anti-Money Laundering Act, 2009 (as amended by section 5 of the Proceeds of Crime and Anti-Money Laundering (Amendment) Act, 2017) and Section 5(1) of the Public Appointments (Parliamentary Approval) Act, 2011, the Cabinet Secretary for the National Treasury has nominated **Mr. Saitoti Kimerei Maika** for appointment as the **Director-General of the Financial Reporting Centre**.

Following the receipt of the nomination from the National Treasury, the **Departmental Committee on Finance, Planning and Trade** is mandated to vet, consider his suitability for appointment and submit its report to the House for approval.

Pursuant to Section 6(9) of the Public Appointments (Parliamentary Approval) Act, 2011, the Committee now invites interested members of the public to submit any representations by written statement on oath (affidavit), that they may have on the suitability or otherwise of the said nominee. The representations may be forwarded to the **Clerk of the National Assembly, P.O. Box 41842-00100, Nairobi;** hand-delivered to the **Office of the Clerk, Main Parliament Buildings, Nairobi;** or emailed to [clerk@parliament.go.ke](mailto:clerk@parliament.go.ke); to be received on or before **Tuesday 13<sup>th</sup> June, 2017 at 5.00 pm.**

**JEREMIAH NDOMBI  
FOR: CLERK OF NATIONAL ASSEMBLY**



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ELEVENTH PARLIAMENT (FIFTH SESSION)

THE NATIONAL ASSEMBLY

MESSAGES

MESSAGE FROM THE NATIONAL TREASURY

(No. 009 of 2017)

ON NOMINATION OF A PERSON FOR APPOINTMENT  
AS DIRECTOR-GENERAL OF THE FINANCIAL REPORTING CENTRE

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Honourable Members,

Pursuant to the provisions of Section 25 (2) of the Proceeds of Crime and Anti-Money Laundering Act, 2009 as amended by section 5 of the Proceeds of Crime and Anti-Money Laundering (Amendment) Act, 2017, and Section 5(1) of the Public Appointments (Parliamentary Approval) Act, 2011, I wish to convey to the House that I have received a request from the Cabinet Secretary for the National Treasury asking the House to approve the appointment of **Mr. Saitoti Kimerei Maika** as the Director-General of the Financial Reporting Centre.

Honourable Members, the Principal Act requires the Anti-Money Laundering Advisory Board to forward to the Cabinet Secretary for the National Treasury a name of a selected candidate recruited competitively for appointment. Thereafter, the Cabinet Secretary is required to forward the name of the candidate to the National Assembly for approval. Further, Section 25(2) of the Proceeds of Crime and Anti-Money Laundering Act, 2009 requires the nominee for appointment as the Director-General to be vetted and approved by the National Assembly before appointment. In forwarding the name, the Cabinet Secretary has also forwarded the following documentation-

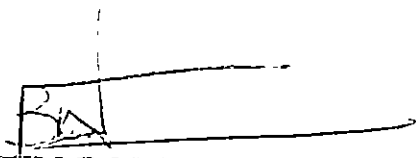
- (i) the advertisement for the position of Director-General, financial Reporting Centre;
- (ii) a write-up on the recruitment process;
- (iii) interview results for the position of Director-General; and,
- (iv) curriculum vitae of Mr. Saitoti Kimerei Maika.

Honourable Members, in this regard, I hereby refer the name of the nominee (Mr Saitoti Kimerei Maika), including the above-mentioned documentation to the Departmental Committee on the Finance, Planning and Trade to undertake the necessary approval hearings. Thereafter, the House shall consider the nominee in accordance with the Public Appointments (Parliamentary Approval) Act, 2011

Honourable Members, Section 8(1) of the said Act requires the National Assembly to either approve or reject the nominee **within fourteen days** from the date on which the notification of nomination was given. However, given that the House is expected to proceed for a *Sine Die* adjournment on Thursday, June 15, 2017, I wish to guide the Committee and the House as follows-

- (i) That the Committee should notify the nominee and the general public of the time and place for holding the approval hearings, in good time. The notification should therefore be made immediately, and,
- (ii) That the Committee may thereafter commence the necessary approval hearings and submit its report to this House on or before **Wednesday, June 14, 2017** during the morning sitting.

I thank you!



THE HON. JUSTIN B.N. MUTURI, EGH, MP  
SPEAKER OF THE NATIONAL ASSEMBLY

Tuesday, June 6, 2017

No. 33 of 2011 [Rev. 2012]

*Public Appointments (Parliamentary Approval)*

[Issue 1] 8

SCHEDULE

[Section 6(8).]

**CRITERIA FOR VETTING/APPROVAL OF NOMINEES FOR  
APPOINTMENT TO PUBLIC OFFICE BY PARLIAMENT QUESTIONNAIRE**

**Notes:**

- a) This questionnaire applies to appointments to public office arising by or under the Constitution or any other law where parliamentary approval is required.
- b) The questionnaire shall be used by the relevant parliamentary committee to vet a nominee appearing before the committee in the process of parliamentary approval.
- c) The questionnaire shall be filled and submitted by the nominee to the relevant parliamentary committee through the Clerk of the relevant House of Parliament on or before a date set by the committee.
- d) The submission of false information in the questionnaire is an offence and may result in prosecution.
- e) Any form of canvassing by a nominee shall lead to disqualification.
- f) The nominee must answer all the questions.

1. **Name:** (State full name) **SAITOTI KIMEREI MAIKA**

2. **Position:** (State office to which you have been nominated).

**DIRECTOR GENERAL – FINANCIAL REPORTING CENTRE**

3. **Sex:** **MALE**

4. **Date of Birth:** (State year and place of birth) **7<sup>th</sup> January 1970 KAJIADO**

5. **Marital Status:** **MARRIED**

6. **Daytime phone number:** **020 - 2227411**

7. **Mobile phone number:** **0700649549**

8. **Email Address:** *saitotim@yahoo.com*

9. **ID Number:** **10402074**

10. **PIN Number:** **A001311782J**

11 **Nationality: KENYAN**

12 **Postal Address: P.O. BOX 7784 0010**

13. **Town/City: NAIROBI**

14. **Knowledge of Languages: (Specify Languages) Maasai, Kiswahili, English**

15 **Education:** (List, in reverse chronological order, each university, college, or any other institution of higher education attended and indicate, in respect of each, the dates of attendance, academic award obtained, whether a degree was awarded, and the dates on which each such degree was awarded)

**University of Nairobi**

**2016**

**MA – International Relations (National Security and Foreign Policy)**

**On-going**

**Technical University of Kenya**

**Year: 2013 – 2015**

**BA - International Relations and Diplomacy**

**Graduated: 18<sup>th</sup> Dec 2015**

**University of Nairobi**

**Year: 2010**

**Diploma in Security and Strategic Studies**

**Graduated: 3<sup>rd</sup> Dec 2010**

16 **Employment Record:** (List in reverse chronological order all government agencies, business or professional corporations, companies, firms or other enterprises with which you have been affiliated as an officer, director, partner, proprietor, employee or consultant)

1. **Ministry of Interior and Coordination of National Government (on secondment): Senior Advisor to Cabinet Secretary**  
**2015 – to date.**

2. **Financial Reporting Centre (on secondment)**  
**Head of Intelligence and Policy Development 2013 – 2015.**

3. **National Intelligence Service: July 1999 – to date.**

4. **Department of Defence: August 1990 – July 1999.**

17. **Honours and Awards:** (List any scholarships, fellowships, honorary degrees, academic or professional honours, honorary society memberships, military awards and any other special recognition for outstanding service or achievement and in respect of each, state the date of award and the institution or organization that made the award).

1. **Chevening Fellowship: 2006 - United Kingdom Foreign and Commonwealth Office.**

2. **UN Peace Medal: 1993 – United Nations for participation in the Peace Keeping Mission as a member of the Kenyan contingent of UN Protection Force (UNPROFOR) to the former Yugoslavia (1992 – 1993).**

3. **20 Great Years of Nyayo Era Medal: 1998 - Department of Defence.**

18. **Professional Association** (where applicable): (List all professional associations of which you are or have a member and give any positions held and the respective dates when each such position was held).

**Association of Certified Anti Money Laundering Specialists (ACAMS):  
Membership No. 1000194040**

19. **Memberships:** (List all professional, business, fraternal, scholarly, civic, charitable or other organizations, (other than those listed in response to Question 16) to which you belong or have belonged).

**Chevening Alumni Network – Member**

20. **Published Writings:**

(a) List the titles, publishers and dates of books, articles, reports, letters to the editor, editorial pieces or other published materials you have authored or edited.

**Republic of Zambia Anti - Money Laundering / Combating the Financing of Terrorism Mutual Evaluation / Assessment Report (2008) commissioned by the Eastern and Southern Africa Anti – Money Laundering Group (ESAAMLG).  
Co-authored with 3 other assessors.**

(b) Supply four (4) copies of any reports, memoranda or policy statements you prepared or contributed in the preparation of any bar association, committee, conference or organization of which you were a member.

21. **Public Office, Political Activities and Affiliations:**

(a) List chronologically any public offices you have held or are currently holding, including the terms of service and whether such positions were elected or appointed.

**None**

- (b) List all memberships and offices held in and services rendered, whether compensated or not, to any political party or election committee. If you have ever held a position or played a role in a political campaign, identify the particulars of the campaign, including the candidate, dates of the campaign, your title and responsibilities. Also include any linkage you have to a political party at present. **None**
- (c) Have you ever been dismissed or otherwise removed from office for a contravention of the provisions of Article 75 of the Constitution? **NO**
- (d) Have you ever been adversely associated with practices that depict bias, favouritism or nepotism in the discharge of public duties? **NO**
22. **Deferred Income/Future Benefits:** (List the sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock, options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services, firm memberships, etc). **NIL**
23. **Outside commitment during service in office:** (Do you have any plans, commitments or agreements to pursue outside employment with or without compensation during your service in office? If so explain) **NO**
24. **Sources of Income:** (List sources and amounts of all income received during the calendar year preceding your nomination and in the current calendar year)
1. Salary: Year 2016 - Shs. 5,291,800.00
  2. Salary: Year 2017 - Shs. 2,093,000.00
  3. Consultancy Fee: Year 2016 - USD 12,500 (services rendered to COMESA)
25. **Tax Status:** (State whether you have fully complied with your tax obligations to the State up to the end of the financial year immediately preceding the nomination for appointment) **Tax Compliant**

26. **Statement of Net Worth:** (State your financial net worth)

<u>Assets</u>	Shs.
1. Land Parcel LR No. Kajiado/Lorng'osua/299 (47.2 Ha)	- 32m
2. Land Parcel LR No. Kajiado/Lorng'osua/5609 (8.09 Ha)	- 4.4m
3. Land Parcel LR No. Cismara/Koyiaki/3923 (38.2 Ha)	- 28m
4. Apartment LR No. Kiambu/Ruaka/5188	- 12m
5. Plot LR No. 153A Kajiado/Saina Estate	- 0.5m
6. Plot LR No. 309 Kajiado/Sunrise Estate	- 0.7m
7. Plot LR No. 1786 Kitengela/Noonkopirr	- 2.5m
8. Plot LR No. 1448 Bissil Trading Centre	- 0.3m
9. Plot LR No. 785 Bissil Trading Centre	- 0.3m
10. Subaru Forester KCA 485B	- 1.5m

11. Toyota Probox KCF 285P	- 0.8m
12. Lada Niva KAC 364E	- 0.3m
13. 87 Sahiwal Cows	- 3.5m
14. 60 Dorper Sheep & Goats	- 0.5m
15. Bank accounts balances	- 437,191.00
16. NIS Pension Scheme contribution	- <u>2,103,865.00</u>
Total (Shs.)	89,571,056.00

Liabilities

	<u>Shs.</u>
1. Loan balance (Agricultural Finance Corporation)	- 1.8m
2. Apartment purchase balance (Cytonn Investment Ltd)	- <u>7.3m</u>
Total (Shs)	9.1m

Net Worth – Shs. 80,471,056.00

27. **Potential Conflicts of Interest:**

(a) Identify the family members or other persons, parties, categories obligation or financial arrangements that are likely to present potential conflicts-of-interest when you first assume the position to which you have been nominated. Explain how you would address any such conflict if it were to rise. **NONE**

(b) Explain how you will resolve any potential conflict of interest, including the procedure you will follow in determining these areas of concern. **N/A**

28. **Pro-Bono/Charity Work/Donations to charity:** (Describe what you have done by way of pro bono or charity work, listing specific instances, the amount contributed and the amount of time devoted to each). **NONE**

29. Have you ever been charged in a court or law in the last three years? If so, specify the nature of the charge, where the matter is ongoing, the present status of the matter, or where the matter is concluded, the judgment of the court, or otherwise, how the case was concluded. **NO**

30. Have you ever been adversely mentioned in an investigatory report of Parliament or any other Commission of inquiry in the last three years? **NO**

31. Have you any objection to the making of enquiries with your present employer/referees in the course of consideration of your nomination? **NO**

32. **References:** (List three persons who are not your relatives who are familiar with your character, qualification and work).



1. Maj Gen (rtd) Joseph Nkaissery  
Cabinet Secretary  
Ministry of Interior and Coordination of National Government  
Tel 020 3310905
  
2. George Waiguru  
Director of Intelligence - National Intelligence Service  
Tel 0721 585700
  
3. Dr. Eliawony Kisanga  
Executive Secretary  
Eastern & Southern Africa Anti Money Laundering Group (ESAAMLG)  
Dar es Salaam, Tanzania  
Tel 255 22 2667895/7679  
Cell 255 754068748