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THE NATIONAL ASSEMBLY

11TH PARLIAMENT - FIFTH SESSION - 2017

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**REPORT OF THE PUBLIC ACCOUNTS
COMMITTEE ON THE SPECIAL AUDIT REPORT
OF MAY 2016; ON THE ACCOUNTS OF THE
NATIONAL YOUTH SERVICE (NYS)**

VOLUME I

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ABBREVIATIONS

AGPO	Access to Government Procurement Opportunities
AIE	Authority to Incur Expenditure
ARA	Asset Recovery Agency
BFIU	Banking Fraud Investigation Unit
CEO	Chief Executive Officer
CPA	Certified Public Accountant
CS	Cabinet Secretary
CUI	Common User Items
DG	Director General
DPP	Directorate of Public Prosecution/Director of Public Prosecutions
EACC	Ethics and Anti- Corruption Commission
EOI	Expression of Interest
FRC	Financial Reporting Centre
FY	Financial Year
GSM	Global System for Mobile
ICT	Information and Communications Technology
IFMIS	Integrated Financial Management Information System
ISDN	Integrated Services Digital Network
JV	Joint Venture
KCB	Kenya Commercial Bank
KM	Kilometre
KNA	Kenya National Assembly
KTDA	Kenya Tea Development Authority
KURA	Kenya Urban Roads Authority
LPO	Local Purchase Order
LSO	Local Service Order

MDA	Ministries, Departments and Agencies
MoDP	Ministry of Devolution and Planning
MTC	Ministerial Tender Committee
NBK	National Bank of Kenya
NYS	National Youth Service
PAC	Public Accounts Committee
PALWECO	Programme for Agriculture and Livelihood in Western Communities
PFM	Public Finance Management Act 2012
POCAMLA	Proceeds of Crime and Anti Money Laundering Act 2009
PPDA	Public Procurement and Disposal Act 2005
PPRA	Public Procurement Regulatory Authority
PS	Principal Secretary
PO	Purchase Order
RDA	Regional Development Authority
REOI	Request for Expression of Interest
RFP	Request for Proposal
RTGS	Real Time Gross Settlement
SACCO	Savings and Credit Cooperatives Society
SCFO	Senior Chief Financial Officer
SDDG	Senior Deputy Director General
UNDP	United Nation Development Programme

PREFACE

Mr. Speaker, Sir,

In one of her famous quotes, the former British Prime Minister, Dame Margaret Thatcher, had this to say about public funds, in a speech to the Conservative Party Conference on October 14, 1983:-

*“One of the great debates of our time is about how much of your money should be spent by the State and how much you should keep to spend on your family. Let us never forget this fundamental truth: the State has no source of money other than money which people earn themselves. If the State wishes to spend more it can do so only by borrowing your savings or by taxing you more. It is no good thinking that someone else will pay – that “someone else” is you. **There is no such thing as public money; there is only taxpayers’ money**”.*

The Public Accounts Committee derives its mandate from Standing Order 205(2) of the National Assembly, which provides that:-

“The Public Accounts Committee (PAC) shall be responsible for the examination of the accounts showing the appropriations of the sum voted by the House to meet the public expenditure and of such other accounts laid before the House as the Committee may deem fit”.

The primary mandate of PAC is therefore to oversight the expenditure of public funds by Ministries/Departments, Constitutional commissions and independent offices to ensure value for money, optimal application of public funds and adherence to Government financial regulations and procedures.

The Committee executes its mandate on the basis of annual and special audit reports prepared by the Office of the Auditor General.

LEGAL FOUNDATIONS AND PRINCIPLES

In the execution of its mandate afore-stated, PAC is guided by core Constitutional and statutory principles on public finance management, as well as established parliamentary customs, traditions, practices and usages. These principles include the following:-

Constitutional Principles on Public Finance

Article 201 enacts fundamental principles that “...**shall guide all aspects of public finance in the Republic...**” The principles are:-

- a) There shall be openness and accountability, including public participation in financial matters;
- b) The public finance system shall promote an equitable society, and in particular—
 - (i) the burden of taxation shall be shared fairly;
 - (ii) revenue raised nationally shall be shared equitably among national and county Governments; and
 - (iii) expenditure shall promote the equitable development of the country, including by making special provision for marginalized groups and areas;
- c) The burdens and benefits of the use of resources and public borrowing shall be shared equitably between present and future generations;
- d) Public money shall be used in a prudent and responsible way; and;
- e) Financial management shall be responsible, and fiscal reporting shall be clear.

Direct Personal Liability

Article 226(5) of the Constitution provides that:-

“If the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not”.

PAC considers this Constitutional provision as the basis for holding each individual Accounting Officer and other Public Officers directly and personally liable for any loss of public funds under their watch.

The Committee has and will continue to invoke this provision in its recommendations to hold those responsible personally accountable. This is especially so because as is detailed in this report, the process of procurement to the use of IFMIS for payment processing involves actions of several officers.

Obligations of Cabinet Secretaries

The Committee noted the enhanced role of Cabinet Secretaries, exceeding the traditional policy oversight and direction functions. The 11th Cabinet meeting held on 2nd December, 2014 at State House, Nairobi empowered Cabinet Secretaries vastly. They were given powers of oversight in sanctioning procurement in MDAs, formerly a preserve of Principal Secretaries. They would also approve work, procurement and cash flow plans.

Article 73(1)(a)(iii) & (iv) of the Constitution is also express that authority assigned to a State Officer is a public trust to be exercised in a manner that:-

- (iii) brings honour to the nation and dignity to the office; and
- (iv) promotes public confidence in the integrity of the office.

The Committee notes that this is an express provision that empowers Cabinet Secretaries to be fully in charge of operations of their ministries. On top of this, the Public Service Commission delegated Human Resource functions to the Cabinet Secretary, on 5th January, 2015. This was meant to enhance efficiency, effectiveness and accountability. Cabinet Secretaries can no longer feign ignorance of day to day operations of their dockets.

Obligations of Accounting Officers

Section 68 (1) of the Public Finance Management Act, 2012 provides, inter alia, that:-

“An accounting officer for a national Government entity, Parliamentary Service Commission and the Judiciary shall be accountable to the National Assembly for ensuring that the resources of the respective entity for which he or she is the accounting officer are used in a way that is lawful and authorized, and effective, efficient, economical and transparent”.

This provision obligates all accounting officers to appear before the Public Accounts Committee of the National Assembly to respond to audit queries in their respective Ministries, Departments and Agencies.

And section 74 (2) of the same PFM Act stipulates that:-

“If a Cabinet Secretary reasonably believes that an accounting officer is engaging in or has engaged in improper conduct within the meaning of subsection (4), the Cabinet Secretary shall:-

Take such measures as may be provided in regulations; or

Refer the matter to the relevant office or body in terms of the statutory and other conditions of appointment or employment applicable to that accounting officer”.

Mr. Speaker, Sir,

This section empowers the appointing authority to discipline errant accounting officers, which could include revoking their appointment. This provision has sealed a long standing loophole that has previously seen accounting officers continuously commit or preside over fiscal indiscipline and malpractice in their Ministries with impunity without sanctions.

Obligations of holders of Authority-to-incur-expenditure (AIE)

To facilitate day to day running of MDAs, the Public Finance Regulations accord Accounting Officers power to appoint AIE holders to incur expenditure on their behalf, in a manner that is lawful and within limits. However, the Accounting Officer still retains responsibility of expenditure of the vote.

Mr. Speaker, Sir,

PAC applied varied sections of other relevant laws to cover the whole spectrum of the matter at hand. These include the following;

- i. The Banking Act 1989 with subsequent amendments;
- ii. The Central Bank Act,
- iii. The Public Procurement and Disposal Act 2005 ;
- iv. The Procurement Regulations 2006;
- v. The Proceeds of Crime and Anti Money Laundering Act 2009 (POCAMLA).
- vi. The National Youth Service Act,
- vii. The National Assembly Standing Orders
- viii. The Constitution of Kenya, 2010

PAC strongly holds the view that these provisions of the law were intended to be fully applied to give effect to the high principles in Article 201 of the Constitution stated hereinabove, to ensure prudent and responsible use and safeguard of public funds.

The Committee has, accordingly, applied these provisions to recommend diverse recommendations, investigations and surcharging of various persons found to bear responsibility for breaches of the law and/or responsible for the loss or wastage of public funds.

Mr. Speaker, Sir,

The Committee was also alive to attempts to derail it from attaining its mandate. Political interference manifested itself severally, with political pronouncements and unsubstantiated claims made against the Committee. The Committee however stayed true to its calling and responsibility, and has produced this report that it believes has already had impact by prosecution of key suspects and the scope by investigatory agencies widened. The Committee will forever be guided by its mantra, "*Beyond Reproach*".

Committee Membership

The Committee comprises the following Honourable Members:-

1. Hon. (Eng.) Nicolas Gumbo, MP - Chairman
2. Hon. Jackson K. Rop, MP - Vice- Chairman
3. Hon. Gonzi Rai, MP
4. Hon. John Mbadi, MP
5. Hon. (Dr.) David Eseli Simiyu, MP
6. Hon. Joel Onyancha, MP
7. Hon. Kareke Mbiuki, MP
8. Hon. Manson Nyamweya, MP
9. Hon. (Capt.) Clement Wambugu, MP
10. Hon. Jessica Mbalu, MP
11. Hon. Julius Melly, MP
12. Hon. Kangogo Bowen, MP
13. Hon. Timothy Bosire, MP
14. Hon. Fathia Mahbub, MP
15. Hon. Andrew Mwadime, MP
16. Hon. Joseph Manje, MP
17. Hon. Sakwa Bunyasi, MP
18. Hon. Arthur Odera, MP
19. Hon. Abdikadir Aden, MP
20. Hon. Kanini Kega, MP
21. Hon. Kyengo Katatha Maweu, MP
22. Hon. Charles Mong'are Geni, MP
23. Hon. Alice Nyanchoka Chae, MP
24. Hon. Mathias Robi, MP
25. Hon. Stephen Manoti, MP
26. Hon. Junet Sheikh Nuh, MP
27. Hon. Silvanice Onyango Osele, MP

Appreciation

In conclusion, Honourable Speaker, the Committee registers its copious appreciation to the Office of the Speaker and the Clerk of the National Assembly, the Auditor General, Treasury and the witnesses who dutifully honoured invitations to appear and make satisfactory submissions before the Committee. Special mention goes to the Secretariat of the Committee who have time and again had to go beyond the normal call of duty to produce this report.

The commitment and devotion to duty of all those involved in this noble task made the work of the Committee and production of this report a success. We thank each one of them.

Mr. Speaker, Sir,

On behalf of the Members of the Committee, and pursuant to Standing Order no. 199(6), it is my distinguished honour and privilege to present the Report of the Public Accounts Committee on its consideration of the Special Audit Report on the Accounts of the National Youth Service, for deliberation and adoption by the House.

Signed:






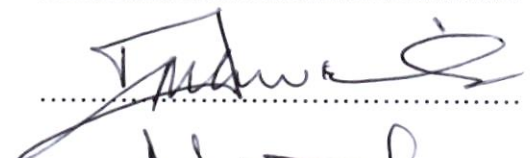
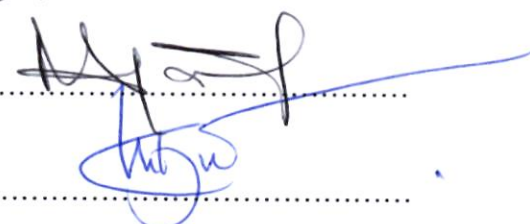
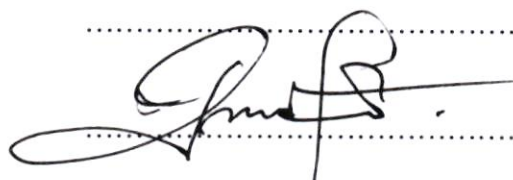
Hon. (Eng.) Nicolas Gumbo, MP
Chairman, Public Accounts Committee

Date:.....

14.2.2017

ADOPTION OF THE PUBLIC ACCOUNTS COMMITTEE REPORT ON THE ACCOUNTS OF THE NATIONAL YOUTH SERVICE

The Honourable Members of the Public Accounts Committee (PAC), do hereby affix their signatures to this Report on the Accounts of the National Youth Service (NYS) to affirm their approval and confirm its accuracy, validity and authenticity:-

1. Hon. (Eng.) Nicolas Gumbo, MP 
2. Hon. Jackson K. Rop, MP
3. Hon. Gonzi Rai, MP 
4. Hon. John Mbadi, MP 
5. Hon. (Dr.) David Eseli Simiyu, MP 
6. Hon. Joel Onyancha, MP
7. Hon. Kareke Mbiuki, MP 
8. Hon. Manson Nyamweya, MP 
9. Hon. (Capt.) Clement Wambugu, MP
10. Hon. Jessica Mbalu, MP
11. Hon. Julius Melly, MP
12. Hon. Kangogo Bowen, MP
13. Hon. Timothy Bosire, MP 
14. Hon. Fathia Mahbub, MP

15. Hon. Andrew Mwadime, MP



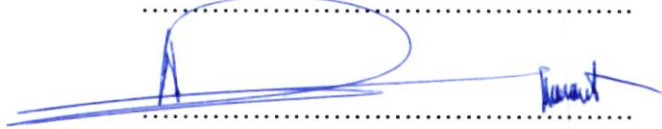
16. Hon. Joseph Manje, MP



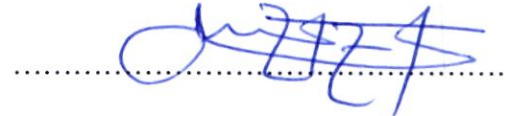
17. Hon. Sakwa Bunyasi, MP



18. Hon. Arthur Odera, MP



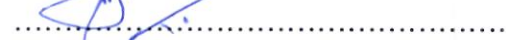
19. Hon. Abdikadir Aden, MP



20. Hon. Kanini Kega, MP



21. Hon. Kyengo Katatha Maweu, MP



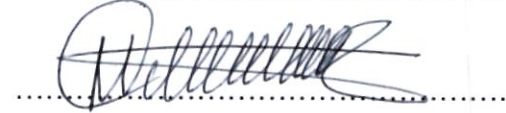
22. Hon. Charles Mong'are Geni, MP



23. Hon. Alice Nyanchoka Chae, MP



24. Hon. Mathias Robi, MP



25. Hon. Stephen Manoti, MP



26. Hon. Junet Sheikh Nuh, MP



27. Hon. Silvance Onyango Osele, MP



PART I

1.0 EXECUTIVE SUMMARY

The Committee on its own motion requested for a Special Audit on the books of accounts of the NYS and the Ministry of Devolution and Planning from 2013 to date once the scandal came to public light. The Auditor General's report provided a basis for the Committee's investigations and it revealed massive fraudulent activities, including loss of Kshs. 791,385,000.00, a further Kshs. 609,252,750.60, and an attempted theft of Kshs. 695,400,000, among other irregularities. On further investigations, the Committee called for submissions from BOTH the Permanent Secretary, Public Service and Youth Affairs, and the Director of IFMIS which revealed that the sum in question, which may have been mis-appropriated, and needs to be further investigated by both the DCI and the EACC, may have been to the tune of **Kshs. 23 billion** for the entire Ministry, of which slightly over **Kshs.10 billion** is directly traceable to the National Youth Service (see attached schedules).

During investigations, the Committee interviewed several witnesses including the then officers at the Ministry of Devolution and the NYS, current officials, businessmen and persons of interest deemed to have information relevant to the inquiry. These interrogations unearthed even worse fraudulent activities, with clear indications that procurement at the NYS was driven by patronage and cronyism. The Committee has reason to believe a huge part of the Ministry/NYS development budget was misused and recommends a detailed forensic audit of the entire budget from 2013-2016.

The Committee identified the theft as a well-orchestrated scheme starting from the exponential increase of the Ministry's budget without ascertaining absorption capacity, the deployment of Mr. Adan Harakhe to the NYS to a non-existent title of 'Senior Deputy Director General', to oversee all operational matters. This led to a vicious tug of war between the old networks and the newly installed cartel, leading to exposure of the scandal.

In his famous book **"Think and Grow Rich"** the famous American author and motivator Napoleon Hill had this to say about human beings:-

"Man with his superior sense of intuition, with the capacity to think and to reason, does not eat his fellow-man bodily. He gets more satisfaction out of "eating" him financially. Man is so avaricious that every conceivable law has been passed to safeguard him from his fellow-man".

“So eager is man to possess wealth that he will acquire it in whatever manner he can - through legal methods if possible, through other methods if necessary or expedient”.

In one of her famous quotes, the late **British Prime Minister Dame Margaret Thatcher** had this to say:-

“Being powerful is like a lady. If you have to tell people you are, then you are not”.

The Committee finds that the then Cabinet Secretary, Ms. Anne Mumbi Waiguru was the driving force behind both policy and operations by micro-managing implementation of the 5-Point Vision Plan. The Committee also finds the then Principal Secretary, Eng. Peter Oganga Mangiti as responsible for the loss of public funds. The Committee apportions responsibility to individuals at the Ministry and the NYS as per Article 226(5) of the Constitution. The Committee recommends that those found guilty are barred from holding public office, and/or specific punitive sanctions.

Business persons were used in the scheme, led by Ms. Josephine Kabura Irungu and Mr. Benson Gethi Wangui, with a complicit financial system aiding money laundering. The Committee recommends prosecution of the individuals, blacklisting of the firms, as well as proposals for financial institutions to strengthen the law to seal loopholes which aid in money laundering. The Committee further recommends investigation of the relationship between directors of certain companies with public officials at the Ministry and the Service at the time, including a thorough audit of their lifestyles.

PART II

2.0 BACKGROUND INFORMATION, AUDITOR GENERAL'S FINDINGS AND ISSUES FOR DETERMINATION

2.1 Background

The NYS was established in 1964 through an Act of Parliament to train the youth in important national matters such as service in the armed forces, national reconstruction programmes and disaster response. The NYS Act was amended in 2012 in a bid to re-structure the institution in order to spearhead the youth transformation agenda. The re-structuring was informed by a 5-Point Vision Framework developed by consultants.

The 5-Point Vision Framework included:

- i) Paramilitary training and service regimentation;
- ii) National service and youth re-socialization;
- iii) Social transformation and vocational training;
- iv) Enterprise and youth economy; and
- v) Bankable Institutional Architecture.

It was during the implementation of this transformation framework that concerns began to be raised on financial impropriety. On 26 June 2015, the Committee on its own motion through the Clerk of the National Assembly requested the Auditor-General vide letter referenced no. NA/PSC/CORR/2015/44 to conduct a Special Audit of the Accounts of the National Youth Service (NYS), in the State Department of Planning under the Ministry of Devolution and Planning. The following were the terms of reference of the request;

- i. Examination of the NYS capital projects and programmes with particular emphasis on the procurement and financial efficacy of the capital projects that the NYS has undertaken including, but not limited to, water dams and the infrastructure up-grading in the slum areas in various parts of the country.

- ii. Evaluation of the NYS re-branding project specifically on the procurement of the various consultancy services covering areas such as the development of the NYS 5 point vision, publicity and media management, among others.
- iii. Scrutiny of all purchases, procurement and contracts for goods and services of Kshs.5,000,000.00 and above made by, or entered into, by both the NYS and the State Department of Planning in this period including names of suppliers, contractors, consultants involved, nature of goods and services supplied, mode of tendering, amounts involved and whether value for money was realized.
- iv. Appraisal of the Kenya Youth Empowerment Project (KYEP) on programmes undertaken since its inception to date to determine whether there was value for money in the project and the impact the donor funded project has had on the youth; and establish the circumstances surrounding a request by the State Department of Planning to incur an additional Kshs.162,651,766.68 during the 2014/2015 financial year to fund the project.
- v. Investigation into the National Youth Service (NYS) procurement processes and procedures including, but not limited to, the use of the Integrated Financial Management Information System (IFMIS) for its day to day operations, including the vulnerability of the system and possible misuse by on-site Government employees and offsite hackers as a gateway to defraud the Government.
- vi. Identification and segregation of purchases/procurements made both inside and outside the IFMIS system, with the names of AIE holders for each case, analysis of all the bank accounts operated by both the National Youth Service and the State Department of Planning in the audit period, including signing mandates and names of signatories for each account and also inspection of the systems and processes at both bodies relating to control measures that have been put in place to ensure prudent use of public funds.

2.2 Scope of the Auditor General's report

The special audit commenced and reviewed details when the NYS was recognized as a Department within the Directorate of Planning in the State Department of Planning under the Ministry of Devolution and Planning.

The special audit covered the period 2012/2013 to 2014/2015, and reported on:

- A review of changes, including; sectoral, structural and accountability reporting that have happened at the NYS;
- A review of both Appropriation In Aid and Supplementary Budget(s) issued to the NYS;
- A review of the internal controls processes and procedures, but not limited to, the procurement process (involving amounts greater than Kshs.5 million), approvals, segregation, authorization, verification and reconciliations and any other controls in place at the NYS and related institution(s) which are a subject of this special audit;
- A review of the Integrated Financial Management Information System (IFMIS) for its day to day operations with a focus on the amounts alleged to have been lost and any potential exposure to the concerned institution(s) or vulnerability there-of;
- Irregularities, culpable individuals, amounts involved and identifiable recourse; and
- Recommendations and conclusions on the way forward.

2.3 Auditor General's findings

1. All allegations of financial impropriety at the NYS happened during the period when the NYS was domiciled under the Ministry of Devolution and Planning. It is imperative to note that vide Executive Order No. 2/2013 of 20th May 2013, the agency was moved from the defunct Ministry of Youth Affairs and Sports. Another Executive Order in November 2015 moved the NYS to the Ministry of Public Service, Youth and Gender Affairs where it is to date.
2. In the financial year 2014/15, the NYS instituted a massive flagship initiative for youth empowerment coupled with significant increase in budget allocation; a 231% increase from 2012/13 to 2013/14 financial years, and a further 74.7% increment to the 2014/15

appropriation. The latter included an additional Kshs. 3.5 billion supplementary budget which lacked background requisition documentation from the agency.

3. In the financial year 2014/15, procurement of goods and services was centralized at the NYS headquarters, save for perishables. Economies of scale was the purported justification for this centralization notwithstanding the fact that other costs like distribution to far flung areas would outweigh this reasoning.
4. There were significant responsibility changes in the reporting structures at the agency. Mr. Japhter Kiplimo Rugut was replaced by Dr. Nelson Githinji in May 2014. Soon after on 19th February 2015, the latter's AIE rights were revoked and replaced with Mr. Adan Harakhe, Senior Deputy Director General. These instructions were issued by the then Principal Secretary Eng. Peter Mangiti. It was during this period that Kshs. 460,860,000.00 was fraudulently paid out.
5. Mr. Adan Harakhe's transfers and subsequent deployment to NYS as the 'Senior' Deputy Director General in charge of operations seemed by design, willful and targeted at the Kshs. 3.5 billion supplementary budget.
6. There were weak controls at the NYS. This was demonstrated by construction of a 3.5 km road in Nairobi's Kibera estate without it being in the procurement plan, and through the use of a forged supplies branch contract. Moreover, the Inspection and Acceptance Committee failed to authenticate quality and quantity of materials used. Audit revealed that the cost of Kshs. 791,385,000.00 was fraudulent.
7. The amount above was paid to three firms; Messrs. Form Home Builders, Reinforced Concrete Technologies and Roof and All Trading. The details of these companies were irregularly defined by an officer of IFMIS directorate at the National Treasury.
8. Form Home Builders received Kshs. 218,925,000.00 at least five months before registration. The other two companies received the balance approximately two months after registration. This indicates a lack of due diligence by the agency in awarding contracts to these suppliers.
9. The three firms were registered in the name of Josephine Kabura Irungu, and payments were channeled to her bank account at Family Bank.

10. A further Kshs. 609,252,760.00 was fraudulently paid to various companies, owned by the same Josephine Kabura Irungu. (*Details are in table 2, page 12 of the Auditor General's report*).
11. Kshs. 240,751,576.06 was fraudulently paid to youth cohorts through National Bank who used Safaricom's mobile money platform, Mpesa. The payment was a fraud because they went to people with similar identity card numbers, telephone numbers and for alleged extra days work. The two bank accounts at the National Bank used for this purpose were opened without Treasury's approval.
12. Kshs. 222,122,919.00 was fraudulently paid for supply of items that were not received at NYS stores. The procurement was done using a fake supplies branch contract.
13. Kshs. 360,315.00 was paid to permanent staff who were not entitled to the payment.
14. Kshs. 551,750,000.00 of youth savings were diverted from their SACCO's to fund NYS operations. Kshs. 517,653,820.00 was refunded on 22nd January 2016.
15. Kshs. 70 million AIE no. 757439 issued to the NYS College in Gilgil could not be traced and its use ascertained.
16. There was an attempted fraudulent payment of Kshs. 695,400,000.00 from the Kshs. 3.5 billion supplementary budget. This payment was due to the three firms mentioned in point 7 above, among others whose registrations were suspicious. The commitments were made by Mr. Samuel Wachenje, the Finance Director and Mr. Adan Harakhe.
17. Kshs. 3,615,709,800.00 for dam constructions were done by NYS servicemen and cohorts under the supervision of the Ministry of Environment, Water and Natural Resources. Physical verification noted that some of the dams constructed were indeed water pans. This variation, with obvious implication to cost differentials could not be explained.
18. Messrs. The Consulting House Ltd., the firm contracted to rebrand the NYS, resulting in the 5-Point Plan, was overpaid by Kshs. 12.5 million, by use of a copy of invoice. IFMIS records also revealed several unexplained payments to this company, worth several tens of millions of shillings.
19. Messrs. Out of the Box Solutions Ltd. was awarded a contract of Kshs. 302,458,690.00 for publicity services. It was not possible to determine deliverables, resulting in the initial payment of Kshs. 90,737,607.00. In any case, no entity by this name tendered for any

work from either the National Youth Service or the Ministry of Devolution and Planning. The Company which tendered was a joint venture between Out of the Box Ltd. and Roundtrip Kenya Ltd. It is a mystery at what stage this joint venture became Out-of-the Box Solutions Ltd.

20. The Service had at the closure of FY 2014/15 pending bills amounting to Kshs. 2,964,972,441.80. This was partly due to delays caused by the centralized procurement system, forcing field units to independently procure goods on credit.

21. The NYS operated various bank accounts without Treasury's approval.

2.4 Issues for determination

From the a foregoing, the Committee resolved to pursue the following issues, for determination;

- i) The efficacy of the policy change by use of the 5-Point Plan;
- ii) Implementation and execution of the policy change, led by the exponential increase of the budget;
- iii) Whether ALL matters procurement at the Ministry of Devolution and Planning with specific reference to NYS, complied with the law;
- iv) Who was responsible for any unlawful procurement of goods/services;
- v) How much of public funds were embezzled;
- vi) Potential weak links in relevant operating laws of the country;
- vii) The role of IFMIS in effective management of public funds;
- viii) Whether there was value for money for the contracts;
- ix) The role of financial insitutions into possible money laundering;
- x) The controlling role of Central Bank of Kenya in the transfer and transmission of funds to other financial institutions.

PART III

3.0 WITNESSES AND SITTINGS

The Committee held a total of fifty (50) sittings in the period of the inquiry, during which it interrogated persons it deemed to be at the core of the audit queries by the Auditor General. The investigations were guided by the aforementioned audit issues, and other emerging issues.

Minutes of the Committee's sittings on evidence taken are annexed to this report.

The Committee received evidence from a total of forty seven (47) witnesses. These comprised officials of the NYS and the State Department of Planning, at the time as well as the incumbents, and business people who received contracts from the NYS, as well as third parties who were mentioned by witnesses in the course of submissions.

The Committee also received written submissions from some witnesses and resource persons, to save on time and cover the whole scope of the investigation.

3.1 EVIDENCE FROM WITNESSES

3.1.1 Mr. Wilfred Musau, Ag. Chief Executive Officer, National Bank of Kenya

Mr. Wilfred Musau, Ag. Chief Executive Officer, National Bank of Kenya appeared before the Committee on Tuesday, 5th July, 2016 at 10.00 a.m. accompanied by Mr. Reuben Koech, Ag. Director, Corporate and Institutional Banking, and submitted as follows:-

The first bank account of the National Youth Service (NYS) was opened at the bank in 1988 through a presidential decree. This decree was not readily traceable. However efforts were being made to get hold of it.

The bank held three (3) accounts for the NYS namely the Huduma Cohorts Account, the Huduma Corps Account and the Director NYS Account. These accounts were opened on direction of the Ministry of Devolution and Planning. One account was perpetually overdrawn for a while because the Ministry took time to remit funds into it, resulting in debits by bank charges.

Evidence of National Treasury's authority to open the subsequent bank accounts was not available because as is practice, only the mother bank account required this approval. The other accounts were simply linked to the existing customer registration number. This however may have been an oversight, or that this approval existed but was unavailable due to the several turnovers the bank has had.

The payments to NYS cohorts were to volunteers who participated in the slum upgrading project. It was NYS who brought a schedule of payment indicating names and amounts. NBK's role was to carry out these instructions as is. The banks liability therefore rested on this premise.

The bank entered into an agreement with Safaricom Limited through a contract signed in 2010 between the then bank's CEO, the late Mr. Reuben Marambii and Mr. Robert Collymore of Safaricom.

This agreement was meant to facilitate bulk payment to the youth who did not have bank accounts. The alternative of opening accounts for the youth was logistically costly because these accounts would ultimately become dormant. The choice of MPESA payment was the most efficient because Safaricom had the best infrastructure to meet the volumes.

The youth cohorts were paid at a daily rate of Kshs. 500. The relevant charges, fees and commissions between the bank and Safaricom were agreed upon as specified in the contract. The bank relayed a total bulk figure to Safaricom through a virtual account who then distributed amounts due to individual MPESA numbers, as provided by the NYS. The bank's control of these remittances was assured through statements provided by Safaricom for their reconciliations.

The current financial reporting rules that place a limit of cash transactions at Kshs. 1 million had been positively received by both customers and banks.

3.1.2 Mr. Robert Collymore, Chief Executive Officer, Safaricom Limited

Mr. Robert Collymore, Chief Executive Officer, Safaricom Limited appeared before the Committee on Tuesday, 5th July, 2016 at 2.30 p.m. He was accompanied by Mr. Steve Chege, Director, Corporate Affairs and Mr. John Ohaga, Legal Counsel. He testified on oath as follows:-

MPESA is licensed and regulated by the Central Bank of Kenya, distinct from its 2009 GSM license.

MPESA enables customers, individuals and corporates to send customer to customer, bills and merchant payments.

Two thousand, six hundred and fifty six (2,656) organizations had so far partnered with Safaricom, of which 40 were banks.

Kshs. 1.7 billion is transmitted through the platform daily, translating to Kshs. 50 billion monthly.

On bulk payments, money is put in a trust account then dispersed through a remittance sheet of customers. This sheet only contains mobile phone numbers and amounts. These remittances are then scheduled by Safaricom.

It was the responsibility of the client to verify recipients and do due diligence. In fact, Safaricom only provides the client with a platform of which the client themselves input the recipients by initiating and completing the disbursements.

Safaricom has no contractual relationship whatsoever with the NYS but with National Bank of Kenya. The agreement with the National Bank dates back to 2011 and comprises mobile banking and salary disbursements. NBK transactions total Kshs. 14 million daily and Kshs. 425 million monthly.

The payments to NYS cohorts were all made within wallet limits and to registered mobile phone numbers. The highest daily payment was Kshs. 24,832.00.

NBK only loaded mobile phone numbers and amounts; Safaricom was therefore not able to know the intended recipients by name.

Safaricom has no list of cohorts, other than ISDN numbers, as this was exclusively handled by the client, NBK.

3.1.3 Mr. Saitoti Torome, Principal Secretary, State Department for Planning and Statistics

Mr. Saitoti Torome, Principal Secretary, State Department for Planning and Statistics appeared before the Committee on Monday 11th July, 2016 at 2.30 p.m. accompanied by Mr. Peter Muita, Deputy Chief Finance Officer, Mr. Clement Murage, Chief Accountant and Mr. Anthony Mwangi, Finance Officer, and submitted the following;

The National Youth Service (NYS) was moved to the State Department of Public Service and Youth Affairs under the Ministry of Public Service, Youth and Gender Affairs vide an executive order in May, 2016.

He was appointed as a Principal Secretary before the executive order, and was the accounting officer before the state departments were formalized.

During this period however, the Principal Secretary in charge of Public Service and Youth, Ms. Lillian Mbogo- Omollo had instructed accountants in the Ministry to consult her, as the substantive Principal Secretary, on all matters related to NYS. This was done through a memo authored by her Director of Administration, a Mr. Mike Ojiambo. A team was set up to validate all pending payments before they were approved.

Mr. Torome was therefore not in possession of original documents that pertain to the payments under query. He only had copies of some of the payment vouchers. He also could only manage to obtain the procurement plan of financial year 2014/15. Details of AIE of Kshs. 70 million issued to NYS Gilgil College were also unavailable.

Procurement of goods and services (including voucher validation and examination) in question were done at the NYS. The Ministry was only involved in payments at the final stage through the G-pay system. This was done by a Mr. Joel Karenju who was the Head of Accounts at the time.

He recalls having blocked payment of an invoice of about Kshs. 78 million to Out of the Box Solutions because the company had been identified by the EACC as being investigated.

Suppliers of goods and services to Government in general are first pre-qualified before they can tender. Pre-qualification establishes genuineness and capacity of applicants before they can be engaged.

3.1.4 Mr. Alex Ngugi, Head of Internal Audit, Ministry of Devolution and Planning

Mr. Ngugi appeared before the Committee on Tuesday, 12th July, 2016 at 10.00 a.m. and made his submission on the following issues;

- 1) Internal audit reports for the State Department of Planning and the NYS for the period 2012/13 to 2014/2015;
- 2) Failure to flag or report any of the irregular expenditure totaling at least Kshs 1,863,512,255.66.

Mr. Ngugi said that the Ministry of Devolution and Planning had seven directorates within its two State Departments and had one Accounting Officer. Internal auditors were posted directly to specific directorates and the Internal Auditor in charge clearly indicated. NYS was under the Directorate of Youth Affairs but the Internal Auditors there including the in charge were not affected by the posting order. However, they operated independent of Internal Auditor in charge of Directorate of Youth Affairs.

The Internal Auditor General circular clearly spelt out roles, duties and responsibilities of the head of Internal Audit and the Internal Auditor in charge. Further, the IAG department structure was considered the most ideal for the discharge of its functions detailed in the Public Financial Management Act 2012 and Regulations 2015 section 164(1).

The witness submitted the internal audit reports for the State Department of Planning for 2013/2014 and 2014/2015 financial years.

All the reports for 2013/2014 and 2014/2015 FYs were tabled before the Ministerial Audit Committee (MAC) as required. However, the committee in some instances was not able to discuss the reports where no responses had been received from the auditees. NYS never responded to any of the reports and MAC had to seek the Accounting Officer intervention to have the reports responded to without success.

Mr. Ngugi said his office did not receive any report or information in regard to irregular expenditure totaling at least Kshs.1,863,512,255.66 from NYS Auditors. When the matter of irregular expenditure became public, Internal Audit could not initiate independent special audit to verify the publicly available information as other investigative agencies were still carrying out investigations and were holding crucial documents which could have been used for special audit.

3.1.5 Mr. Hassan Noor Hassan, former Chairman of the Ministerial Tender Committee

Mr. Hassan Noor Hassan, the then Chairman of the Ministerial Tender Committee (MTC) appeared before the Committee on Tuesday, 12th July, 2016 at 2.30 p.m. and submitted the following;

He had served the public service diligently for thirty two (32) years, and was due to retire in two years. He confirmed chairing the Ministerial Tender Committee from 16th July 2014 to December 2015 when he was transferred to his current position as an Administrative Secretary in the Ministry of Water and Irrigation. This transfer was routine and affected several officers in Government.

His substantive role of Administrative Secretary was simply to coordinate support activities in the Ministry and deputize the Principal Secretary should he be away. The PS was however never away during the subject period of the queries.

The role of the Ministerial Tender Committee (MTC) was to harmonize procurement in the Ministry including all its directorates and agencies to

ensure efficiency, effectiveness and value for money. This was necessitated by the fact that almost eight former Ministries had been collapsed into one.

The MTC approved procurements after the respective unit's tender committee had done all evaluations and made their decisions. The MTC's secretariat then did the background checks including availability of funds and the items inclusion in the procurement plan.

He was deputized by the then Chief Finance Officer Mr. John Munywoki. Decisions of the MTC could be made by a vote, and in case of a tie, the chairman would cast his. This provision was however never invoked because decisions were always made by consensus.

On the 3.5 kilometre Kibera road, procurement was not done through the MTC and he was therefore not privy to the matter. He only learnt of it through the media as well as through the Directorate of Criminal Investigations who were called in by the then Cabinet Secretary after Mr. Adan Harakhe had reported that his password had been stolen.

He later established that this procurement was done by the use of Supplies Branch contracts of which the law did not require the MTC to ratify. Supplies branch usually sent circulars to MDAs for firms that could be contracted.

The law requires that the MTC be involved in procurement of goods and services above Kshs. 500,000. It was however the responsibility of the AIE holder and the department to refer such matters to them. They must have therefore violated the law to that extent.

On procurement of goods and services amounting to Kshs. 609,252,760.60 as detailed in the Auditor General's report's table 2, the MTC was not involved. They were procured by use of Supplies Branch contracts. This was also the position for goods procured at Kshs. 222,122,919.00 as detailed in page 15 of the Auditor General's report.

Procurement of publicity services from Out of the Box Solutions for Kshs. 302,458,690.00 and rebranding services from the Consulting House for Kshs. 90,000,000.00 were procedurally done through the MTC. The original documentation supporting advertisements of expression of interest of these procurements were however taken by the Ethics and Anti-Corruption Commission and he did not have copies to present to the Committee.

On the Consulting House procurement, the audit query was about over payment by Kshs. 12.5 million. This was not within the premise of the MTC but with the Finance Department and the AIE holder, and he did not know why they were overpaid.

The contract for Out of the Box Solutions had a 30% provision for payment for delivery of an inception report which included a comprehensive execution plan, detailed dates of activities, details of coordinating Government activities for AGPO registration for outreach mechanisms, campaign theme, outline of three television and ten radio station commercials, merchandize, an interactive website, a mobile telephone USSD system and monitoring and evaluation.

The payment of Kshs. 90,737,607.00 was done after delivery of this inception report. The balance of 70% was for execution of the plan to reach at least one thousand (1000) youth in every county. This was done in seven counties including Machakos and Kiambu. The plan was however halted after bad publicity and the launch of investigations into the affairs of the NYS. He however did not know whether the company had pursued payment of its remaining contractual dues.

AIE holders had a responsibility towards funding controls, and procurement was managed by the Head of Supplies Chain and ultimately the Accounting Officer who received quarterly reports.

He had no idea on Mr. Adan Harakhe's movements and transfers culminating into his posting at the NYS.

In conclusion, he stated that the MTC had the will to deliver on its mandate. The use of Supplies Branch contracts had however created a loophole that could be exploited for fraudulent activities. Its usefulness in the current market dynamics was outdated.

3.1.6 Mr. John Munywoki, former Senior Chief Finance Officer, Ministry of Devolution and Planning

Mr. John Munywoki, the then Senior Chief Finance Officer, Ministry of Devolution and Planning appeared before the Committee on Wednesday, 13th July, 2016 at 2.30 p.m. and submitted the following;

He was the Senior Chief Finance Officer (SCFO) in the Ministry of Devolution and Planning until March 2015 when he was transferred to the Ministry of Interior and Coordination of National Government in the same capacity. He was also the Vice-chairman of the Ministerial Tender Committee (MTC) of the Ministry of Devolution and Planning.

In his position as the SCFO, his roles included budget planning, implementation and control. He would assist the Accounting Officer implement the budget and had the powers to sign documents including LPOs, LSOs and payment vouchers.

Mr. Adan Gedow Harakhe, the then Senior Deputy Director at NYS was appointed as the AIE holder by the then Principal Secretary, Mr. Peter

Mangiti vide letter ref. MDP/1/3/41 dated 19th February, 2015. This was after revocation of Dr. Nelson Githinji's responsibility as AIE holder vide a letter ref. MNDP/3/41 dated the same day. This was meant to free Dr. Githinji to concentrate on policy direction and oversight as the NYS's mandate had expanded.

Upon receipt of the two letters, the SCFO wrote to Director IFMIS at Treasury vide letter ref. MDP/1/3/41 dated 20th February, 2015 requesting him to define Mr. Adan Harakhe as AIE holder as had been appointed by the Accounting Officer.

He however failed to request IFMIS to revoke Mr. Githinji's credentials and admitted that it was an oversight. He explained that he had attached the Accounting Officers letters in his own letter to serve as self-explanatory. He could not explain why Dr. Githinji kept logging in, and he had only seen that fact in the special audit report.

NYS had fully-fledged procurement and finance departments. They only sent their documents to the Ministry for final payment through G-pay, and this would be done by accountants. From the IFMIS system, he could see expenditure returns and could request for ledgers from those who had rights to see them.

He used to relate with the NYS Director, Mr. Samuel Wachenje verbally whenever he sought clarifications on any commitments made in the system. He however could not recall any specific case when he sought the clarifications.

As a member of the MTC, the tenders in question procured through Supplies Branch were not ratified by them as required by law, as long as they met the threshold of Kshs. 1 million. It was however the prerogative of the procuring department to present them for ratification. NYS brought some cases to the MTC, but not those under query.

He did not relate expenditure returns with failure to present procurements to the MTC by NYS because he was not in a position to see everything. AIE holders had been empowered by the Accounting Officer to verify all their payments.

He was aware of the contracts with Out of the Box Solutions and the Consulting House and they must have been approved by the MTC. The letter appointing Mr. Adan Harakhe stated that he as the SCFO could sign for approval of vouchers in Mr. Harakhe's absence. He may have actually exercised this power at times but could not remember specifics. He

was also aware of clauses in this letter empowering the SCFO to approve all documentation before payment but he did not adhere.

He saw the suspect vouchers at the EACC when he was called to record a statement. He however did not sign any of these documents.

The Kshs. 3.5 billion Supplementary budget was meant to replicate the Kibera slum upgrading project in three other slums. He left the Ministry before this exchequer was issued.

3.1.7 Mr. Fredrick Munge Musembi, finance officer at National Treasury's IFMIS Directorate

Mr. Fredrick Munge Musembi, a finance officer at Treasury's IFMIS department appeared before the Committee on Thursday, 14th July, 2016 at 2.30 p.m. and submitted as follows;

He hailed from Machakos town. He joined the public service in 2009 as a finance officer at Treasury's budget department before joining the department of IFMIS in 2012. His qualifications included a Bachelor's degree in Business Management, Finance option, and CPA (K) certification. He currently pursues his Master's degree.

His roles at IFMIS department included creating/ defining suppliers in the system, providing budgetary preparation to both national and county Governments, training as well as providing general support on IFMIS. His immediate supervisor was the Director IFMIS.

His specific task of supplier definition involved capturing supplier details as requested by Ministries, Departments and Agencies (MDAs). The process currently is done by the MDAs on site and Treasury approves online. His allocated ministries include Devolution and Planning, Interior and Coordination of National Government, Transport and Infrastructure and Health.

The request from MDAs to define suppliers was signed by the respective head of accounting unit and delivered to the IFMIS reception. This was then distributed to the relevant officers to define, without having to go through the IFMIS Director. The specific letter that requested definition of the companies under query was signed by Mr. Naftali Githinji of the State Department of Planning dated 10th November, 2014.

Defining the supplier in the IFMIS system was entirely distinct from the payment process which was done by the respective MDAs.

There was no policy that specified the data to be input when defining the supplier. One keyed in the details as presented and requested by the MDA depending on the workload. One would define the most basic details and request the MDA to complete the rest at their discretion. On the subject companies however, he defined all the details as requested in the letter.

The process of defining suppliers had no verification levels. In case of an error, the user would log back into the system and correct it.

In the conduct of his duties, he was never coerced and always acted with integrity.

3.1.8 Mr. David Thuku, CEO, Family Bank

Mr. David Thuku appeared before the Committee on Tuesday, 26th July, 2016 at 10.30 a.m.

The witness requested for the session to be held in camera since information they were to table was confidential as protected by the CBK Prudential Guidelines. The Committee accepted the request after determining the information to be tabled was not in the public domain and touched on several clients of the bank.

3.1.9 Mr. Jerome Ochieng, Director, IFMIS, the National Treasury

Mr. Jerome Ochieng, the Director, IFMIS, appeared before the Committee on Thursday, 28th July, 2016 at 10.30 a.m. and made submissions relevant to IFMIS, to the Committee as follows;

On how Fredrick Munge Musembi an employee of Treasury's IFMIS Directorate managed to create and define site details of suppliers who allegedly defrauded NYS Kshs.791,835,000.00:-

He submitted that the National Treasury adopted a policy for all suppliers for National Government to be defined centrally under IFMS. Mr. Fredrick Munge Musembi P/No. 2009112985 is the officer who was assigned duties/help desk for Ministry of Devolution and Planning, State Department of Planning where NYS was attached among other MDA's.

Inline of his duties, definition of suppliers was within the mandate assigned by the Department. On 11th November, 2014 IFMIS received a letter Reference No. NYS/FIN/2/3 dated 10th November, 2014 signed by Naftali Githinji for Director General requesting ten (10) suppliers to be defined in the system among them was the four (4) supplier names in question.

All ten (10) suppliers were fully defined as requested in the system with relevant bank details as assigned. Mr. Musembi therefore performed his allocated responsibility without ill motive.

Reasons as to why Dr. Nelson Githinji retained his IFMIS rights despite revocation of AIE and actually continued logging into the system three months later exposing the system's weak control:-

The meeting was informed that as stated in question (vi) above, IFMIS Department did not receive any instructions from NYS to deactivate Dr. Nelson Githinji from the system. However, Dr. Githinji could not start and finish any procurement process without involvement of others in the business work flow which has twenty eight (28) documented steps leading to a tight system control.

Circumstances under which users logged in at Treasury despite being officers defined at NYS and sometimes logging in using the same credentials at the two different locations at the same time signaling are sharing passwords. Some of the log-ins was noted to have been during weekends. He stated that the objectives of automation in the business process are to bring efficiency and flexibility in working environment and minimizing cost of doing business.

The IFMIS System being one is configured with controls such that each user is restricted to access the only responsibilities assigned to. The user is able to access the system from IFMIS enabled network and through Virtual Private Network if assigned access by Administrator. Therefore there is a possibility through Government Shared Services to access IFMIS from different points, but restricting you to the responsibilities assigned through Approval Hierarchy, and IFMIS business flow controls. User can only approve or take action and only if the lower level user in Approval Hierarchy have directed work to him or her.

Further IFMIS has been configured with security control of a single sign-on. The user cannot have multiple logging to the system at the same time. On logging page where users long-in, the user password is encrypted and system, using secure network is not possible for any other person to copy password from logging page.

Understanding the pressure and backlog of work from officers in different MDA's the officers normally work late hours and even on weekends. The Government had no policy barring officers from working over the weekends. He further made clarifications on issues raised by members as follows; The system could only allow a single log in. Nobody else can log in anywhere within Government with that user name and password. It's configured to

meet security credentials. The Person initiating a transaction directs request approval to the appropriate AIE holder. Only one AIE holder could transact or carry out approvals at a time. In addition, in the event that the AIE holder is not in, the system is configured in such a way that the alternate holder can operate.

No logging in to the system by multiple users could happen at the same time, instead one has to log out first to enable another user to log in and complete a transaction.

On issues of stolen password, he informed the meeting that the password could not have been stolen from the system. Security features in the system has it that the password cannot be accessed by anyone apart from a case where the password is given out or shared, then the other person can log in as the owner. There's a possibility Mr. Harakhe could have given out his password.

A welcome password cannot be used before one changes it. No transaction can take place within the system with a welcome password and that is one password given across the board.

IFMIS has inbuilt controls and approval hierarchy. Requests to have a password and access IFMIS are made by MDA's for officers with specific assigned responsibilities and roles. One cannot have a password if the request has not been made by the respective Ministry to create it.

3.1.10 Dr. Patrick Njoroge, Governor, Central Bank of Kenya

Dr. Patrick Njoroge appeared before the Committee on 4th August, 2016.

He stated that Ministries, Departments and Agencies of Government (MDAs) including the NYS, had accounts totalling about 1250 at the CBK. The accounts are operated based on signing mandate provided by the MDA, with funding coming directly from Treasury.

He added that payments are made through IFMIS, a system domiciled and controlled at the National Treasury. Payment requests are sent to the CBK and processed through the G-PAY system (now Internet Banking) in an encrypted way. These payments are then routed through Real Time Gross Settlement (RTGS), or the Kenya Electronic Payment Settlement System (KEPPS) for payments above one million Kenya shillings, ending up in commercial banks to credit payee accounts. CBK remits instructions as received, with no capability to note errors.

To mitigate against the possibility of errors, payments are made through a T+1 window, i.e. transaction day plus one more day. The Bank also has automated systems to limit fraud by unauthorised personnel.

The 2nd way to mitigate against fraud is through payee banks querying payments. The usual procedure is for the commercial banks to write to the CBK, who then channels the queries to the Director General Accounting Services at Treasury. It is Treasury that contacts the paying MDA. It is the responsibility of the commercial banks to do due diligence.

In the case of specific NYS payments, Development Bank of Kenya and the GT Bank made queries concerning payments to their clients.

Dr. Njoroge clarified that Development Bank sent an email to the CBK on 28th May 2015 when payment of Kes. 47.9 Million was transmitted to their client, Bora Global Limited. Treasury confirmed payment on 3rd June 2015.

Further, GT Bank wrote to CBK via email on 17th August 2015 querying payment of Kes. 86.04 Million to their client, Out of the Box Solutions. CBK wrote to Treasury on 18th August 2015 requesting confirmation. Several calls were made as a follow up in vain. There was no response from Treasury.

The Governor said that the CBK had instituted various disciplinary measures on commercial banks that were found to have had some infractions on their part concerning anti-money laundering regulations. Family Bank, K-rep Bank (now Sidian) and Faulu Micro-Finance were penalised Kes. 1 Million each, the maximum allowed by law.

The CBK also forced Family Bank to release 9 executives that were vetted and found to be complacent and unsuitable for office.

Dr. Njoroge clarified that Mr. Joseph Mugwanja, the then Head of Anti-banking fraud unit did not report to him as he was answerable to the Head of the Directorate of Criminal Investigations. Staff of the CBK were questioned during investigations.

He further clarified that the CBK does not prescribe limits of cash holdings that commercial banks should hold as cash. What is provided for is the prudential/liquidity requirements of 20% of deposits.

Large transactions that raise suspicion should be reported to the Financial Regulatory Commission (FRC) for investigation and possible prosecution, and not the CBK, to safeguard integrity of investigations.

The CBK has never been investigated for money laundering since the Goldenberg inquiry.

Dr. Njoroge acceded that the CBK Board was at the time not fully constituted but that was the prerogative of the appointing authority, His Excellency the President. This however did not hamper operations of the Bank because matters they handle are largely operational. The did not do anything outside existing policy.

He concluded that the CBK continues to improve its systems and supervision mechanisms.

3.1.11 Ms. Lillian Mbogo- Omollo, Principal Secretary, State Department of Public Service, Gender and Youth Affairs, Ministry of Devolution and Planning

Ms. Lillian Mbogo, the Principal Secretary, State Department of Public Service, Gender and Youth Affairs, accompanied by Mr. Saitoti Torome, PS Planning (MoDP) appeared before the Committee on Thursday, 18th August, 2016 at 10.00 a.m. and submitted the following;

The State Department submitted to the Committee procurement plans for the National Youth Service in the financial years, 2013/14 and 2014/15 for their perusal.

She further presented to the Committee copies of the payment vouchers with all the supporting documents for payment to three suppliers for the supply of goods/ services worth Kshs. 791,385,000 to the construction of a 3.5km road in Nairobi's Kibera area. The vouchers presented were for the three suppliers in question including Form Home Builders, reinforced Concrete Technologies and Roof and All Trading.

The Committee was informed that issues relating to the payment of goods and services worth Kshs. 791,385,000 were before a Court of Law and the proceedings were ongoing.

The Original documents of contract to supply goods and services worth Kshs. 791,385,000 related to construction of a 3.5km Road in Nairobi's Kibera Area were with the investigating agencies.

Documentary support leading to payment of supply of goods and services worth Kshs. 609,252.60 which were procured through supplies branch were submitted to the Committee. The Ministry availed copies of payment vouchers, Suppliers Branch Circular, LPO, delivery notes, invoices as well as inspection and acceptance certificates as documentary evidence to support Kshs. 508,242,930 which were made in favour of M/s Brain Craft Trading, M/s Big Kent Company, M/s Classroom Technology, M/s Essential Prodigy Trading, M/s Gilnak General Supplies, M/s Smart Board Learning Equipment, M/s Startling Trading and M/s Tucking Stitch Emporium.

The Committee was informed that all the above eight companies were under investigation by various investigating agencies of the Government.

She further submitted that, payment to M/s Brand Associates amounting to Kshs.101,009,830.60 which was paid in two tranches of Kshs. 73,361,695.00 and Kshs. 27,548,135.60 was for the National Youth Service media advertising and not civil works or hire of equipment as indicated in the auditor General's report.

That the tender to M/s Brand Associates amounting to Kshs. 101,009,830.60 was approved by the Ministerial Tender Committee in a meeting held on 1st October, 2014. Copies of the contract agreements, notification of award letter, extract of MTC minutes and copies of the payment vouchers were submitted to the Committee.

The State Department confirmed that a subject tender was awarded to a consortium led by Out of the Box Solutions Ltd at a meeting of the Ministerial Tender Committee held on 9th April, 2014. The tender was for the provision of publicity services for the Access to Government Procurement Opportunities (AGPO). A payment of Kshs. 90,737,607 was made to Out of the Box Solutions Ltd on 17th of August, 2015.

The firm Out of the Box Solutions Ltd was under investigation by EACC which directed that no further payment to be made by the Ministry to the said company until investigations were complete.

It was also noted that all original documents relating to that tender were submitted to EACC for investigations including copies of the tender advertisements, appointment letters to the opening and evaluation committees, tender opening minutes and registers, tender attendance register and all the submitted proposals including the technical and financial proposals. Copies of the same were submitted to the committee.

Regarding documentary support leading to payment of contract for NYS rebranding for Kshs. 102,500,000, the Ministry submitted that the service was first procured through direct procurement vide MTC meeting held on 4th March, 2014 at a cost of Kshs. 40, 000, 000 and award made to M/s Consulting House.

That the same consultant having been engaged in the preceding phase of the restructuring and having provided the services was also approved by the MTC vide direct procurement to provide advisory services on the implementation of the developed NYS 5-point vision. The award was approved by the MTC in a meeting held on 6th October, 2014 at a

consultancy fee of Kshs. 50, 000,000 and reimbursable not exceeding Kshs. 4,000,000

The State Department confirmed that a total sum of Kshs. 102, 500, 000 was paid to the Consulting House, representing an overpayment of Kshs. 12,500,000. The State Department wrote to the Consulting House to refund the excess payment as they established the circumstances leading to the overpayment.

The State Department submitted to the Committee copies of the payment vouchers and supporting documents as evidence leading to payment of contract for NYS rebranding for Kshs. 84, 483, 533 to the Consulting House. The Committee was informed that payment vouchers for the balance of Kshs. 18,016,467 had not been traced, primarily due to massive movement of accounting documents following the separation of the State Department of Public service and Youth Affairs from the Ministry of Devolution and Planning.

Regarding documentary support leading to payment for Goods or Services by the use of Supplies Branch Contract for the procurement of goods/services worth Kshs. 222,122,919, the Accounting Officer informed the meeting that the matter involved procurement of goods directly from the Supplies Branch Unit. That the NYS paid Supplies Branch Kshs. 221,122,919 for the supply of various items as requisitioned vide issue and receipt voucher No. 02541450159803/7/8/9.

That the supplies were paid for in advance and were to be taken on charges in the stores ledger cards once received. As at the time the Youth Empowerment Programme was temporarily halted in November 2015, NYS had received supplies worth Kshs. 81,712,551.50 leaving a balance of Kshs. 139,115,923.50.

The position was confirmed by the Principal Secretary, State Department of Public Works, under whose jurisdiction supplies branch unit falls through a letter ref. no. MLHUD/100/A/133 dated 19th July 2016 whose copy was submitted to the Committee. The NYS continues to receive supplies from the Supplies Branch as and when required basis until the whole amount is exhausted.

The State Department confirmed to the Committee that there was a record of an AIE no. 757439 issued to the Commandant NYS College, Gilgil and a copy of the same was submitted to the Committee.

That the AIE of Kshs. 70,000,000 direct credit was entered in the Sub-County Treasury cash box at Gilgil sub-county on 11th November, 2014.

The Accounting Officer also submitted copies of minutes of the Ministerial tender Committee meetings for the Ministry of devolution for the year 2014.

Ms. Omollo re-appeared before the Committee on Thursday, 15th September, 2016 at 10.00 a.m.

Further to her submission above, the Principal Secretary made the following presentation during her second appearance:-

On consultancy services for media buying awarded to M/s Brand Associates, the PS submitted that the firm was engaged to provide media buying services in the placement of advertisements in various media platforms such as TV, Radio, print media, documentaries, social media, and billboards. Consultancy services had been planned for in the 2014-15 Procurement plan.

The then Ministry of Devolution and Planning engaged the Brand Associates vide restricted tendering. Request for Proposal (RFP) documents were issued to ten firms as follows;

1. Quillcom Investments Ltd
2. Brand Associates Communication Ltd
3. Mugumo Communications
4. Tri -Bloc Ventures Ltd
5. Tarbricks Ltd
6. Brandmagnets Ltd
7. African Centre for Development Communication
8. Midsun Technologies
9. Brandspark Supplies Ltd
10. Styles Productions

The RFP, with details on how the media campaigns were required to run, was issued to the above ten firms on 19th September 2014 with a submission date of 25th September 2014 at 1000 hrs.

By the close of the submission, all the ten firms submitted their proposals which were opened in the presence of the bidders or their representatives who had chosen to attend the tender opening. The firms were represented as follows;

- | | |
|-------------------|-----------------------|
| 1. Moses Mwenda | Brand Magnets |
| 2. J. Magunya | Styles Productions. |
| 3. Samuel Mbuthia | Triblocs |
| 4. J. Wanderi | Brand Associates |
| 5. Stanley Kiiru | Mugumo Communication |
| 6. Ken Kamau | Brandpark |
| 7. Lillian Mati | African Communication |

Upon evaluation, six (6) out of the ten (10) firms were shortlisted to have their financial proposals considered and subsequently, M/S Brand Associates was recommended for award, being the lowest evaluated bidder at the cost of Kshs. 183,654,237.51. The item was tabled before the MTC on 1st October 2014 and award approved as recommended by the Evaluation Committee. A letter of award was issued to the firm on 1st October 2014 and duly accepted by the firm on 3rd October 2014.

The payment to M/s Brand Associates amounting to Kshs.101, 009,830.60 which was paid in two tranches of Kshs. 73,461,695.00 and Kshs. 27,548,135.60 was for National Youth Service media advertising and not civil works or hire of equipment as had been indicated in the Auditor General's Special Report.

The PS further submitted that Consultancy services for user support services and conduct of sensitization campaigns to enhance access to the 30% Government procurement opportunities leading to payment for publicity services for Kshs.302, 458,690.00 to Out of the Box Solutions Ltd. was requested vide Memo Ref. MDP/1/1/34 dated 12th August 2014. The Procurement Plan for the National Youth Service in the Financial Year 2014/15 provided for all consultancy services.

The scope of the assignment as per the Terms of Reference was as follows:-

1. Review the current communication gaps in order to establish the reasons for low uptake of the AGPO opportunities by relevant groups.
2. Develop a countrywide training mechanism to equip relevant groups with skill sets that would allow uptake of AGPO opportunities. The training mechanism must cover every county in the country.
3. Develop a digital tracking mechanism that ensures that all trained people are registering for AGPO and applying for relevant Government funds and tenders.
4. Develop a framework that ensures continued year round training, monitoring and evaluation across the country.
5. Developed mechanisms, tracking and sustainability processes must have collaboration of national Government and county Governments.
6. Establish a countrywide communication campaign to actively engage the youth women and the disabled in imparting relevant information.
7. Develop guidelines and recommendations on how the communication will help achieve the overall objectives of the AGPO program.
8. Define a yardstick system for evaluating efficacy of the campaign over the duration of the assignment.

9. Define campaign deliverables and measures to ensure consistency.
10. The consultancy was to be undertaken continuously in a period of 12 months.

The Request for Expression of Interest (REOI) for the consultancy was advertised in the print media on 26th September 2014 and closed on 13th October 2014.

The REOI was responded to by the following 24 firms;

NAME OF FIRM	BIDDER NUMBER
Tech Training And Research Limited Kenya	1
Professional Marketing Services Ltd	2
Africa Development Professional Group	3
Round Trip Kenya Ltd & Out Of The Box Solutions	4
Kimani Kerrets And Company	5
Northlink Development Consultants	6
Makini College	7
Kenya Institute Of Business Training	8
Social Impact Institute	9
Sigmund Peak International Ltd	10
Value Innovation Solutions Centre Ltd	11
Troplife East Africa Consultancy Co. Ltd	12
Global Consulting Partners	13
Kenya Industrial Estates Ltd	14
Bea International	15
Pkf Consulting Ltd	16
Kenya National Chamber Of Commerce & Industry	17
Global Management Network Ltd	18
Jkuat Enterprises Limited	19
Alpex Consulting Africa Limited	20
Kenya Private Sector Alliance	21
Audit & Corporate Governance Centre	22
Masmec Ltd Management & Training Consultants	23
International Supply Chain Solutions	24

The tender (REOI) was opened on the 13th October 2014 and the subsequent evaluation resulted in the following ten (10) firms being shortlisted for the issuance of Request for Proposal (RFP) document;

S/No:	Name Of Firm
1	Professional Marketing Services Ltd
2	Global Consulting Partners

3	Masmec Ltd Management & Training Consultants
4	International Supply Chain Solutions
5	Social Impact Institute
6	Pkf Consulting Ltd
7	Sigmund Peak International Ltd
8	Audit & Corporate Governance Centre
9	Alpex Consulting Africa Limited
10	Round Trip Kenya Ltd & Out Of The Box Solutions

The list was submitted before the MTC on 19th November 2014 and approval to issue the RFPs granted. The shortlisted firms were issued with the RFPs and only the following six (6) firms responded;

S/NO:	NAME OF FIRM
1.	Round Trip Kenya Ltd & Out Of The Box Solutions
2.	Global Consulting Partners
3.	International Supply Chain Solutions
4.	Audit & Corporate Governance Centre
5.	Sigmund Peak International Ltd
6.	Alpex Consulting Africa Limited

The evaluation of the technical proposals resulted to two(2) firms being qualified to have their Financial Proposals opened;

- i. Round Trip Kenya Ltd & Out Of the Box Solutions
- ii. Alpex Consulting Africa Limited

Upon the opening of the financial proposals and the subsequent evaluation of the two firms, Round Trip Kenya Ltd & Out of the Box Solutions emerged with the highest combined score and was recommended for award of the contract at their Financial Proposal of Kshs. 302,458,690.00.

The recommendation was approved by MTC in a meeting held on 9th April 2015. The evaluation reports for the said consultancy recommended:

- (a) The shortlist of the ten (10) firms to be issued with RFPs after EOI evaluation of the respondent 24 firms.
- (b) Recommending the two (2) firms to have their Financial Proposals opened after the evaluation of the submitted RFPs.
- (c) Recommending award to Round Trip Kenya Ltd & Out of the Box Solutions at their Financial Proposal of Kshs. 302,458,690.00 after the opening and evaluation of the opened Financial Proposals.

The contract was signed on 12th May 2015 after the acceptance of the offer as communicated on 24th April 2015.

A payment of Kshs. 90,737,607 was made to Out of the Box Solutions on 17th August 2015. This was 30% of the total contract sum which was provided to be paid upon submission of the Inception Report.

Out of the Box Solutions is currently under investigation by the Ethics and Anti-Corruption Commission. The Commission has directed that no further payments should be made by the Ministry to the said company until investigations are complete.

On documentary support leading to payment of contract for NYS rebranding for Kshs. 102,500,000 to the Consulting House, the PS submitted that the consultancy was requisitioned by the Director General/NYS vide memo Ref. No. NYS/Proc/4/1 dated 3rd February 2014 and approved by the Accounting Officer on 24th February 2014. The Procurement Plan for the National Youth Service in the Financial Year 2013/14 did not provide for consultancy services.

This particular service was procured through direct procurement vide MTC meeting held on 4th March, 2014 at a cost of Kshs. 40,000,000 and award made to M/s The Consulting House. The Financial Proposal as submitted by the firm then indicates an amount of Kshs.42,260,400.00 but the amount was duly negotiated down by a committee appointed by the Accounting Officer to Ksh. 40,000,000.00.

The Award Letter was issued on 4th March 2014 and duly accepted by the firm on the same date. The same Consultant having been engaged in the preceding phase of the restructuring and having provided the services was also approved by the MTC vide direct procurement to provide Advisory Services on the implementation of the developed NYS 5-point vision.

This award was approved by the MTC in a meeting held on 6th October, 2014 at a Consultancy fee of Kshs. 50,000,000 and reimbursable not exceeding Kshs. 4,000,000.

A notification of award letter was issued to the firm on 7th October 2014 and duly accepted by the firm on 8th October 2014.

The first contract between the firm and the Ministry was signed on 5th March 2014 and the second one on 13th October 2014.

She submitted to the Committee copies of the payment vouchers and supporting documents for the payment for Kshs.84, 483,533.00 to the Consulting House. The payment voucher of Kshs. 18,016,467.00 has not been traced.

A total sum of Kshs. 102,500,000.00 was paid to the Consulting House for the contract for NYS rebranding. This represents an overpayment of Kshs.

12,500,000. The State Department had written to The Consulting House to refund the excess payment and has commenced investigations on the circumstances leading to the overpayment.

On the matter of requisition of a supplementary budget of Kshs. 3.5 billion in the Financial Year 2014/15, the PS submitted that documentation on requisition of a supplementary budget of Kshs. 3.5 billion in FY 2014/15 indicates that a request was made by the Cabinet Secretary, Ministry of Devolution & Planning on 25th March, 2015 to the Cabinet Secretary, the National Treasury vide letter Ref: MDP 3/1/81 for additional funding of Kshs.5,058,260,000.00. the Principal Secretary, the National Treasury vide letter Ref: RES 136/14/01 (80) dated 7th May, 2015 responded and provided Kshs. 4.0 billion, comprising Kshs. 500 million for recurrent expenditure and Kshs. 3.5 billion for development expenditure.

Payment for goods or services by the use of Supplies Branch contracts for the Procurement of Goods/Services worth Kshs.222,122,919 as detailed on page 15 of the Auditor General's Report involved the procurement of goods directly from the Supplies Branch unit. The NYS paid Supplies Branch (then based at the Ministry of Lands, Housing & Urban Development) for the supply of various items as requisitioned vide issue & Receipt voucher Nos. 0254145, 0159803/7/8/9.

The supplies were paid for in advance and were to be taken on charges in the stores ledger cards once received. As at the time the Youth Empowerment Programme was temporarily halted in November 2015, the department (NYS) had received supplies worth Kshs.81,712,551.50 leaving a balance of Kshs.139,115,923.50.

This position has been confirmed by the Principal Secretary, State Department of Public Works, under whose jurisdiction Supplies Branch Unit fell through a letter Ref No. MLHUD/100/A/133 dated 19th July 2016. The NYS continued to receive supplies from the Supplies Branch Unit, as and when required until the whole amount was exhausted.

Supplies Branch Unit was a Government department and the acquisition of goods from such departments was not considered public procurement. This was as per the provisions of section 4(2)(c) of the Public Procurement and Asset Disposal Act, 2005.

Although the manner of acquisition of goods did not go through the public procurement procedures, the items were procedurally requisitioned vide issue and Receipt Vouchers (S12) and a proforma invoice raised by the issuing department for payment processing. Once items were received, they were taken charge in the inventory of the receiving department.

On the chronology and documentary evidence of movement and expenditure of AIE no. 757439 of Kshs. 70 million, issued on 2nd October, 2014, the PS submitted that the AIE funding of Kshs. 70,000,000 direct credit was entered in the Sub -county Treasury cash book at Gilgil sub-county on 11th November, 2014. The funding was used to pay the following:

Date of payment	Payee	Description of works	Cheque No.	Amount (Kshs)
15/12/2014	M/S Jagla Enterprises	Rehabilitation of parade grounds & storm water drainage works at NYS Gilgil College.	1350	26,100,000
15/12/2014	M/S Asphera Enterprises	Refurbishment works to existing administration block at NYS Gilgil College.	1351	13,052,500
15/12/2014	M/S Chemama Hardware	Renovation works to existing servicemen and women barracks at NYS Gilgil College.	1356	20,895,000
15/12/2014	M/S Natecho Investments	Renovation works to existing main Dias in front of parade ground at NYS Gilgil College.	1357	9,952,500
Total	-	-	-	70,000,000

3.1.12 Mr. Henry Rotich, Cabinet Secretary, the National Treasury

Mr. Henry Rotich, Cabinet Secretary, National Treasury, appeared before the Committee on Tuesday, 23rd August, 2016 at 10.30 a.m and made submissions as follows;

On rationale for increasing the budget of the NYS and absorption capacity created to absorb the funds before exchequer issuance, Treasury informed the committee as follows;

The approved Budget allocation to the National Youth Service for the Financial Years 2012/13, 2013/14 and 2013/15 was Kshs.3.9 billion, Kshs.13.05 billion and Kshs.22.8 billion respectively.

A detailed movement of the approved budgets for NYS within the financial years and the reasons for increased funding are shown in the table below:

Financial Year	Printed Estimates Kshs millions	Final Approved Budget Kshs million	% Increase	Rationale/Justification for the increase
2012/13	3,892.82	3,943.12		
2013/14	17,496.16	13,053.20	231%	<p>Increase in Kshs.2.928 billion was to cater for dam construction which was a strategic intervention in the FY 2013/14</p> <p>Increase in Kshs.6.325 billion was to cater for equipping of NYS which was a donor funded project funded by the People's Republic of China</p>
2014/15	17,941.25	22,803.79	74.7%	<p>Kshs.1.92 billion was required to cater increase intake of 10,000 recruits as provided for in the Second Medium Term Plan (2013-2017) of the Vision 2013</p> <p>Kshs.7.8 billion was required to cater for NYS re-engineering through of the 5 Point Vision Plan</p>

The rationale for increased funding is explained in the table above and was as follows for the two financial years:-

i. In the FY 2013/14

The major increase of Kshs.6.3billion was to cater for equipping of NYS which was a donor funded project by the People's Republic of China; The increase of Kshs.2.9 billion was also to cater for dam construction in ASAL areas which was a strategic intervention in the FY 2013/14.

ii. In the FY 2014/15

The Second Medium Term Plan (2013-2017) of the Vision 2030, under the Social Pillar provides for "upgrade of the NYS with the projected annual youth recruitment of more than ten thousand recruits". In this regard, the increase in funding in FY 2014/15 for NYS was to cater for:-

Double intake in recruitment of Service men/women which aimed at recruiting ten thousand (10,000) recruits. In order to implement the Government's agenda for transformative youth empowerment, the Ministry of Devolution and Planning developed a 5 point vision to guide the transformation. To support this, the Ministry requested for more funding to cater for increased activities carried out by NYS under the new 5 point pillar. The 5 point pillar includes:-

- Paramilitary training and service regimentation;
- National Service and youth re-socialization;

- Social transformation and vocational training;
- Enterprise and youth economy; and
- Bankable institutional architecture at NYS.

On absorption capacity created to absorb the funds before Exchequer issuance:

The Vote book balances for Subhead Youth Development Initiatives as at 30th April 2015 indicated that NYS had capacity to absorb the allocated funds. Apart from considering the double intake and upgrading of NYS through the 5 point Pillar, the National Treasury also considered the absorption levels as at 30th April, 2015 (third quarter), as per Vote Book which stood at 92.63% of the printed estimates under Head 0092-03 - Youth Development Initiatives as shown in the table below:-

Items	Printed Estimates 2014/15 Kshs. millions	Status of Expenditure as at 30th April 2015 Kshs. million	Balance as at 30th April 2015 Kshs. Million	Expenditure as a% of Printed Estimates Kshs. Million	Supplementary Estimates Kshs. Million
Casual Labour – Others	1,300.00	961.35	388.65	73.95%	250
Hire of Equipment, Plant and Machinery	1,505.36	1,450.65	54.71	96.37%	500
Refined Fuels and Lubricants for Production	1,149.84	951.95	197.89	82.79%	750
Other Infrastructure and Civil Works	7,600.00	7,339.77	260.23	96.58%	2000
Total	11,555.20	10,703.72	851.48	92.63%	3,500.00

On circumstances under which authority-to-incur-expenditure controversially changed hands at NYS, Treasury submitted that ordinarily, MDA's can have multiple AIE holders who include the main AIE holder and Alternatives. The Department normally defines and maps the AIE holders under the mandate given by the MDAs authority.

In reference to letters dated 23rd February, 2015 Ref. No. MDP/1/3/41 and 20th February, 2015 Ref. No. MDP/1/3/41 signed by John Munywoki for Principal Secretary, the instructions was to define Mr. Adan Harakhe as an AIE holder.

Further, the Department received another request Ref. No. MDP/1/3/41 dated 27th May, 2015 signed by Eng. Peter O. M. Mangiti requesting for

deactivation of four (4) officers in Supply Chain Management but did not receive instructions to deactivate Dr. Nelson Githinji from the system as an AIE Holder.

On internal Audit Report of the NYS and the Ministry of Devolution & Planning for the years under review, the meeting was informed that between 2013 and 2015, the period under review, the internal audit department at the Ministry of Devolution and Planning produced a total of seventeen (17) audit reports. Nine (9) were specific to the National Youth Service activities, while eight were in respect of the Ministry. At NYS, the audits were specific on:-

- Financial Management Review at NYS Senior Mess Audit, cash management, Record Keeping and Staff Establishment;
- Field Attachment/Assessment Allowance (NYS Tech-Naivasha);
- Procurement Audit;
- Outstanding Bills owed to Mechanical and Transport Fund;
- Mechanical and Transport Fund Audi;
- Construction Projects (Double span Kitchen, dining and barracks NYS Engineering School);
- Classroom and workshop - NYS Engineering School;
- Flats No. 12 - NYS Vocational Training Institute Industrial Area and
- Asset Management and Pending Bills

In respect of the Ministry, the audit coverage were on:-

- Programme for Agriculture and Livestock in Western Communities (PALWECO) - 5 Year Programme Review (2010-2016)-GOK/Finland Project
- Community Empowerment and Institutional Support Project;
- Western Kenya Community Driven Development and Floor Mitigation Project (Busia, Teso and Mt. Elgon)
- Youth Enterprise Development Fund, 8th Anniversary & Specific Loans;
- Unsettled Commercial Invoices from National Cereals and Produce Board;
- Stores Management in the State Department of Planning;
- Procurement System Audit (Directorate of Youth Affairs);
- Procurement Audit (Directorate of Youth Affairs); and Turkana IDP Camp.

On authority to open bank accounts for all accounts operated by the NYS, The National Treasury granted authority to operate account 'Director NYS' number 01002000909300 at National Bank of Kenya Harambee Avenue.

Further, authority was granted to operate two accounts with Kenya Commercial Bank, Moi Avenue, Nairobi, namely 'NYS Huduma Cohorts Payments' and 'NYS Huduma Cohorts SACCO Payments', account numbers 1178056929 and 1178058158 respectively.

One account was opened at National Bank of Kenya Harambee Avenue without authority of National Treasury. This was the 'NYS Mechanical & Transport Fund' number 1128674548. This account was opened in June, 2011 according to the Special Audit report. In July 2011, after the account was opened the Permanent Secretary, Ministry of Youth Affairs and Sports, wrote to the Treasury seeking authority to open an account in a Commercial Bank for the National Youth Service (NYS) Mechanical and Transport Board Fund.

On another note, he submitted that the National Treasury adopted a policy for all suppliers for National Government to be defined centrally under IFMS. Mr. Fredrick Munge Musembi P/No. 2009112985 was the officer who was assigned duties/help desk for Ministry of Devolution and Planning, State Department of Planning where NYS was attached among other MDA's.

In line of his duties, definition of suppliers was within the mandate assigned by the Department. On 11th November, 2014 IFMIS received a letter Reference No. NYS/FIN/2/3 dated 10th November, 2014 signed by Naftali Githinji for Director General requesting ten (10) suppliers to be defined in the system among them was the four (4) supplier names in question.

All ten (10) suppliers were fully defined as requested in the system with relevant ban details as assigned. Mr. Musembi therefore performed his allocated responsibility without ill motive.

The meeting was informed that as stated in question (vi) above, IFMIS Department did not receive any instructions from NYS to deactivate Dr. Nelson Githinji from the system. However, Dr. Githinji could not start and finish any procurement process without involvement of others in the business work flow which had twenty eight (28) documented steps leading to a tight system control.

He further stated that the objectives of automation in the business process were to bring efficiency and flexibility in working environment and minimizing cost of doing business. The IFMIS System being one was configured with controls such that each user was restricted to access the only responsibilities assigned to. The user was able to access the system from IFMIS enabled network and through Virtual Private Network if assigned access by Administrator.

Therefore there was a possibility through Government Shared Services to access IFMIS from different points, but restricting one to the responsibilities assigned through Approval Hierarchy, and IFMIS business flow controls.

Users could only approve or take action and only if the lower level user in Approval Hierarchy had directed work to him or her.

Further IFMIS had been configured with security control of a single sign-on. The user could not have multiple logging to the system at the same time. On logging page where users long-in, the user password was encrypted and system, using secure network was not possible for any other person to copy password from logging page.

Understanding the pressure and backlog of work from officers in different MDA's the officers normally worked late hours and even on weekends. The Government had no policy barring officers from working over the weekends.

The Cabinet Secretary informed the Committee that the National Treasury was constantly carrying out quality assurance tests on IFMIS, a process of review with a view to identify areas to improve in the systems where weaknesses have been detected.

The National Treasury was in the process of engaging an International Expert on IFMIS and that Procurement process was underway to get a consultant who would check on risks and quality assurance in office.

3.1.13 Prof. Arch. Paul Mwangi Maringa, the Principal Secretary, State Department for Public Works, Ministry of Transport, Infrastructure, Housing and Urban Development

Arch. Paul Maringa Mwangi, Principal Secretary, State Department for Works, appeared before the Committee on Thursday, 25th August, 2016 at 10.00 a.m. He submitted as follows;

On the fraudulent payment of Kshs. 609,252,760.60, the firms listed are not in the Ministry's records.

Supplies Branch confirmed that Kshs. 221,098,209.00 was received by the Supplies Branch from the National Youth Service (NYS). Against these monies, supplies worth Kshs.81, 712,551.50 (Eighty One Million, Seven Hundred Twelve, Five Hundred Fifty One and Cents Fifty Only) had already been dispatched to the NYS. This leaves a balance of Kshs. 139,385,657.50 (One Hundred Thirty Nine Million, Three Hundred Eighty Five Thousand, Six Fifty Seven and Cents Fifty Only) worth of supplies still to be procured, as tabulated below;

S/NO.	DATE	MODE OF RECEIPT	CODE TRANSFER	AMOUNT (KSHS.)
1.	19/09/2014	FTI 42864 WS98	26001	5,944,875.00
2.	13/10/2014	FTI 4286 BRMI	26000	19,944,000.00

S/NO.	DATE	MODE OF RECEIPT	CODE TRANSFER	AMOUNT (KSHS.)
3.	13/10/2014	FTI 4286 RWDVO	26002	16,623,000.00
4.	23/10/2014	FTI 4286 NJFJR	26003	23,428,034.00
5.	26/11/2014	FTI 4330 V3POR	1000306	155,158,300.00
TOTAL (Kshs.)				221,098,209.00
Less: Amount of Stores Issued (Kshs.)				81,712,551.50
Outstanding Balance (Kshs.)				139,385,657.50

The PS added that out of the Supplies already made to the NYS worth Kshs.81, 712,551.50 (Eighty One Million, Seven Hundred Twelve, Five Hundred Fifty One and Cents Fifty Only), a payment of Kshs.33,344,325.00 (Thirty Three Million, Three Hundred Forty Four Thousand, Three Hundred Twenty Five Only) was still pending. An internal review of all Tenders for the Period 2013-2014 suggested possible fraud in this particular supply. As a result advice had been sought from The National Treasury and The Public Procurement and Regulatory Authority on the way forward.

Further, the PS submitted that the Circular NO. SB/CON/P/VOL.XXIV (4) dated 30th September, 2014 was dated 28th September, 2011. It was not signed by Arch. Wesley M. Nyariki but rather by Mr. Mwimbi Likami, who was then the Officer In-Charge of the Department. This circular was valid for a period up to 31st May, 2012.

The three firms namely: - Messrs. Form Home Builders, Messrs. Reinforced Concrete Technologies and Messrs. Roof and All Trading were not contained in the Ministry's Supply Circular for that period. The circular used by NYS was therefore a fraud.

The Principal Secretary in addition stated that the State Department had initiated measures to enhance efficiency of the branch as follows;

The State Department of Public Works in March, 2016 commissioned holistic internal review of all Supplies Branch Tenders carried in 2013-2014; a report has been procedurally forwarded to Public Procurement Regulatory Authority, The National Treasury and the Chief of Staff and Head of Public Service for their advice on the way forward.

A Procurement Review Systems Audit of Supplies Branch was conducted by PPRa on a joint request by the State Department of Public Works and Public Procurement Regulatory Authority and reporting is awaited.

There was an ongoing Special Audit conducted by Internal Auditor General (The National Treasury) once more requested by the State Department of Public Works and The National treasury and was about to conclude.

Early in February, 2016, the State Department of Public Works replaced the then Officer In-charge of the Supplies Branch, Arch. Wesley M. Nyariki, with another Officer who is now spearheading the Department in a new direction of transformation.

On the basis of advance tentative reports of these various initiatives (1, 2 &3 above): -

- a. The State Department wrote to all MDAs who are recipients of supplies in this period to declare the volume of business conducted so as to guide us on the possible recovery of monies that may have been transacted on illegitimate business.
- b. A Payment of Kshs.33,344,325.00 (Thirty Three Million, Three Hundred Forty Four Thousand, Three Hundred And Twenty Five Only) of Goods already supplied and issued to NYS had not been effected as they await advice from The National Treasury and Public Procurement Regulatory Authority on the way forward.
- c. The previous Officer In-Charge, Arch. Wesley M. Nyariki, and two other Officers then serving at the Supplies Branch Department were interdicted in May, 2016 awaiting a final decision by Ministerial Human Resource Advisory Committee.

The Ministry has initiated various reforms in the Department with a view to promote improved efficiency and responsiveness to the needs of the customers (MDAs) in the following manner: -

- a. An already concluded modernization of the Administrative Block through refurbishment using budgeted annual funding;
- b. An already completed structured cabling to support the automation of the department to allow the procurement transactions to be carried out on an e-platform;
- c. An already concluded fast tracked preparation to run the Tenders for Common User Items (CUIs) to culminate in Framework Agreements on a new e-procurement platform with the aim of enhancing transparency and accountability;
- d. Deployment of a substantive number of officers (8) posted in it by the National Treasury to the Supplies Branch to enable administer the procurement of Common User Items (CUIs) effectively;
- e. Initiated co-operation with the State Department of ICT and Innovation and the National Treasury to connect the department to the Government Common Core Network and develop a website to interface with the IFMIS platform to enhance transparency in the procurement of Common User Items (CUIs) to attain the value for money for all MDAs; and

- f. Ongoing co-operation with the stakeholders in a constituted a multi-sectoral taskforce to harmonize and consolidate the various studies previously undertaken to propose the most effective Institutional Framework upon which the procurement of Common User Items (CUIs) for all MDAs shall be carried out. The taskforce formed comprises membership from the following organizations: -
- i. Ministry of Transport, Infrastructure, Housing and Urban Development;
 - ii. The National Treasury;
 - iii. Office of the Presidency;
 - iv. Public Procurement Regulatory Authority;
 - v. Attorney General's Chambers;
 - vi. Kenya Institute of Supply Management;
 - vii. Ministry of Information, Communication and Technology;
 - viii. Ministry of Devolution and Planning;
 - ix. Public Service Commission of Kenya;
 - x. Directorate of Public Service Management;
 - xi. Kenya Medical Supplies Authority;

This taskforce had been duly inducted. It had scoped its charge and developed a clear work plan consistent with the anticipated Regulations on the PPAD Act, 2015 that were currently being developed by a Taskforce constituted by The National Treasury before it proceeds with its assigned Terms of References.

The Department had also embraced these reforms in order to enhance Transparency, accountability, competitiveness and realization of the value for the expenditure of tax payers' money.

3.1.14 Ms. Dainah Wanjiru Mbugua, Director and CEO Alpha Mercantile Ltd.

Ms. Dainah Wanjiru Mbugua, Director and CEO Alpha Mercantile Ltd accompanied by Mr. Simon Migwi, appeared before the Committee on Tuesday, 13th September, 2016 at 10.30 a.m. and submitted as follows;

That Alpha Mercantile was contracted to supply 144 plastic tanks of one cubic meter capacity that were cylindrical open plastic fish water tanks worth Kshs. 7,182,720.00, as evidenced in the tender documents as follows;

- Request for Quotation dated 10th November, 2014;
- Award letter dated 20th November, 2014;
- Acceptance letter dated 26th November 2014;
- LPO dated 6th January, 2015.

That they delivered the said tanks in full and according to specifications. Relevant delivery notes signed by the relevant parties dated 27th January, 2015 were submitted to the committee. The tanks were custom made to fulfil the specifications.

On the matter of tender number MDP/ 12/20 worth Kshs. 6,681,600.00 for the supply of 144 plastic tanks of one cubic meter capacity that is cages, the committee was informed that the company was contracted to supply 144 plastic tanks as evidenced in the following tender documents;

- Request for quotation dated 28th November, 2014;
- Award Letter dated 7th January, 2016;
- Acceptance letter dated 9th January, 2015;
- LPO dated 20th January, 2015.

She confirmed to the Committee that the said tanks were delivered in full and according to specifications. Copies of signed delivery notes and photographs of the tanks confirming designs and dimensions were submitted to the Committee.

The Committee observed that the prices quoted by Alpha Mercantile Ltd were much higher compared to the local market prices.

3.1.15 Mr. Joseph Mugwanja, Head of Banking Fraud Investigations Unit, Directorate of Criminal Investigation

Mr. Joseph Mugwanja, Head of Banking Fraud Investigations Unit (BFIU), Directorate of Criminal Investigation, appeared before the Committee on Tuesday, 13th September, 2016 at 3.00 p.m. and submitted as follows;

On 5th June, 2015, he was directed by the Director, Directorate of Criminal Investigations to oversee investigation at NYS following a letter of complaint received by DCI from the Cabinet Secretary, Ministry of Devolution and Planning Ms. Anne Waiguru. The request from the Cabinet Secretary as contained in the letter dated the same day was for investigation to be carried out by Cyber Crime Officer to establish whether there was hacking of the IFMIS system at NYS and unauthorized approval of commitment of funds in the system using the credentials of the AIE holder Mr. Adan Harakhe.

He immediately assembled a team of officers from BFIU and Cyber Crime Unit to form an investigating team and the following were the team members:-

- i. C.I. Micheal Kimilu, BFIU
- ii. IP. David Muasya – Cyber Crime Unit
- iii. Sgt. Alphonse Lumosi Liposhe, BFIU
- iv. Cpl. Joseph Mwaura, BFIU

- v. Cpl. Jeremiah Sautet, BFIU
- vi. Cpl. Patrick Githinji, BFIU
- vii. PC. Lizzy Melly – Cyber Crime Unit.

In the course of investigations through printouts made from NYS accounts department and also at G-pay, investigation established that, previous payments amounting to Kshs.791,385,000 had been made by NYS to Josephine Kabura Irungu's three companies as follows:-

- i. Form Homes Builders – Kshs.218,925,000
- ii. Reinforced Concrete Technologies – Kshs.320,160,000
- iii. Roof and All Trading – Kshs.252,300,000

On conclusion of investigation it was established that, the payment of Kshs.791, 385,000 was fraudulent due to the following reasons:-

- The circular from the Supplies Branch was forged.
- The payment was not adjudicated by the Ministerial Tender Committee (MTC) as required.
- There was fraudulent zeros on LPOs and other documents used to process the payment.
- The materials were being excavated by NYS at the quarry loaded by NYS to their trucks and transported to Kibera Road construction site by NYS trucks and no role was identified to have been played by the purported suppliers.
- That the offence of conspiracy to commit a felony by stealing of the amount in question and also the offence of stealing the Kshs.791,385,000 was established.
- The 22 members of NYS and Ministry who had participated in preparing, processing approving and transmitting the payments of Kshs.791,385,000, Josephine Kabura Irungu whose bank accounts were credited, Peter Omari Otwoma who received a total of Kshs.77 million from Form Homes Builders company of Josephine Irungu and Ben Gethi who is the business man who was pushing for the payment to be done for the disputed transactions together with Caroline Njambi Kinuthia a Director of two companies were all found to have been part of the fraud commission and liable for prosecutions.

The file was thereafter forwarded to the Director of Public Prosecutions and he recommended that 26 suspects be charged with various offences

He further informed the Committee that on two occasions he had received letters from advocates purporting to be acting for the suspects threatening

to take unspecified action on him for directing investigators to pursue the stolen funds and proceeds of theft.

In her affidavit, Josephine Kabura Irungu made various allegations against Mr. Mugwanja and Cpl Sautet among other persons which included cover up in the course of investigations and receiving kshs 80 million from her on behalf of the former Cabinet Secretary Ms. Anne Waiguru.

Following the allegations he was directed by DCI to hand over the NYS investigation file and original exhibits to Mr. Odhiambo Kamulus, SSP and further tasked to submit a written response to the allegations raised.

On conclusion of the money laundering investigation a file was submitted to DPP who on 16th February 2016 issued directives for eleven suspects among them Josephine Kabura Irungu to be charged with various counts under the POCAMLA Act, 2009.

3.1.16 Out of the Box Solutions Ltd.

Ms. Angela Angwenyi and Mr. Anthony Lungaho, Directors of Out of the Box Solutions Ltd. appeared before the Committee on Tuesday, 14th September, 2016 at 3.00 p.m. accompanied by their lawyer, Mr. Kennedy Odera. They submitted as follows;

The State Department of Planning awarded Messrs. Out of The Box Limited a contract for consultancy services to offer support services and conduct sensitization campaigns to enhance access to the 30% reservation of Government procurement opportunities for youth, women and persons with disabilities on 12th May 2015.

The contract awarded to the company stipulated a monitoring and evaluation schedule, upon which the payment schedule was similarly pegged to. This schedule was along the following path:

- 30% of contract amount upon approval and adoption of campaign Inception Report.
- 30% upon evaluation of milestones 90 days after commencement of campaign execution and submission of the first progress report.
- 30% upon second evaluation of milestones after a further 90 days after first evaluation and submission of second progress report.
- 10% upon completion of the campaign and submission of final campaign report.

The Inception Report was submitted to the Ministry on the 22nd of May 2015. The firm invoiced the contract 30% totalling Kshs. 90,737,607.00 on the same day. The invoice was sent together with the inception report.

On submission of the Inception Report, the firm received feedback and made amends, which were included in the inaugural progress report, which contained the following:

- The campaign visual elements
- Summary TV, Radio & Documentary write ups
- Summary Website write up
- Summary USSD Platform write up
- Revised launch dates – as a result of advice from the Ministry.

The steering committee first met on 12th June 2015 to receive the first progress report sat and reviewed the Inception Report, together with the inaugural report. The steering committee then sat to review all requested changes on The Inception Report on 23rd July 2015. During this meeting the monitoring and evaluation milestones were discussed. The campaign target was set at a minimum of 50,000 youth, women and persons with disabilities owned entities to be reached and registered for AGPO.

The meeting subsequently approved The Inception Report, subject to inclusion of the targeted milestone in the final Inception Report and adopted the first payment certificate.

Having met the first criteria as stipulated in our contract, the company received the first payment on 18th August 2015. The firm then started putting together the various elements of the campaign. These were:-

- TVCs
- Radio Commercials
- Documentary
- Various Merchandise
- Website
- USSD Platform

On September 15th 2015, the firm presented various campaign elements to the Chairman of the steering committee. At this point, the Chairman informed the firm's directors that the Kenya Young Parliamentarians Association had also expressed an interest in progressing AGPO awareness. A meeting was proposed in order to evaluate points of confluence

On 22nd September 2015, the firm's directors met the Kenya Young Parliamentarians Association, and officials from the Ministry of Devolution and Planning and Youth Directorate at Harambee House 10th Floor. The team reviewed the campaign elements produced, as well as the planned

communication plan. There was feedback on the areas of confluence and what to revise in order to merge the 2 campaigns. A further meeting was scheduled for 24th September 2015.

On 24th September 2015, the firm presented revised changes to the Steering Committee at Harambee House 11th Floor, from 11am. The purpose of the meeting was to present the revised campaign based on the feedback from the previous meeting of 22nd September 2015.

The meeting discussed the need to harmonize the actual input required from all agencies, itemize the requirements from each agency, as well as finalize the communication positioning to incorporate the objectives envisioned by the campaign. A subcommittee was formed, chaired by Director, Directorate of Youth Affairs to iron out the issues raised and report back to the main committee.

The meeting also involved representation from the participating Government agencies, which were; NHIF, KRA, AG's Chambers, Uwezo Fund, Women's Fund, Youth Fund, and AGPO Secretariat, to guarantee that the on ground sessions with youth women and persons with disability will result in actual sign ups.

The Sub-committee meeting was held on 24th September 2015 at Kencom House, 3rd Floor and commenced at 2.00pm. The meeting finalized Government agencies' involvement, as well as adopted the campaign 'USIACHWE NYUMA IKO BIZ', which would then be incorporated in to all the elements produced for the campaign.

A follow up meeting was held on 29th September 2015, at Harambee House, 11th Floor. The final campaign material was presented at this meeting. The full list of presented material was:

- 3 TVCs, each targeting specific segments
- Documentary
- 11 radio commercials
- Print material (Wall branding, Billboards, Fliers, Posters, Calendars)
- Various Merchandise (T-Shirts, Caps, Carry-on Bags, Flash Disks)
- Website
- USSD Platform

The meeting further proposed a launch date of 17th October 2015 and tasked the chairperson of Kenya Young Parliamentarians Association to secure the date with H.E President, in liaison with the Cabinet Secretary, Ministry of Devolution and Planning to officiate at the launch of the Campaign.

Having missed the launch date of October because of H.E. The President's unavailability, the firm directly wrote to the CS, Devolution and Planning on 3rd November 2016 asking her to confirm a launch date with the Office of the President.

The Steering Committee met again on 13th November 2015 at Treasury, 10th Floor to discuss the launch dates and details. At this meeting, the plan to launch the campaign in Machakos on the 22nd of November 2015 was approved. It was also agreed that subsequent events to be held in Kiambu and North Eastern Kenya.

A final planning meeting was held on 18th November 2015 at Kencom House where all agencies were briefed about the Machakos launch. The first events were from between 22nd to 25th November 2016. The events started with a 3-day AGPO Publicity road show covering all wards of Machakos County, culminating in a county summit at Machakos People's Park on 25th November 2015.

Machakos County Governor officiated this summit which attracted more than 1,000 representatives from all wards of Machakos County. At this event, The Governor committed to support AGPO registered entities in the County by setting aside specific tenders for the groups.

The Steering Committee met again on 30th November 2015 to review the Machakos event and plan for Kiambu County event. The meeting concluded that the Kiambu event be held from 2nd to 5th December 2015. The Kiambu County Summit was subsequently held as scheduled. The events started with a 3-day AGPO Publicity road show covering all wards of Kiambu County, culminating in a summit at The Governor's Office Park on 5th December 2015.

Kiambu County Governor officiated the Kiambu County Summit, with a parliamentary member of Kenya Young Parliamentarians Association in attendance. The event attracted more than 1,000 representatives from all wards of Kiambu County. The Governor made commitments to set aside tenders worth more than 1 Billion for enterprises that meet AGPO qualifications.

The Steering Committee held its last meeting of 2015, on 10th December. During this meeting, it was agreed that we will execute the North Eastern region counties in December through an intensive on air campaign. These comprised of the following;

- Wajir
- Garissa
- Mandera
- Marsabit

- Isiolo

The North Eastern counties were done between December 16th 2015 and January 14th 2016.

As per contract, the firm prepared and submitted a Progress Report on 15th January 2016.

In conclusion, the directors said that as per their contract with the State Department of Planning, they presented the Inception Report to the Project Committee on 22nd May 2015.

The company did the various tasks set out to be completed as per the Inception Report and as per agreements at the Project Steering Committee meetings.

3.1.17 Mr. Mutahi Ngunyi, Principal Fellow/Director of the Consulting House

Mr. Mutahi Ngunyi appeared before the Committee on Tuesday, 20th September, 2016 at 10.00 a.m. He made submissions as follows;

The Consulting House is a private security and policy innovation think tank working in 18 African countries. His first involvement with the Government of Kenya was in 2010 when he was commissioned by UNDP and the Ministry of Internal Security to study the crisis of militia groups in the country. The study was completed, and established that Kenya had 238 militia groups at the time. He made recommendations that critiqued the laws to align them to the new Constitution.

On or around 3rd February 2014 he received a telephone call from the then Cabinet Secretary Devolution and Planning, Ms. Anne Waiguru to restructure the National Youth Service.

He did not know why his company was picked but it may be that direct procurement was settled upon due to the paramilitary nature of the NYS. This was actually justified by the then Director General, Mr. Rugut, and subsequently by Dr. Nelson Githinji.

The Ministerial Tender Committee sat and approved the procurement, after which they negotiated the amount to the contract sum of Kshs. 90 million. The bill was fair, less than 1% of the Kshs. 22.4 billion budget the restructure resulted in, and was less than what the United Nations pays African consultants. Furthermore, companies that were contracted to implement what was their own creation were paid far much more.

Their 5-point plan was a result of great effort and was lauded by African Governments that came to benchmark with it. Allegations of plagiarism of the 5-point plan were untrue and meant to tarnish his name.

Ms. Jennifer Shamalla was part of the consulting team at the time, in the capacity of a visiting senior fellow at The Consulting House.

Before implementation of the plan, he wrote to the then Cabinet Secretary four times, telling her that the systems at that particular moment could not support the budget raise. He requested to do a pre-audit of the systems but was told by Ms. Waiguru that his job at the NYS was not to fight corruption.

His role at the implementation of the plan was limited to providing advice. The buck stopped with the Director General NYS and the Ministry. Some of his advice was actually ignored. This included his recommendation to hire a Mr. Oludhe McGoye as the new Director General ahead of Dr. Nelson Githinji. He had interviewed the two at the Kempinski Hotel.

He noticed the cartels were re-grouping as structures he had dismantled seemed to be creeping back, with an example of a Mr. Kemboi who returned to the service.

Kshs. 11,875,000.00 was wired into their accounts on 23rd April, 2015. They did not know the origin of the funds at the time but assumed it was from another client who had been billed almost the same amount.

The 'sneaking in' of these funds to their accounts was probably a scheme to infer malice and an attempt to subvert and tarnish the restricting efforts.

After the Special Audit report was released, they did their own forensic audit that discovered that the funds were not from the client they had initially thought. It is then that they wrote to the Principal Secretary, up to three times, on 5th July, 29th July and 23rd August, 2016 asking for an explanation as to how these funds were paid without an invoice. They only received a response later on with details of the Ministry's bank account to refund the money.

They refunded the money to the Ministry accounts at Central Bank on 19th September, 2016. He felt this was the right thing to do in the circumstances. Should the Committee recommend interest, he would seek judicial interpretation and comply.

He had never met Ms. Josephine Kabura. He planned to sue her for telling lies and defaming him.

3.1.18 Mr. Patrick Nduati Mwangi, Principal Secretary, State Department for Irrigation, Ministry of Water and Irrigation

Mr. Patrick Mwangi, the current Principal Secretary, State Department for Irrigation, appeared before the Committee on Tuesday, 20th September, 2016. He submitted as follows:-

Kenya frequently suffered the twin challenges of intensive rainfall and flooding often followed by biting droughts. This phenomenon was associated with changing rainfall patterns and poor use land practices that lead to high surface water runoff estimated at over 52% of annual rainfall. This situation was made worse by the fact that the country has an extremely low water storage capacity currently estimated at 4.1 billion m³ or a per capita storage of 103.1m³. Many years of under-investment in this sector was the main cause of this low water storage capacity.

Aware of this water security challenge, the Government in FY 2013/2014 initiated the National Water Harvesting and Storage Programme with funds allocated through the then Ministry of Devolution and Planning (MODP) for construction of water pans and small dams in rural Constituencies. The Programme, as noted by the National Treasury letter Ref. No. CON/3/5 TY of 29th July 2013 (Annex 2) proposed construction of 1,000 water pans (average storage capacity 20,000m³) and 200 small dams (average storage capacity 150,000m³) annually over a 5-year period beginning in FY 2013-2014 with an average Annual Budgetary Allocation of KSh 7.5 billion.

It was initially intended that the National Youth Service (NYS) implements the Programme using its internal capacity given its large stock of relevant equipment which consisted of 15 Dam Construction Units. Owing to the magnitude of the Programme, however, the then Ministry of Environment, Water and Natural Resources (MEWNR) was brought on board to provide the technical input.

An analysis of the capacity of NYS indicated that only 200 dams could be implemented using its equipment in 1 year which was very low in view of the intended outputs. It became necessary to engage Water Sector State Institutions comprising the 8 Water Service Boards (WSBs) and the 6 Regional Development Authorities (RDAs) in implementation of the Programme. In this way, the rate of implementation and funds absorption rate would dramatically rise and it would now be possible to construct the 1,034 dams and water pans initially proposed.

To ensure effective management and monitoring of the Programme, an institutional arrangement was agreed upon. A National Project Steering Committee comprising the Principal Secretaries of the National Treasury, Planning, Water and the Director General of National Youth Service was set

up to oversee and provide policy direction. The Committee was supported by a Technical Coordination Committee composed of representatives from all participating Institutions (Figure 1 overleaf).

The relationship between the Ministries of Devolution and Planning, Environment, Water and National Resources, the National Youth Service and the State Corporations was defined in Memoranda of Understanding executed with each Corporation which clearly stated the obligations of each party, the funds flow and supervision arrangements.

It was agreed that MoDP would give AIEs to MEWNR as the Ministry responsible for the water harvesting function which, in turn, would transfer the funds to the Corporations as its Executing Agents upon receipt of work-plans and cash-flow requirements and subject to approval by the Steering Committee. The MOUs were valuable M + E tools in that they were used to hold the Institutions to account for the funds that they received.

On 14th February 2014, MoDP published a Tender Notice for procurement of Contractors to develop 743 water pans and small dams in 231 Constituencies with RDAs and WSBs as Executing Agencies. After Tender Evaluation by the Executing Agencies, 647 water pans and 54 small dams (total 701 Projects) were approved for construction at a total cost of Ksh 3,534,979,087. Contracts for construction of all the 701 Projects were therefore awarded during that FY 2013/2014. However, MoDP only released Ksh 1,884,018,004 (in two tranches of Ksh 907,143,189 and Ksh 976,874,815) during F/Y 2013/2014 representing 53.2% of the total cost. The balance of Ksh 1,650,961,083 was released in FY 2014/2015;

FUNDS DISBURSED TO STATE DEPARTMENT OF WATER	FY 2013/2014 (Ksh)	FY 2014/2015 (Ksh)	TOTAL RELEASED FY 2013/14-2014/2015 (Ksh)
AIE No 673816	907,143,189.00	-	
AIE No 673819	976,874,815.00	-	
AIE No 673834	-	1,650,961,083	
TOTAL	<u>1,884,018,004</u>	<u>1,650,961,083</u>	<u>3,534,979,087</u>

Upon receipt of the funds from MoDP, MEWNR transferred Kshs. 1,864,126,901 and retained Ksh 19,891,103 for purposes of planning, monitoring and evaluation of the Programme.

It should be noted that 5 Corporations (TARDA, TAWSB, CDA, LVSWSB and NWSB) commenced implementation of all the Projects allocated to them in FY2013/2014 but made part payment to their respective Contractors as a result of the incomplete disbursement. The balance was paid in FY 2014/2015 on receipt of outstanding disbursements from MODP. All their Projects are therefore captured here. The other 9 Corporations reported on Projects that were implemented with funds received in FY 2013/2014.

The technical specifications, contract documents and cost analyses for each of the 701 Projects were prepared by the Institutions and are retained in their custody.

On the reasons for variation from 'Dams' to 'Water Pans', the PS submitted that from the attachments in the letter from the National Treasury, the aim of the Water Harvesting Programme was to construct a mix of dams and water pans in rural Constituencies of Kenya. Although dams and water pans are technically different structures they serve same purpose of storing water. Definitions may be obtained from the "*Practice Manual for Small Dams, Pans and Other Water Conservation Structures in Kenya*", 2nd Edition of August 2015.

A dam is defined as a barrier or wall designed and developed on a water course to confine and then control the flow of water. It retains water upstream of the structure. A pan is defined as a structure developed through excavation or a natural depression to retain water. Water is retained below natural ground level. The critical aspect from an engineering perspective is whether the structure is designed to retain water above natural ground level since this requires the application of engineering design to deal with the resulting hydraulic pressures. In such a case, the retaining part of the structure should be treated as a dam.

Ideally, a dam site should be located in a narrow part of the river, just downstream of a relatively wide stretch. The dam should be located in a stretch of the river which has a flat longitudinal slope while water pans are best suited to sites that are flat or very gently sloping. In other words, water pans are constructed in locations where the topography does not allow construction of a dam and instead favors excavation.

It means that one cannot vary a dam to a water pan. It is technically impossible as topography is the determinant. However, water pans are less complicated to construct and structural failure is not a major concern compared to dams. For that reason, small water pans are always easier and quicker to construct while dams require more rigorous technical and design considerations.

The cost of either structure depends entirely on its water storage capacity. Generally speaking, construction costs for small water pans are lower than for dams of equivalent capacity while construction costs for larger pans up to 100,000 m³ are much higher due to the 1:1 excavation/storage ratio. There was therefore an emphasis on commencing the Water Harvesting Programme with construction of small water pans in ASAL areas in order to achieve a quick-win situation.

In total, a surface storage capacity of over 16 million m³ was created nationally. This contributed to reduced walking distance to water points for 180,000 households and over 2,500,000 livestock and wildlife could access water. It also contributed to addressing the recurring problems of flooding, healing of degraded lands and over 75 ha of land irrigated enhancing rural household food security and incomes.

Kenya's per capita water storage is 103.1m³ (*World Bank 2012*). Of this quantity, only 3.1m³ is available for domestic, industrial and irrigation activities with 100m³ being for hydro power. Compared to other countries, this very low and should be a cause for serious concern. Competition for food and water as a result of dwindling water resources will increase leading to conflict and insecurity. Support from all stakeholders for development of water storage capacity through construction of water pans, small and large dams is therefore vital for the country.

3.1.19 Former Members of the Inspection and Acceptance Committee

Former Members of the Inspection and Acceptance Committee appeared before the Committee on Wednesday, 21st September, 2016 at 3.00 p.m. The members, currently under interdiction, were;

- i. Mr. David Dicks Alunga, Chairman;
- ii. Mr. Chemos Ndiema, member;
- iii. Mr. Titus Libondo, member;
- iv. Ms. Jane W. Gichuki, secretary.

They submitted as follows:-

They thanked members of the Public Accounts Committee for giving them the opportunity to provide information on the investigation. Mr. Alunga tabled letters of their appointment to the Inspection and Acceptance Committee of the NYS for the FY 2014/15, signed by the then Director General, Dr. Nelson Githinji. The appointment to the Committee was based on their experience and expertise.

The role of the Committee was to examine if delivered goods/services conformed to what had been ordered. The members were however assisted by various experts to ascertain specifications of those goods that they were not conversant with. The Ministry of works supplies branch for instance tested the materials supplied for the Kibera road.

Documents related to the Kshs. 791,385,000.00 procurement of goods for construction of the 3.5 km road in Kibera were not in their possession. Officers of the Banking Fraud Unit took them for investigations. After inspection of these specific goods, they were handed over to the main store-keeper at the Kibera DO's office. The role of the Committee ended there. All goods that they appended their signatures to confirm delivery were received.

Supplies delivered were however haphazardly distributed with disregard to uniformity or a standard bill of quantities. Materials were used for other projects in a hybrid system championed by the then Cabinet Secretary, Ms. Anne Waiguru.

The former Chairman tabled certificates of inspection and acceptance of delivery of goods worth Kshs. 609,252,760.00. They confirmed that private contractors delivered goods using lorries belonging to the NYS. This arrangement was guaranteed by the then Cabinet Secretary, Ms. Anne Waiguru.

The former members also confessed to signing the certificates of inspection and acceptance as two people, with the other two signing later. This was necessitated by the workload at that moment.

Their interdiction was not procedural as they were never allowed to show cause why action should not have been taken against them. The then Cabinet Secretary, Ms. Anne Waiguru, personally pushed for their interdiction, un procedurally writing through the Principal Secretary, alleging acts of omission and commission under investigation. They had all been charged jointly with the merchants for conspiracy to steal and forgery of documents.

3.1.20 Dr. Nelson Gitau Githinji, former Director General, National Youth Service

Dr. Nelson Gitau Githinji, former DG, NYS appeared before the Committee on Monday 26th September, 2016 at 3.00 p.m., accompanied by his lawyer, Ms. Noreen Kidunduhu. He submitted as follows;

His experience in the Public Service was undoubtedly commendable as was seen when he was enlisted for service in the Government of former President

H.E. Mwai Kibaki. He left employment with Coca-Cola to assume the role of State House Comptroller in November 2009. In that office, he was the A.I.E. holder and also maintained excellent relationships at a time when there was a Coalition Government arrangement.

His commitment to duty and forthright handling of issues had never waned since then. He served with distinguished commitment to the cause and continued to uphold his integrity even at his appointment as Director General of National Youth Service in May 2014 by H.E. Uhuru Kenyatta.

The Youth Empowerment Agenda that N.Y.S. set out to accomplish was a global best practice that soon had nations coming to Kenya to understudy. He recalled hosting delegations from Botswana, South Africa, the President of Ghana and his top brass, Lesotho, Zambia and Nigeria. When matters of corruption and concerns over loss of funds arose, he was steadfast in his cooperation with the investigating agencies.

Out of a clear conscience, he stepped aside in November when his name was mentioned in what appeared to be an orchestrated scheme designed to destroy that very noble agenda. Last minute substitution of names which everyone had been made to believe would be prosecuted left him confounded.

Dr. Githinji stated that some matters which the Committee sought evidence about were subjects before the courts especially the Kshs. 695,400,000 attempted fraud and so sought guidance on how to proceed.

Dr. Githinji submitted that he did not receive any written communication relating to details/documentation for the request of Kshs. 3.5 million Supplementary Budget for FY 2014/15.

The expansion of the NYS 5 Point Vision Roll out through the Youth Empowerment Program was as a result of Policy Direction and Scope of Work definition by the Cabinet Secretary. The expansion marked enhancing coverage of the Youth Empowerment Program from four (4) to twenty one (21) intervention areas, or counties, within the envisaged period when Supplementary budget was sought.

It was worth noting that the Cabinet Secretary appeared before the relevant Parliamentary Committee to defend this budget.

This was in line with the status of N.Y.S. as a directorate within the Ministry of Devolution and Planning whose administration was tightly controlled by the Ministry with no autonomy such that only the Cabinet Secretary then had a voice. Constant interference by the CS made the running of this uniformed service very difficult.

The decision to centralize procurement services was communicated to NYS from the Ministry HQ in the first quarter of 2015 specifically one day after Dr. Githinji's A.I.E. holder status was revoked. He believed the decision was taken soon after the change in A.I.E. holder for N.Y.S.

Dr. Githinji made a deduction that the decision to revoke the A.I.E. holder status was premised on the desire to maximize on the benefit conferred by economies of scale since expansion of the mandate of the Service from recruitment of servicemen/women to vocational training needs evaluation warranted the need for setting up of a predictable and manageable supply chain process hence the decision to centralize. It was hoped that the lessons learnt would be instrumental to revert the procurement to the far flung areas once appropriate levels of competent staff was reached.

Youth empowerment programs were introduced in the far-flung areas where N.Y.S. stations were located and therefore transportation of goods was never seen to be a constraint as staff in the field were constantly being transported.

On why Kshs. 551 million that should have been retained as savings was utilized for operational purposes, the former DG submitted that the Financial year was marked by a very slow exchequer release therefore to maintain presence and ensure seamless execution, the released funds were used for payment of an increased number of Youth cohorts weekly wages, Huduma kitchen expenditure, Lamu securitization wages, water pan personnel wages as well as Road Committee members allowances. There was no retainer account for the savings for co-operatives and disbursement to the individual SACCOs was dependent on their receiving a clearance for training by the Co-operative officials.

The training process to set up Youth SACCOs/Co-operatives would culminate in the election of officials who would be the custodians of these SACCO accounts. The growth in number of SACCOs was not commensurate with training and there was difficulty in securing more co-operative officers. That notwithstanding, there was a plan to remit to the SACCOs their savings as soon as exchequer release normalized. This was effected in January 2016 when a savings retainer account was opened and the balance settled.

On the chronology & documentary evidence over the commitment of Kshs. 695,400,000 appropriated through the supplementary budget 2014/15, Dr. Githinji received Information that supplementary allocation amounting to Kshs. 3.5 billion was loaded to IFMIS on 20th May 2015 and realized huge amounts had been withdrawn in one day. Having knowledge of consumption rate at NYS he immediately suspected a system flaw. On 21st May 2015 he queried the Heads of ICT and Procurement. On enquiring from Procurement and Finance, it appeared to them that the commitment was by the AIE

holder. When he asked the SDDG (Mr. Mr. Adan Harakhe who was also AIE holder) he denied sanctioning the commitment of the said amounts.

On 25th May 2015, Dr. Githinji sanctioned the involvement of Treasury and Cyber Crime Department. He further directed that all commitments be aligned with the revised Procurement Plan. It was his understanding that the revised plan was aligned from the CS's office since he was given a hand written procurement plan by her Advisor which was very similar to one forwarded by the Ag. CFO.

He later received a copy from the Accounts Controller of the disputed committed amounts dated May 22 whose figures differed with the one for May 20. He sought for and was given an Account Analysis Report from IFMIS detailing the sequential purchasing requisitions activity of NYS transactions in IFMIS for the month of May 2015. From this log, he therefore decided to direct for action to involve Cyber Crime. Based on the same, the Head ICT wrote to CID inviting their Cyber Crime unit to assist in investigations. He further wrote to the then PS informing him of this administrative action.

The then CS further wrote to the Director CID on the same matter. Unbeknown to Dr. Githinji, attempts to delete information regarding the questionable transactions were mooted by the SDDG through communication with the IFMIS Director.

Dr. Githinji stated that he was not privy to how a decision to transfer Kshs. 1,884,018,004.00 to the Ministry of Environment, Water and Natural Resources was reached in the financial year 2013/14.

On why he continued to log in into IFMIS even after losing A.I.E. holder status, he stated that as the then Director General, he was not the A.I.E. holder but kept himself fully abreast on the salient matters relating to Procurement.

In this regard, he maintained view/read status on IFMIS and resulting from that situation, he made enquiries from the System on April 10, 2015, 15 May 2015 and 20 May 2015 to confirm loading of the Supplementary budget.

The conclusion of the Parliamentary debate on the budgets was on April 9, 2015 with the Senate debate. Word from Treasury had it the funds would be availed immediately after so on the following date, he made an enquiry in the System and found there were no funds. This then would advise his next course of action

He received similar information on May 15, 2015 when the then C.S wrote to the PS confirming that National Treasury had confirmed the budget allocation. Even though on that day he appeared to have logged in 11 times,

it is telling that it was just in a matter of 3 minutes between 17:54 and 17:57.

The third login was on 20th May 2015. During this login, he confirmed that the Services' Supplementary Budget had been loaded.

The logging into IFMIS that this Audit Report alludes to would therefore be misleading in the sense that he did not make any approval or effect any transaction with his log-ins as he was rightfully disabled on passing on the AIE holder status in February 2015. The AIE holder and/or their designate made all approvals.

The witness requested for a camera session with the Committee after one week, to enable him table evidence of certain companies linked with certain persons at the Ministry. The Committee acceded to this request and scheduled a camera session for Thursday 6th October, 2016 at 10.00 am.

3.1.21 Mr. Adan Harakhe, former 'Senior' Deputy Director General, NYS (on interdiction)

Mr. Adan Harakhe appeared before the Committee on Wednesday 28th September, 2016 at 10.00 a.m. He was formerly the 'Senior' Deputy Director General in the NYS in charge of all operational functions from 27th November, 2014 until his interdiction in October, 2015. He submitted as follows;

He was appointed as AIE Holder for the Financial Year 2014/2015 by Eng. Peter O. Mangiti, Principal Secretary, State Department for Planning vide letter Ref No MDP/1/3/41 dated 19 February, 2015. The letter was addressed to me and copied to the Cabinet Secretary, Ministry of Devolution & Planning and the Director General (DG), National Youth Service. The DG however said he was unaware of this new development.

On 24th February, 2015 at 10am an officer by the name Erick Mwendwa from National Treasury IFMIS Department accompanied by a NYS staff by the name Timothy M. Ndekere of IT came to his office to induct him into the IFMIS system as one of the users at the National Youth Service. He was taken through the process of:

- (i) IP Procurement Approver (Requisition stages)
- (ii) GL – Supervision – How to run reports, balance commitment and budget.
- (iii) AP – Invoice Approver

He then set a new password.

On 2nd March, 2015, the DG called him to his office and told him that he would not handover the role of AIE holder because he had two letters with

the same reference number and date that appointed him (Harakhe) as AIE holder/alternate AIE holder. He (Harakhe) was then advised to be working on the vouchers, requisitions and invoices posted to him while he continues approving whatever was posted to him.

Mr. Harakhe added that he told Dr. Githinji that as the Head of the Service, he was the ultimate decision maker, 'pleading' with him to be in control and give a clear direction in order to implement the programmes and activities of the Service.

On the same day, Mr. Harakhe went to see the PS, Eng. Peter Mangiti and explained to him the discussions he had had with the DG on the appointment of AIE/Alternate holder at NYS and asked him for the way forward. The PS thus responded, "The authority to incur expenditure (AIE) is exercised by the Accounting Officer in line with existing Government Public Financial Management Regulations".

In performance of this accountability function, accounting officers are allowed by the regulations to delegate that responsibility to Heads of Departments or Directorates for efficient management of resources and implementation of their programmes. The accounting officer can also delegate this responsibility to any other officer of a senior rank depending on the workload and other exigencies that may not make it practical for the head of department to exercise that role.

It is in this regard that Mr. Nelson Githinji made a decision to make Mr. Adan Harakhe the AIE Holder so as to free the Director General to focus on driving the vision and policy agenda of the NYS. The DG indeed withdrew one of the letters which had appointed Mr. Harakhe as alternate AIE holder".

When Mr. Harakhe went back to NYS Headquarters, he informed the DG of his visit to the PS where he was notified that the letter appointing him as alternate AIE holder had been withdrawn. The DG said he had not seen a revocation letter on any of the appointment and said the PS was not honest with him (Mr. Harakhe).

On 6th March, 2015, Mr. Dickson Gisiora, in charge of IT at NYS, informed Mr. Harakhe that the DG had held a meeting in his office. Among those in attendance were Mr. Hendrick Pilisi (Head of Supply Chain Management office), his PA Ms. Jane Wangui Muringi, Ms. Regina Mungai, Ms. Nasichi Akello, Ms. Margaret Mukhebi and Ms. Jane Wangechi. He instructed them that they should 'not have close working relationship' with Mr. Harakhe and all requestors should stop sending requisitions to him for approval, since the work of the service could go on without the Senior Deputy Director General (SDDG).

Further, the DG called an IT consultant by the name Meldon Awino Onyango to upgrade the IT System of the NYS, rather than use internal staff who had the expertise.

Mr. Harakhe clarified that during his tenure as AIE/Alternate AIE holder no payment was made at NYS. At NYS they only initiated payments. All payments were done at the Principal Accountants office at the Ministry Headquarters.

On the issue of Kshs. 551,750,000.00 belonging to the local Youths/Cohorts that was to be retained as savings but utilized by NYS in its operations, he was unaware. He was not a signatory to NYS Huduma cohorts Account. He only realized that the account was opened without authority from the National Treasury and some cohorts were overpaid. He took up the matter with the DG who told him to keep off issues of the cohorts account.

Mr. Harakhe added that when he was appointed AIE Holder, he requested from the Director of Finance NYS and Principal Account Controller to provide him with the following information;

- i. Details of all Bank Accounts held by NYS i.e.
- ii. Bank A/C number
- iii. Signatories of the bank accounts
- iv. Name of the Account
- v. Opening date of Account
- vi. Name and specimen signatures for approval of payments.
- vii. A letter authorizing opening National Bank Account.
- viii. A letter authorizing National Bank to pay cohorts.

All this information could not be provided since they were unavailable.

On the chronology and documentary evidence explaining the Commitment of Kshs 695,400,000.00, Mr. Harakhe says he received a phone call from a Mr. Nixon Oborah, the Chief Finance Officer at the State Department of Planning on 19 May, 2015, informing him that the supplementary budget of Kshs 3.5 billion had been loaded to the NYS system, and allocated to Youth Development initiative vote as follows;

- Item one - Casual Labour and others - Kshs 250,000,000/=
- Item two - Hire of equipment, plant and Machinery - Kshs 500,000,000/=
- Item three - Refined Oil and Lubricants for Production - Kshs 750,000,000/=
- Item four - Other Infrastructure and Civil Works - Kshs 2,000,000,000/=

On checking the balance, Mr. Harakhe noticed that the item on infrastructure and civil works which was Kshs 2 billion reduced to Kshs 1,976,017,502.00. On 21 May, 2015, the balance went down to Kshs 1,096,556,337.00. He called Mr. Pilisi who was the head of Supply Chain Management Office and asked him why the Infrastructure and Civil Works had reduced by almost a billion before putting the procurement plan in use. Mr. Pilisi said that it could be reversed by the requestors as it was not a big deal. Mr. Harakhe instructed him to ensure it was reversed.

By 22 May 2015 it had not been reversed. The witness submitted that he called for a meeting comprising of the head of Finance, Procurement, Accounts and himself to query the commitment and the needs of the entire service vis a vis the budget at hand so that they prioritize on the needs.

He further asked the head of procurement why the commitments had not been reversed and directed him to ensure it was de-committed, and all the requestors to tabulate the requisition's they had posted for approval between 20 - 21 May, 2015 which he immediately did. Only two out of the five staffs who were requestors complied and produced what they had committed in the IFMIS system for approval.

Mr. Harakhe says he further requested for the account analysis report for the 20 - 21 May 2015 from IFMIS through Mr. Nixon Oborah, the Chief Finance Officer at Ministry Headquarters which he promised to avail the following Monday the 25 May 2015.

Mr. Harakhe added that he reported verbally through phone call to the Director General (DG), Dr. Nelson Githinji NYS, the Principal Secretary and the Cabinet Secretary on the commitment in the supplementary budget in the IFMIS system without his knowledge.

The DG instructed the head of procurement section to ensure the reversal of the commitments were done before 4:00pm on that same day. Also the Cabinet Secretary, Ann Waiguru advised Mr. Harakhe to report the matter to the Directorate of Criminal Investigations.

On 26 May, 2015 Mr. Harakhe scrutinized the account analysis report from IFMIS. The report showed that on 20 May, 2015 the following transactions numbers were committed; 4512, 4511, 4508, 4507, 4515, 4514, 4513, 4524, 4522, 4520, 4516, 4528, 4527, 4526, 4525, 4530, 4529, 4531 totaling to Kshs 695,400,000/= while on 21 May 2015 at 19:27 hours another transactions was made as follows; 4636,4633,4632 totaling Kshs 133,200,000/=.

The total committed transactions were Kshs. 828,600,000/=.

Mr. Harakhe submitted that he established that Kshs. 133,200,000/= was posted by Ms. Regina Nyambura Muigai as requestor and approved by Samuel Wachenje, Director of Finance as the AIE Holder while Kshs 695,400,000 was posted by the same Ms. Regina Nyambura Muigai and approved by himself. He was however unaware of the approval by himself.

He added that he then called the In-charge of Cyber Crime Unit at DCI Headquarters to inform him that we had written a letter requesting assistance in the investigation to unveil the mystery, and requested verbally if they could move with speed to save the loss of public funds and establish who used his password.

On arrival of the DCI officers in Mr. Harakhe's office, the DG called him to his office and quarreled him on why he had involved the DCI before they had exhausted internal mechanisms. PS Eng. Mangiti then called and told him that there was no concurrence from the DG and himself to invite investigators, and therefore, told him to advise the DCI officers to go back. The PS then told Mr. Harakhe to see him the following day 27 May, 2015 at 7:00am in his office. He further added that the matter would be handled departmentally. He complied.

On 27 May, 2015, at 7:00am the PS welcomed him to his office and informed him that he had recommended to the Public Service Commission to create a position of Senior Deputy Director General and requested for his substantive appointment to the position. The PS gave Mr. Harakhe a copy of the letter which was dated 19 May, 2015; the same day the supplementary budget was wired into NYS accounts.

The witness alleged further that the PS informed him to go slow on the transactions, as it would bring focus to the Ministry and as a result would put him in trouble. He said that the commitment amounting to Kshs 695,400,000/= for hard and soft material were for road construction in Kibera informal settlement.

The PS added that he would introduce Mr. Harakhe to a young man by the name Ben, sit with him and agree the best way to finalize these issues. Mr. Ben alleged that he was the point man for CS Rotich. He also alleged that the Director DCI was his friend and would thus take care of him.

Mr. Harakhe said he refused to oblige and visited the office of the Director IFMIS, Mr. Jerome Ochieng and explained to him that his password was hacked and used to approve some transactions. Mr. Ochieng informed him that he should wait for the concurrence of the PS for State Department of Planning who had travelled to Arusha that day.

On 03 June, 2015, Mr. Harakhe visited PS Mangiti who had come back from Arusha and insisted on the need to reverse the transactions. The PS called the Director IFMIS to his office where they spoke in vernacular.

In his office, Mr. Jerome informed him that he was creating unnecessary confusion and the wording of the letter he had written was not good. He then called one of his staff by the name Esther and asked her to assist to reverse those commitments in dispute. He also informed him to call his procurement staff defined in the IFMIS system to assist in the reversals.

The IFMIS system indicated on the screen that none of the lines on requisition was eligible for cancellation and the change request could not be submitted because the user was not the preparer of the requisition. Mr. Harakhe called the PS and informed him on the challenges in de-committing and he responded "*shauri yenu*". The DG was equally uncooperative and quarreled him. He then wrote to the then CS, Anne Waiguru, requesting for her intervention on the matter to avert financial losses.

On 05 June, 2015, the then CS, Madam Anne Waiguru wrote to the Director DCI and they came at 2pm to carry out the investigations. The DG refused to meet the DCI officers and advised Mr. Harakhe to meet them on his behalf since they were officers from the 'CS's side'. The officers picked six (6) computers including his.

The head of the investigating team, a Mr. Joseph K. Mugwanja called and informed him that the IFMIS team were very un-cooperative and they required him there. Mr. Harakhe went to IFMIS with one of his staff Mr. Jared Nyandimo and met the DCI team at the boardroom. They were joined by IFMIS staff, a Mr. Kyalo and a Ms. Susan. Mr. Kyalo made a phone call and he was disputing that the supplementary estimates were wired to the NYS. After he was through with the phone call he blamed Mr. Harakhe for making unnecessary complaints that he could not substantiate.

Mr. Kyalo then requested to meet him privately at the 10th floor of the Treasury Building, in the office of a Mr. Muchiri who was on annual leave. The Officer told him to tell the DCI officers to 'cook something' in a way that can convince the Cabinet Secretary, Anne Waiguru so that no one is victimized. He refused after which Mr. Kyalo left with Mr. Jerome Ochieng.

The witness further submitted that on 14 June 2015, he met PS Eng. Mangiti and Mr. Ben at Nakumatt Junction Ngong Road at 7pm. PS Eng. Mangiti told him that he was a stumbling block on that matter and if he was not going to cooperate they would fix him from two folds; through the DCI officers confirming that he was the person who approved the payments in the IFMIS and by advising suppliers to take him to court for non-payment.

Mr. Harakhe said he was adamant. The PS then instructed him to see him in his office the following day 15 June, 2015 and informed him that he would write a letter for the de-commitment, and advised him to de-commit about Kshs. 200 million and regularize the rest, while telling the CS, Anne Waiguru that he had de-committed all the amounts of Kshs 695,400,000.

On 15 June, 2015, Mr. Harakhe went into the PS's office in the morning and the letter was written. He took the letter to Mr. Jerome's office who asked him which one of the transaction numbers he wanted to de-commit and which ones to be regularized. He insisted on de-committing all the transactions he was disputing. Mr. Jerome refused to assist and referred him to Ms. Esther who had earlier been unable to de-commit.

At the night of 17 June, 2015, at around 9pm, the CS Anne Waiguru called Mr. Harakhe and instructed PS Eng. Mangiti to ensure the de-commitments were done.

On 18 June, 2015, he was able to de-commit the transactions.

After de-committing the transactions, Mr. Mugwanja told him to be careful since both the PS and the DG NYS were interested parties on the transaction of Kshs 828,600,000.00. That was the reason why they did not want investigation to be done because they were involved. Further scrutiny of the three (3) transactions of Kshs 133,200,000.00 approved by PS Mangiti out of original Kshs 828,600,000.00 had established that the companies were all related to the DG NYS, Dr. Nelson Githinji.

The same individuals related to the DG were also doing additional business in NYS under different companies including:

- Celebrity Foods; owned by Susan Wanjira (DG's wife) and Joyce Nyakiriunga Mange, DG wife's sister
- Sakoji Limited; owned by Nganga Njuguna Mbage (Family friend of the Githinji's), Waithera Mbage and Smith Muturi

The companies involved in the Kshs 695,400,000/= as indicated in the IFMIS system according to the DCI investigators are in the table below:

S/No	Company Name	Directors	Date Registered	Transaction No	Amount Supply Tender
1.	Form Homes Builders	Josephine Kabura Irungu	13/11/2014	4512,4514,4513,4516	Total Kshs. 154,950,000
2.	Draco Capital	Peter Omari Otwoma and Caroline Njambi	24/1/2014	4511,4508,4507	Total Kshs. 115,800,000

		Kinuthia			
3.	Roof and All Trading	Josephine Kabura Irungu	12/11/2014	4515,4520	Total Kshs. 77,250,000
4.	Reinforced Concrete Technologies	Josephine Kabura Irungu	12/11/2014	4524,4522,4525	Total Kshs. 115,800,000
5.	Grumum Engineering	Peter Omari Otwoma	24/12/2014	4528,4526,4527	Total Kshs. 115,800,000

He said they discovered that some of the firms had done similar works previously amounting to Kshs. 791,385,000.00 and were paid.

The site details of the fraudulent companies were created and defined by the same user – Mr. Fredrick Munge Musembi P/No. 2009112985 who is an employee of the IFMIS system at the National Treasury as appended in table 14 of the Audit Report.

He concluded that the commitment in the statement was not paid out due to his prompt action.

On the construction of dams, the decision to transfer Kshs.1,884,018,004.00 to the Ministry of Environment, Water and Natural Resources was made way before his deployment to the NYS.

The unaccounted AIE no. 757439 amounting to Kshs. 70 million, was issued to the Commandant NYS College Gilgil on 02 October, 2014 before I was deployed to the State Department of Planning and particularly NYS.

On the payment of Kshs. 12,500,000.00 to M/S The Consulting House, the payment was done using a copy of invoice number 001/15/TCH-NYS dated 11 March, 2015 that had been used to support an earlier payment of the same amount done on 16 March, 2015.

This particular service was first procured through direct procurement vide MTC meeting held on 04 March, 2014 at a cost of Kshs. 40,000,000.00 and an award made to M/S The Consulting House.

The Consulting House was identified pursuant to section 74 (3) of the PPDA, 2005 since the services of such consultants were urgently required to align the Youth Agenda to the Government Policy then. The Consultant was identified on the basis that the firm had been involved in the crafting other similar restructuring initiatives for other Government institutions.

The first approval for the firm to be engaged on direct procurement basis was made by the MTC in a meeting held on 04 March, 2014 and the decision was reached by consensus of all the members present. On that date, direct procurement for the engagement of the firm was approved at a consultancy fee of Kshs. 40,000,000/=. The same consultant having been successfully engaged in the preceding phase of the restructuring and satisfactorily provided the services approved by MTC vide direct procurement to provide Advisory Services on the implementation of the developed NYS 5-point vision. This award was approved by the MTC in a meeting held on 06 October, 2014 at a consultancy fee of Kshs 50,000,000.00.

The payments were done as per the contract except for a payment of 21 April, 2015 of Kshs12,500,000/= that was supported by a copy of the invoice paid earlier. The Consulting House had not raised any complain that they was not paid and did not report the loss of original invoice. Therefore, the use of duplicate invoice could only be administered in case the original document was lost and could not be recovered. Such complaints are usually accompanied by an affidavit from court of law or a commissioner of oath which did not happen in this case.

Payment was processed and approved by the alternate AIE holder who was also Director Finance and authorization done by the accountant. The same voucher was examined, validated and audited by the Internal Audit. It's unfortunate that it was not detected as an overpayment.

3.1.22 Mr. Halakhe Waqo, Chief Executive Officer, Ethics and Anti-Corruption Commission

Mr. Halakhe Waqo appeared before the Committee on Thursday 29th September, 2016 at 10.00 a.m. and submitted the following;

The Ethics and Anti-Corruption Commission (EACC) is a statutory body established under the Ethics and Anti-Corruption Commission Act of 2011. The Act was enacted pursuant the requirements in Article 79 of the Constitution. The mandate of the Commission is to combat corruption and economic crimes in Kenya through law enforcement, prevention, public education and promotion of ethical standards and practices.

Apart from the Act aforesaid and the constitutional mandate conferred on it specifically in enforcement and ensuring compliance with chapter Six of the Constitution, the Commission also derives its statutory mandate from a number of other statutes namely, the Anti-Corruption and Economic Crimes Act of 2003, the Leadership and Integrity Act, 2012 and the Public officer Ethics Act, 2003.

The EACC report is divided into three (3) parts namely;

1. Status of EACC investigation of matters related to monies from the NYS during the period under investigations, including court cases
2. Assets from NYS proceeds identified and frozen/seized for preservation
3. Investigations on the alleged involvement of companies with shareholding of former Chairman of the EACC, Mr. Philip Kinisu in the NYS tenders.

PART I: INVESTIGATIONS BY EACC ON NATIONAL YOUTH SERVICE

The Commission was seized of the following investigations touching on or arising from the accounts of the National Youth Service. Table 1 below shows the particulars and status of the investigations.

S/No.	ALLEGATION/PARTICULARS	STATUS
1.	Inquiry into allegations of procurement irregularities in the award of contract to Blue Star Enterprises Ltd by the National Youth Service under the Ministry of Devolution and Planning, for the supply and delivery of Training Materials namely Automotive Engineering under Contract No. NYS/RT/29/2014-2015(4) at a cost of Kshs. 47,600,000.	Investigations have been concluded and the file forwarded to the DPP. The amount in issue Kshs. 47.6 million has been frozen/preserved.
2.	Inquiry into allegations of embezzlement of Public funds amounting to Kshs. 147,829,315 and breach of Procurement procedures during the establishment of National Youth Service Camps at Mukuru Kwa Njenga, Kiandutu (Thika) and Korogocho slums through Tender No MDP/NYS/MOLHUD/D103/01-2014.	Evidence is being analyzed to determine appropriate charges to be recommended.
3.	Inquiry into allegations that the Director NYS serviced and maintained his private vehicle at the expense of NYS in June 2014 at a cost Kshs. 497,335.	Investigations have been completed, and three suspects have been charged. Case in court.
4.	Inquiry into allegations of irregular procurement of accommodation and conference facilities amounting to Kshs. 4,476,000 by the National Youth Service.	File returned by DPP for further investigations
5.	Inquiry into allegations of irregular procurement of consultancy services for user support services and sensitization campaigns to enhance access to 30% reservation of GOK procurement opportunities by the officials of the Ministry of Devolution and Planning awarded to Out of Box Solutions Ltd and Round Trip Ltd at a cost of Kshs. 302,458,960.	Investigations are at the tail end.

6.	Investigations into allegations of stealing of Kshs. 791,385,000 from the National Youth Service in the financial year 2014/2015 meant for civil works and other infrastructure; including the allegations of bribery and impropriety against former and current NYS Officials and other persons including the former Cabinet Secretary Ann Waiguru named in the affidavit of Ms. Josephine Kabura touching on the award of contract for payment of Kshs. 791 million.	Investigations on this matter were undertaken by DCI and various persons have been charged in court. Some of the assets acquired through NYS proceeds have been identified, traced and frozen/seized/preserved, as set out in <i>Table 2</i> below. EACC has also conducted further investigations into corruption related offences as directed by the DPP, and the investigations are at the tail end.
7.	Inquiry into allegations of suspected fraud and corruption within the State Department of Planning (NYS) in the Ministry of Devolution and Planning involving Directors of Kenirie Ltd. involving a payment of Kshs. 88,948,275.85 where the company was awarded a contract to supply Injector Pump Calibration and Jig drilling Machines.	Investigations on-going. The amount involved Kshs. 88,948,275.85 has been preserved.
8.	Inquiry into allegation of irregular Tender awarded to M/s. Ritsem, M/s. Beatrom Investments and M/s. Sigi Holdings Ltd. for supply of Swing Fogs, Knapsack Sprayers and Fogging Materials at National Youth Service at a cost of Kshs. 133.2 million using transaction numbers 432, 433 and 436.	Investigations on-going
EACC had also commenced the following investigations based on new allegations touching on the NYS.		
9.	Inquiry into allegations that five Companies named; Maanti Logistics, Carrotexx Enterprise, Jupecar Garments, Sallijow Enterprise, Lantex Enterprise and Pejows Agencies received Kshs. 29,937,388.65 from the Ministry of Devolution and Planning being money for the payments of goods that had been allegedly supplied to the National Youth Service.	
10.	Inquiry into allegations of Tax Evasion amounting to Ksh. 69 Million by Josephine Kabura Irungu, Benson Gethi and Horizon Limited.	
11.	Alleged procurement irregularities and overpayment in the supply of shaping and cylindrical grinders by M/S Lizsol Chem Company Ltd to NYS, in the sum of Kshs. 97.7 million.	
12.	Inquiry into circumstances surrounding the alleged supply of 2,000 Firefighting Equipment by International Partnerships East Africa Limited to the National Youth Service at a cost of Kshs. 75 Million.	

13.	Inquiry into allegations that Tender No. INCDF/RT/062/2013-2014 was irregularly awarded to Kimendi Investments Company leading to embezzlement of Kshs. 378,625,000 allocated under the Ministry of Devolution & Planning for construction of three dams namely Ngiyo, Murongatu, Ndumuru and four pans namely Kirera, Njarauni, Ithata, and Muronutoo Kaongo by National Youth Service. The dams are situated in Igembe North constituency.
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PART II: ASSETS FROM NYS PROCEEDS FROZEN/SEIZED/PRESERVED

He pointed out that a bulk of the cases relating to financial impropriety at the National Youth Service are being investigated by the Directorate of Criminal Investigations (DCI). Various properties believed to have been acquired from NYS proceeds had been identified and frozen through the court for purposes of preservation pending conclusion of the investigations. These are outlined in the table below.

Table 2: Properties acquired from NYS proceeds identified and frozen/recovered/seized by DCI, EACC and ARA (under the Multi-Agency Team Framework)

S/NO	PROPERTY DETAILS	VALUE KSHS	HOLDER/ BENEFICIARY	STATUS
1.	Range Rover Vogue KCB 750Z	23,489,000	Patrick Ogolla & John Kago	Preserved By Ara High Court, Not Surrendered /Seized
2.	Thika Plot Lr No.836/12	35,000,000	Charity Wangui Gethi	Preserved By Ara - High Court
3.	Eden Times Restaurant Moi Avenue at Lr209/412/1/ Mercury	16,000,000	Charity Wangui Gethi & Jedidah Wangari Wangui	Preserved By Ara - High Court
4.	Muthaiga North House And Plot Lr. No.14902/38	45,000,000	Charity Wangui Gethi	Preserved By Ara - High Court
5.	House At Rosslyn Estate Lr No.21/1/97	63,513,000	Charity Wangui Geithi	Preserved By Ara - High Court
6.	Masonette House At Kasarani Lr No.20857/190 Bought By S. Wachenje Alias Sam Mwadime	21,850,000	Wife Of Samuel Wachenje Susan Mkiwa Mndanyi	Preserved By Ara
7.	Cash Kshs 10 Million In A/C Of Sam Mwadime At Family Bank Kagwe	10,000,000	Sam Mwadime (Samuel Wachenje)	Preserved By Ara High Court
8.	Cash Kshs.4,720,000 A/C Of Brownfield Developers Ltd	4,720,000	Brownfield Developers Ltd Dtb	Preserved Magistrate Freeze Order
9.	Cash Kshs.7,000,000 At Scb Ruaraka A/C Of Charity Wangui Gethi	7,000,000	Charity Wangui Gethi Scb Ruaraka	Preserved - Magistrate Freeze Order

10.	Cash Ksh.204,734.95 At Old Mutual A/C 80356	204,734.95	Charity Wangui Gethi	Preserved - Magistrate Freeze Order
11.	Usd 264,000 A/C Of Ogolla & Mujera Advocate At I & M Bank	26,400,000	Patrick Ogolla Of Ogolla & Mujera Advocates A/C At I& M Bank	Preserved Magistrate Freeze Order
12.	Motor Vehicle Toyota Prado Kce 852t Imported	5,250,000	Paul Kinuthia Gachoka	Preserved By Ara High Court, To Be Surrendered
13.	Motor Vehicle Kcd 536p Toyota Prado Imported	5,070,000	Vandamme John	Preserved By Ara High Court, To Be Surrendered
14.	Motor Vehicle Prado Reg Kce 874R Traded In With A Harrier At Kshs 3,300,000 Paid By Samuel Wachenje Alias Sam Mwadime At Signature Cars Ltd But Now In The Name Of James Kisingo	3,300,000	Sam Mwadime (Samuel Wachenje)	Preserved By Ara High Court, To Be Surrendered
15.	Motor Vehicle KCD 241Q a Jeep Purchased At Dt Dobie By Charity Wangui Gethi (Scb A/C)	6,390,000	Charity Wangui Gethi	Preserved By Ara
16.	A Plot L R No Ruiru,Juja East Block 2/360 Purchased By Samuel Wachenje Alias Sam Mwadime From Cyrus Ngugi Mugonya	3,875,000	Samuel Wachenje	Preserved By Ara High Court
17.	Balance In A/C Of Charity Wangui At Faulu Kenya From Amount Transferred By Two Advocates M .M Gitonga And Patrick Ogolla	79,676,505,.80	Charity Wangui Gethi	Preserved By Magistrate Freeze Order
18.	Kshs. 48 Million Preserved In Paramount Bank	45,000,000	Blue Star Investments	Preserved By Eacc
19.	Kshs. 4,720,000 In Diamond Trust Bank	4,720,000	Charity Wangui Gethi And Brownfield Developers Ltd	Frozen In The Bank, Matter Is Pending In Court
Sub Total		406,458,240.75		
On Going Funds Trail				
20.	Kshs 11,000,000 Deposited By Ben Gethi In The A/C Of Peris Wanjiku Wangui At Family Bank On	10,800,000	Total Kshs 10,800,000 Transferred To May Fox Mining, Company Ltd A/C	Funds Transferred To Other Entities Bank Accounts Funds Trail Continues

	16/03/15		Held By John Mugwe Manga And Joseph Manga.	
21.	Kshs 2 Million Of The Balance Not Transferred By Advocate Ogola	2,000,000	Received By Ogola Advocate From Ben Gethi	Patrick Ogola Advocate Summoned But Did Not Produce Documents Or Account For The Funds
22.	Kshs 52,000,000 Transferred To The A/C Of Millenium Instrumentation Ltd At First Community Bank From A/C Of Charity Wangui Gethi At Bbk	52,000,000	Paul Kinuthia Gachoka , Benson Gethi Wangui And Abigel Mukeli Munde Holders Of A/C Millenium Instrumentation Ltd At First Community Bank	All The Amount Cash Withdrawn By Paul Kinuthia Gachoka From Millenium Instrumentation Ltd A/C At First Community Bank. He Was Summoned And Alleged It Was A Loan Repayment From Martin Wanjohi Cousin Of Charity Gethi
Sub Total		64,800,000		
Grand Total		471,258,240.75		

PART III: INVESTIGATIONS ON ALLEGED INVOLVEMENT OF COMPANIES WITH SHAREHOLDING OF FORMER CHAIRPERSON OF THE EACC MR. PHILIP KINISU IN THE NYS TENDERS

Investigations had established that Esaki Limited, a company associated with the former Chairman of the Ethics and Anti-Corruption Commission had been awarded contracts and received payments from the Ministry of Devolution and Planning, and in particular the National Youth Service for supply of various items; as shown in Table 3 below-

Table 3: Particulars of Payments by NYS to Esaki Limited

	Date	Amount (Kshs.)
1.	12/11/2014	11,487,000.00
2.	20/10/2014	18,973,000.00
3.	17/04/2015	18,973,000.00
4.	14/12/2015	128,628.00
5.	06/06/2016	2,928,181.00
	TOTAL	54,389,809.00

Investigations into the transactions touching on Esaki Limited were forwarded to the Directorate of Criminal Investigations (DCI) through the Director of Public Prosecutions, and the DPP directed that the investigation be undertaken by a multi-agency team comprising of the DCI, Kenya Revenue Authority, Asset Recovery Agency and the ODPP.

3.1.23 Mr. Joshua Oigara, CEO KCB

Mr. Joshua Oigara, CEO KCB appeared before the Committee on Thursday 29th September, 2016 at 2.30 and submitted as follows;

The bank holds about one hundred and forty (140) Government accounts. Its first account for the NYS was opened in 2011 and the number currently stood at three. These were the following;

- i. NYS Mechanical & Transport Fund account no. 1128674548 opened on 5th July 2011.
- ii. NYS Huduma Cohorts Payment account no. 1178056929 opened on 19th January 2016.
- iii. NYS Huduma Cohorts Sacco Deductions account no. 1178058158.
- iv. The accounts had four signatories each as introduced by the agency.
- v. All three accounts had requisite account opening authority, including Treasury approval, Letter from the parent Ministry and Letter from the Agency, save for the first account opened in 2011 before the Public Finance Management Act 2012, that lacked evidence of Treasury's approval.
- vi. The accounts received funds transfer through RTGS with instructions coming at various times on payments to be made.
- vii. The bank had no known account by companies or individuals linked with the NYS scandal. They will however cross-check their records.

3.1.24 Mr. Titus Karanja, CEO, Sidian Bank

The CEO appeared before the Committee on Thursday 29th September, 2016 at 4.00 and submitted as follows:-

In April, 2016, the bank's regulator, Central Bank of Kenya (CBK) conducted a targeted inspection of Sidian Bank to determine the bank's compliance with the following;

- Proceeds of Crime And Anti-Money Laundering Act (2009)

- Proceeds of Crime And Anti-Money Laundering Regulations (2013)
- Prevention of Terrorism Act (2012)
- Prevention of Terrorism (Implementation of The United Nations Security Council Resolutions on Suppression of Terrorism) Regulations (2013)
- Central Bank of Kenya Prudential Guideline on Anti-Money Laundering and Combating The Financing of Terrorism (CBK/PG/08)

The CBK established the following;

- The board and management of the bank had not undertaken regular training on Anti-money laundering issues;
- Internal reporting on suspicious transactions were done to the CEO rather than directly to the Financial Reporting Centre;
- Job descriptions of all staff did not make specific mention to Anti-money laundering issues;
- The Anti-money laundering process of the bank was not automated;
- New products and technology employed by the bank did not adhere to Anti-money laundering regulations.

As a result, the CBK levied a fine of Kshs. 1 million to the bank even as it addressed the issues.

The targeted inspection did not however establish any relationship with the NYS or Ministry of Devolution and Planning.

The bank had checked its records and established that they had no accounts and/or transactions relating to any individual or company mentioned in the Auditor General's special audit report.

Mr. Titus Karanja made his second appearance before the Committee on Wednesday 12th October, 2016 at 2.30 p.m. The witness requested for the session to be held in camera since information they were to table was confidential as protected by the CBK Prudential Guidelines. The Committee accepted the request after determining the information to be tabled was not in the public domain and touched on several clients of the bank.

3.1.25 Mr. Charles Njuguna, Managing Director, Faulu Micro Finance Bank Limited

Mr. Charles Njuguna appeared before the Committee on Monday, 3rd October, 2016 at 3.00 p.m.

Mr. Charles requested that the Sitting be held in camera. The Committee acceded to this request.

3.1.26 Mr. Benson Gethi Wangui, Businessman

Mr. Benson Gethi Wangui appeared before the Committee on Tuesday, 4th October, 2016 at 11.00 a.m. and submitted the following;

He had been a contractor at NYS for the last five years.

He disputed the perception that he became a supplier at NYS during the tenure of CS Anne Waiguru, PS Mangiti and DG Nelson Githinji.

Horizon Limited was contracted for oil and lubricant supplies by NYS back in 2014 for an initial period of two years at the end of which it was renewed on account of good service provided.

His second company, Ratego Technologies was contracted to supply food commodities.

None of his personal or company's accounts had been frozen.

Documents in court showed that the alleged stolen funds were lost in the Kibera project civil infrastructure funds and paid to known companies with specific period of time. Neither he nor his companies were involved in the said project.

On 20th July 2015, his involvement in the NYS saga began when he was arrested by four CID officers and taken to Marshals building along Harambee Avenue

He was asked to record a statement which he declined to record without contacting his lawyer. When he got an opportunity he contacted his law firm, Sing'oei, Murkomen and Sigei Advocates through sms. Advocate Hillary arrived in the cells and they both went to Officer Kamilu's office to record a statement on Horizon Limited. He was then taken back to the cells and later on transferred to Kileleshwa Police Station.

On 21st July, 2015 he was arraigned before the Chief Magistrates' Court at Milimani together with Josephine Kabura to take plea of charge which he claims he was not aware of. They however did not take the plea because the DPP had not been involved and investigation files had not been availed

They were driven back to BFIU offices where they were locked up in the cells. Mr. Gethi's Advocate Hillary requested for his release and went further to complain as to why he was charged on a matter he was not informed or questioned. (he further stated that to date BFIU had never questioned him in relation to 791 million or other funds) Officer Kimilu informed them that those were matters being handled by senior Government officials and that he had forwarded Mr. Gethi's release request to Mr. Mugwanja and was waiting for his directions. He was later released on a free bond and given a date he was to report to him.

He confirmed to the Committee that accompanied by his advocate, he reported before him without fail on several occasions but nothing happened other than extending the bond he had earlier issued to him.

After perusal of the two affidavits filed by Josephine Kabura and Anne Waiguru, he informed the meeting that there was nowhere the two affidavits addressed the case at hand but focused on the relationship between the two ladies and third parties.

His business at NYS was confined to Horizon Ltd supply of fuel to NYS. That was clear from the log of payments against goods and services delivered. Imputing that he applied undue pressure to get dues owes to it by NYS was a flagrant misrepresentation of facts.

He also informed the Committee that documents table in court showed that Ms. Kabura was the sole owner of companies which were beneficiary of alleged 791 million shillings. That he first met Kabura on 20th July 2015 at Marshals Building on 5th floor. They had never interacted before officially or non-officially and came to know her name after receiving the charge sheet on 21st July 2015.

He further noted from an affidavit that Ms. Anne Waiguru referred to memos written to her from Mr. Harakhe when both were officially in office. Only copies of letters from Mr. Harakhe to her were attached.

He stated that it was clear that CS Waiguru received regular briefings and step by step reports from BFID on the ongoing investigations which disclosed a lot of privileged information availing to her third party facts in the ongoing investigations. That she also stated under oath that she personally pushed the DCI to conclude investigations

He deduced that Ms. Anne Waiguru was interfering with investigations and her stating the same shows a biased opinion meant to sway decisions on the purported fraud and theft of Kshs.791 million.

There were numerous media publications on the NYS saga-quoting source as Mr. Mugwanja's investigation reports on alleged lost funds. These

publications painted him as a mastermind and main beneficiary of the alleged lost funds which was a false statement in its entirety.

Further, he noted that Mr. Harakhe was actively vouching for another Somali-owned firm by name Dakawoo to get majority oil supply allocation to NYS. All through, contrary to impressions created by Mr. Adan Harakhe who the Auditor-General had cited as one of the key parties in the Kshs.791 million saga, Mr. Gethi had never met the Director of Criminal Investigations (DCI) Mr. Muhoro.

Mr. Harakhe in his letter documented that on 26th May 2015 he had succumbed to pressure from both his senior, PS Mangiti and DG Githinji where he had acted by calling the CID. Mr. Harakhe further indicated that on 27th May 2015 he went to PS's office at 7.00 am where he was promised a promotion.

He informed the meeting that on 27th May 2015 at 10.46 am four hours later Mr. Harakhe called him twice for their first meeting. In his letters on the said Nakumatt meeting, Mr. Adan had documented that he met Mr. Gethi seated with PS which he disputed citing staff statement, CCTV footage and phone movement proving otherwise. In the said meeting Mr. Harakhe also talked of agreement with him and PS amounting to Kshs. 200 million which Mr. Gethi says did not involve him.

He did not understand how his name was roped into the Kshs.791m saga, monies that Mr. Harakhe confirmed to have successfully reversed.

Their meeting with Mr. Harakhe was short and its subject matter covered fuel payments.

He also informed the Committee that Mr. Mugwanja was heading a reactive investigation which had pressure to obtain quick results and had attended meetings at Ms. Waiguru's office. He further stated that Mr. Mugwanja's investigations were led by the suspects, and not by the evidence, he involved Ms. Waiguru in the case screening stage which was part of the follow-up investigation

Due to public interest and huge amounts involved the case was complex and required dynamic investigations but Mr. Mugwanja only engaged one officer corporal Sautet Matipei. Sautet was involved on all steps up to the point of swearing affidavits on assets freezing. Mr. Sautet's main work was to hunt and link transactions that occurred differently based on similarities and proximity.

Mr. Mugwanja's investigation report had been relied on by the DPP to prefer charges on Mr. Gethi and also relied on by Madam Muthoni Kimani of Asset Recovery Agency (ARA) to link properties owned by Gethi's family and label them proceeds of crime.

Mr. Gethi's Advocate perused all documents and statements tabled in court by BFID on the NYS case that did not reveal the remotest connection to charges preferred against him. ARA also relied on Mr. Mugwanja's report and tabled financial analyses authored by Officer Sautet Matapei. The documents were fashioned to implicate Mr. Gethi and criminalize various properties as acquisitions from funds stolen from NYS.

He also informed the meeting that he had never sent anyone to credit funds in Farouk Kibet personal account. The allegations originated from the investigators and to date no evidence had been brought to that effect.

He confirmed to the Committee that he was doing business with NYS since in the financial year 2013/2014. Contract was awarded to Horizon Limited in November 2013.

When asked by the Committee about the relationship between himself and Mr. John Kago, he informed the meeting that Mr. Kago was an agent, buying property and vehicles. That he bought property for Mrs. Charity Wangoi who was Ben Gethi's mum. Mr. Kago was not a business partner but he provided funds through Horizon Ltd to support family business.

The Committee observed that the witness was evading questions asked by members.

He however requested to be granted another opportunity to be heard in Camera so as to present further information that could be helpful to the Committee in its investigation. The Committee considered and acceded to his request.

The witness re-appeared before the Committee on Tuesday, 11th October, 2016 at 10:00 a.m.

The committee however found his re-appearance unhelpful; the witness was not free and willing to disclose information sought even after having been granted the permission to have the meeting held in camera. He was asked to submit further information in written form should he have any; he did not.

3.1.27 Mrs. Alice Otwala, Secretary, Public Service Commission

Mrs. Otwala appeared before the Committee on Tuesday, 4th October, 2016 at 3.30 p.m to make submission on the employment and movement history of Mr. Adan Harakhe in the public service.

She submitted the history of employment as below;

1985 – 1992 -Teacher under the Teachers Service Commission

- 1992 – 1996 -District Officer Cadet, Job Group 'H' (initially appointed on temporary terms and later confirmed in appointment by the Commission)
- 1996 - 1997 -District Officer III, Job Group 'J'
- 1997 - 2000 -District Officer II, Job Group 'K'
- 2000 - 2006 -District Officer I, Job Group 'L'/'M' (upgrading)
- 2007 - 2007 -Senior District Officer Job Group 'N'
- 2007 – 2014 -District Commissioner II/Deputy County Commissioner II, Job Group 'P'
- 2014 – 2015 -Under Secretary, Job Group 'P'
- 2015 - To date -Deputy Secretary, Job Group 'Q'

On 3/7/014, the Principal Secretary for Interior declared Twenty Four (24) posts in the grade for Deputy Secretary, Job 'Q' for competitive filling. The posts were advertised on 17/11/2014 with closure on 8/12/2014; and on 25/3/2015, following interview, twenty nine (29) officers including Mr. Harakhe were appointed to the grade of Deputy Secretary, Job Group 'Q'.

On deployment in the Civil Service, Mr. Harakhe was moved to the postings listed hereunder;

- 1992 - 1997 - District Officer Cadet, Homa Bay District
- 1997 - 1998 - District Officer II, Siaya District
- 1998 - North Eastern Province (Provincial Commissioner's Office - Garissa)
- 1999 - Posted to Wargadud Division, Garissa District
- 2007 - Posted to Kipkelion District As District Commissioner II
- 2012 - Posted to Western Province as District Commissioner II/Deputy County Commissioner II, Bungoma East

November, 2014 - Posted to Ministry of Devolution and Planning as Under Secretary by the Administrator of the Scheme of Service for Administrative Officers. Under delegated powers (Job Group P and below), Administrators of Schemes of Service are empowered to deploy staff in the interest of the Service.

On Mr. Harakhe's history of disciplinary cases, Ms. Otwala submitted that disciplinary Control of officers at Job Group 'P' and below is delegated to Authorized Officers. However recommendation for dismissal and appeals lie with the Commission. Mr. Harakhe's cases were found to have been handled and finalized by the Authorized Officer without escalation to the Commission, as listed below;

- 1998 -Discontinuation of Administrative Officer's Paramilitary Course on grounds of misconduct and negligence, overstaying at home after being granted an off, consequently he was interdicted.
- May, 1998 -Interdiction was lifted.
- February, 1999-He was arrested and charged in a Court Law for storing petroleum products in premises not authorized and thereby interdicted. He was however acquitted in March, 1999.
- June, 1999 -Interdiction was again lifted.
- October, 2009-Issued with a letter for gross misconduct on account of misappropriation of Government funds amounting to Kshs.6,025,000 mean for resettlement of internally Displaced Persons (IDPs) in collusion with the District Accountant.
- July, 2010-Reported to have colluded with illegal loggers and timber dealers thus promoting destruction of Forests after being bribed. Consequently, his salary was stopped. He was however exonerated following investigations on the matter.
- October, 2014 -Cautionary letter by the County Commissioner, Bungoma for being absent without permission and insubordination; and
- October, 2015-Interdicted by the Director General, National Youth Service (NYS) for alleged involvement in misappropriation of public funds. Interim disciplinary measures such as interdiction and suspension are handled under delegated powers. The Commission noted the interdiction.

Mr. Harakhe along with other officers in the National Youth Service were still on interdiction pending further action by relevant institutions.

On the circumstances under which a hitherto non-existent position in the NYS scheme of service of Senior Deputy Director, was established, she submitted that the Scheme of Service and grading structure for NYS personnel provide for positions of Deputy Director (I) and (II) PG 13/Job Group R, PG 12/Job Group Q respectively. These positions have always existed. However, on 19/5/2015, the Principal Secretary requested the creation of the post of Senior Deputy Director NYS and appointment of Mr. Adan Gedo Harakhe, P/No. 1989061122, Deputy Secretary to the post. On 24/6/2015, the Commission reviewed the request and declined as the position did not exist in the establishment and grading of structure.

Subsequently on 10/7/2015, the Principal Secretary, Planning recommended the establishment of One (1) post of Deputy Director General, Administration and Operations PG/14/Job Group 'S'. This was intended to be additional to the existing position of Deputy Director General, Technical Programmes, PG/14/Job Group 'S' and appointment of Two (2) suitable officers. The Principal Secretary availed a list of Four (4) officers for the Commission to select from:-

1. Mr. Adan G. Harakhe, P/No. 1989061122, Deputy Secretary (Job Group Q) currently deployed as Deputy to Director General, NYS;
2. Ms Claire Chaddah Lwali, P/No. 1989077246, Senior Deputy Director NYS, (PG/12/Job Group Q);
3. Mr. Phillip Siongok Tanui, P/No.1978031813, Senior Deputy Director III NYS (PG/12/Job Group Q);
4. Ms. Felister Ndida Kinyati, P/No. 1978087327, Senior Deputy Director II NYS (PG/12/Job Group Q).

The Commission following a study and justification for the need of the post considered the Ministry's proposal on 15/7/2015 and made the following decisions:-

- i. Established One (1) post of Deputy Director General, Administration and Operations PG 14/Job Group 'S' in the Ministry of Devolution and Planning (National Youth Service);
- ii. Noted the existence of the vacant post of Deputy Director General, Technical Programmes, PG 14/Job Group 'S' in the same Department;
- iii. Declined the proposal that two posts be filled by two officers drawn from the list of four, forwarded by the Ministry, since the posts are competitive; and,
- iv. In view of (iii) above directed that the positions be advertised for competitive filling and instructed the Ministry to submit the indents.

Ms. Otwala submitted that an officer at this level would be responsible to the Director General of National Youth Service for efficient management and control of one of the functional Branches in the Department namely; Administration, Finance, Planning & Development, Operations and Logistics, Training and Research. Duties and responsibilities will include:-

Initiating policy formulation, coordination and implementation; performance management, monitoring and evaluation; financial control and reporting; human resource management and development, command and supervision of uniformed and non-uniformed staff; staff discipline; project planning and implementation; records management and inventory control; disaster and emergency response;

Public and state functions; supervision of Service Farms; overseeing Recruits Basic Training; postings, re-enlistment, discipline and welfare of servicemen and women; overseeing service transport operations, radio communications, public relations of the Service; and overseeing Research Force issues. An officer at this level may also be deployed as Commandant, NYS College.

On the circumstances and procedure under which Mr. Harakhe was transferred/deployed to the National Youth Service (NYS), she submitted that administrators of Scheme Service are empowered to transfer staff within the Schemes falling under their purview. Under this arrangement, Administrative Officers can be transferred between field service and central Government.

Mr. Adan Gedow Harakhe then Deputy County Commissioner II/District Commissioner II (Job Group P) was on 21.11.2014 transferred by the Principal Secretary from Ministry of Interior and Co-ordination of National Government to the Ministry of Devolution and Planning.

Following his promotion to Deputy Secretary, he was on 18/6/2015 recommended by the Central Human Resource Management Posting Committee for posting to the National Youth Service. This was approved by the Commission on 8.7.2015 in line with established procedure. The Posting did not target a single officer since it affected Twenty Three (23) officers. Thirteen (13) of them being Administrative Officers. Consequently, the Ministry deployed Mr. Harakhe, Deputy Secretary to the National Youth Service. The Committee acts under delegated powers.

Ms. Otwala concluded that the Commission acted solely within the confines of its mandate and is not aware of "a well-orchestrated scheme to systematically transfer Mr. Harakhe to the NYS as Senior Deputy Director General, NYS for irregular reasons. Mr. Harakhe's substantive designation is and remains Deputy Secretary, Job Group 'Q'.

3.1.28 Eng. Silas Kinoti, Ag. Director General, Kenya Urban Roads Authority

Eng. Silas Kinoti, the Ag. Director General, Kenya Urban Roads Authority (KURA) appeared before the Committee on Tuesday, 4th October, 2016 at 5.30 p.m. and submitted as follows, on the authority's role in supervising the 3.5 km road in Kibera;

On the proficiency of contractors procured by the NYS, The National Youth Service was solely responsible for the sourcing and procurement/purchase of construction materials as well as provision of labour for the works. At no stage was KURA involved in the procurement process for materials, Contractors or Sub-Contractors or any other Service providers contracted by

the NYS for purposes of construction of Kibera Access Road and neither did KURA recommend any suppliers of construction materials. This was not part of KURA's mandate. From the foregoing therefore, KURA could not guarantee the proficiency or quality of the contractors procured by the NYS.

Implementation of the project was by force account where materials were procured by the NYS and delivered to site based on the schedules of dry materials prepared by KURA and sent to NYS. Schedule of dry materials is used in situation where the implementing agency (NYS) does not factor overheads and profits to its implementation cost. KURA was, however, not party to verification of quantities of materials delivered to site.

A team of Engineers and Surveyors from KURA in liaison with staff from Materials Department of Ministry of Transport, Infrastructure, Housing and Urban Development would oversee and monitor construction progress of the works and subsequently prepare Monthly progress reports on the status of the Roads project. The works were suspended before completion and as such no Completion certificate was issued.

With regard to the quality of materials delivered to site and the works, KURA liaised with the Materials and Transport Department (MTRD) of the Ministry of Transport, Infrastructure, Housing and Urban Development to ensure that the materials and the executed works complied with the specifications. All the materials delivered to site and completed works were tested and found to meet all the specifications as set.

In conclusion, he submitted that as a Government agency mandated to design, improve and maintain roads in Urban Centre's, he wished to clarify the specific role played by KURA in the improvement to bitumen standards of Kibera Access Roads:-

- i. KURA's mandate was to provide Designs and Schedules of Dry Materials required for the construction of the road to the NYS for sourcing and procurement of the same. In addition NYS was mandated to prepare the cost of the works based on the schedule of dry materials provided by KURA. Reference is made to the letter Ref. No. MLHUD/DH/SUD/8/7/5(37) dated 30th September, 2014 from the Ministry of Lands, Housing and Urban Development.
- ii. To provide Technical Expertise in design and supervision of Construction works. KURA designed and prepared Engineering design reports which were presented to the NYS through the Principal Secretary, State Department of Planning vide letter Ref No. KURA/TECH/9/1.Vol 4(132) dated 31st March, 2015. With regard to supervision, a team of Engineers and Surveyors from KURA would

oversee construction of the works and subsequently prepare Monthly progress reports on the status of the roads.

- iii. Quality Control - KURA liaised with the Materials and Transport Research Department (MTRD) of the Ministry of Transport and Infrastructure to ensure that the works complied with the specifications. To this end, a letter was written to the Chief Engineer Materials to appoint and second a Materials team for quality assurance for the works. Subsequently tests were carried out regularly by the team from MTRD and reports on the same provided to KURA and NYS.

3.1.29 Mr. Ndegwa Muhoro, Directorate of Criminal Investigations

Mr. Muhoro appeared before the Committee on Wednesday, 5th October, 2016 at 10.30 a.m. and submitted as follows;

The investigations into the NYS scandal was instituted pursuant to a letter from the then CS Ministry of Devolution and Planning, Ms. Ann Waiguru. The letter referenced MDP/3/1/81 dated 5th June 2015 was addressed to the Director of Criminal Investigations regarding irregular transactions on the IFMIS of the National Youth Service.

The letter raised allegations regarding irregular and fraudulent commitments and approval of sums of money exceeding Kshs. 800,000,000/- (eight hundred million) using stolen identity of the approver (AIE Holder Mr. Harakhe).

On receipt of the said letter, Mr. Muhoro submitted that he immediately assigned Mr. Joseph K. Mugwanja, then the Head of the Banking Fraud Investigations Unit (BFIU) to commence investigations into the allegations. He then proceeded to form a team comprising of officers from BFIU and Cyber-crimes.

The team proceeded to NYS Headquarters where they interviewed Mr. Adan Harakhe, (the then AIE holder) regarding 21 irregular commitments amounting to Kshs. 828,000,000 made in the IFMIS system from NYS supplementary Budget of 3.5 billion. Mr. Harakhe reported that someone had used his user name and password in the system without his authority. The commitments made had been irregularly requested by a NYS procurement staff namely Regina Mungai.

The investigation team seized the computers of six users who were suspected to have accessed the IFMIS system including that one of the AIE holder Mr. Adan Harakhe. The team recorded statements from various staff

of NYS and recovered IFMIS system print outs of 20th and 21st May, 2015 which indicated that there was commitment for the item on civil works and infrastructure which were to be financed from supplementary budget.

In the course of investigations, six companies, which were to benefit from the 18 transactions, were identified from the IFMIS system printouts. They were; Form Home Builders, Reinforced Concrete Technologies, Roof and All Trading, Draco Capital, Tegmen Trading and Grummium Engineers

Investigation carried out established that three transaction numbers; 4632, 4633 and 4636 amounting to Kshs. 172,500,000 for supply of; fogging materials, motorized knapsack sprayer and boom sprayer had been adjudicated by the Ministerial Tender Committee [MTC] and awarded to the three suppliers. It also emerged that other disputed 18 transactions with reference numbers between 4507 and 4531 amounting to Kshs. 695,400,000 had not been tabled before the MTC.

The Director of IFMIS was requested to avail an audit trail report from IFMIS. He provided report, which indicated that the 18 transactions were committed by Ms. Regina Nyambura Mungai and allegedly approved by Adan Harakhe. The amounts to be paid to each of the six companies were indicated in the IFMIS system report.

Investigators recovered copies of LPOs (quadruplicate) against the 18 transactions, which revealed that the amount in the IFMIS report was different from the one on the LPOs (quadruplicate). A digit zero had been introduced fraudulently at the end of the amount figures to inflate the total amount against each transaction number. Further investigations with the Registrar of Company revealed the ownership of the Companies.

Mr. Muhoro further submitted that investigations established that on 15th May 2015 other commitments had been made in the IFMIS against three transaction numbers 4409, 4410 and 4472;

- a) The LPOs (quadruplicate) book copies for NO.4410 was Kshs. 2,085,000/; while the IFMIS amount was Kshs. 20,850,000.
- b) The LPO book copy for No.4472 was Kshs. 2,475,000 while the amount in the IFMIS was Kshs. 24,750,000.
- c) The LPO book copy for No. 4409 could not be traced but the IFMIS amount was Kshs. 24,080,000.

The total commitment for these three transaction numbers was Kshs. 69,680,000.00

The Director of IFMIS provided an audit report in respect of these three transaction numbers, which showed that the requisitions were made by Ms. Regina Nyambura Mungai and approved by Mr. Samuel Wechenje the NYS

Director of finance. The three commitments were in favour of Ms. Josephine Kabura Irungu's company namely Form Homes Builders.

Investigations did not find any evidence that road construction and building materials had been supplied by the six merchants to NYS. It further confirmed fraudulent introduction of zeros to the IFMIS amounts, suggesting a conspiracy to commit a felony of stealing Kshs. 695,400,000 and 69,680,000/ respectively and attempted stealing of the same amounts.

On further Investigations on previous payments of Kshs. 791,385,000.00, the witness submitted that further analysis of printouts from NYS Accounts Department and CBK G-pay system established that previous payments amounting to Kshs. 791,385,000 had been made by NYS to Josephine Kabura Irungu's three companies as follows;

- a) Form Homes Builders Kshs. 218,925,000
- b) Reinforced Concrete Technologies Kshs. 320,160,000
- c) Roof and ALL Trading Kshs. 252,300,000

Total paid out was Kshs. 791,385,000.

The investigation team recovered further LPO book copies in respect of the above transactions vis-à-vis IFMIS audit trail report that revealed the same modus operandi of inflating the total amounts payable to the companies by introducing zero in the amount on each transaction.

The investigating team traced the amounts to beneficiary accounts all domiciled at Family Bank KTDA Branch where the Kshs. 791,385,000/ had been transmitted via the G-pay system.

The team recovered bank records which confirmed that payments were made to companies accounts opened by Josephine Kabura and that funds withdrawn or transferred to other persons and companies.

Mr. Muhoro submitted that the Directorate carried out an analysis of the money transfers by Ms. Kabura from one bank account to another and tabulated a chart and a table indicating details of how the fraudulently acquired funds from NYS were laundered. The three stages of money laundering, that is, placement, layering and integration were complete. Josephine Kabura Irungu was the sole signatory of the three bank accounts of the said three companies.

In the course of investigation, 25 payment vouchers with invoices, delivery notes, inspection and acceptance certificates, triplicate LPO's requisition and counter receipts and a copy of a forged Supply Branch circular all which were used to process the payment totaling Kshs.791,385,000 were obtained from the Principal Secretary Ministry of Devolution and Planning, Eng. Peter Mangiti. Addition of zeros was also evident on the duplicate and

triplicate LPOs, delivery notes and invoices in respect of the quantity, units and amount columns.

Financial documents analysed by a handwriting expert

The payment vouchers with the supporting documents, the book copies of LPOS, the duplicate LPOS from the stores and other exhibits were submitted to the Document Examiner who confirmed vide his report forgery involving the introduction of zero on each transaction amount. He further identified the culprit to this forgery to be Regina Mungai.

Expert report by IFMIS Consultant and Bills of Quantities from the Ministry of Roads

Two expert reports were requested for and provided by the investigations team. One of the reports from the IFMIS Consultants confirmed that Regina Mungai made the commitment. The other report was from Ministry of Works, Road Engineer and Quantity Surveyor in respect of the total value of materials used which they estimated at Kshs. 78,857,835.

On conclusion of investigation it was established that, the payment of Kshs.791, 385,000 was fraudulent due to the following reasons:

- a. The circular from the Supplies Branch was forged as per the statement of the Director of Supplies Branch Arch. Wesley Mokuu Nyariki.
- b. The payment was not adjudicated by the Ministerial Tender Committee [MTC] as required,
- c. There was fraudulent introduction of zeros on LPOs and other documents used to process the payment,
- d. The materials supplied were excavated by NYS personnel at the quarry, loaded by NYS excavators to their trucks and transported to Kibera Road Construction Site by the same trucks. There was no input of the suppliers to this extent.

On conclusion of this set of investigations, the investigators recommended the charging of several persons.

The following were the preferred charges:

- a. Stealing C/Sec. 268(i) as read with Sec. 275 of the penal code with respect to Kshs. 791,385,000;
- b. Conspiracy to defraud C/Sec. 317 of the penal code; and
- c. Engaging in Criminal Activity C/Sec. as read with Section 4(1) of the prevention of organized Crime Act 2010

On completion of investigations, the police file was forwarded to the DPP for advice who recommended that the suspects be charged as recommended by the investigating officers. The suspects were subsequently charged vide CR

113/196/2015 CF 1905/2015 as the predicate file involving theft of Kshs. 791,385,000.

Concurrent with the above investigation, the investigation team opened a parallel investigation on financial focusing on money trail and identification of proceeds of crime and the persons involved. The investigation led to tracing of properties which were then placed, on prohibition against transfers or dealings in any manner.

Mr. Muhoro submitted a list of those charged before court as well as the accounts traced and frozen. He submitted that director, Asset Recovery Agency was also incorporated and has since commenced forfeiture proceedings in the High Court.

Another file focusing on the roles of Family Bank and its staff deemed to have acted in violation of Proceeds of Crime and Anti-money Act has been completed and forwarded to DPP.

Details of other on-going investigations into other companies which received payments from NYS

Mr. Muhoro further submitted that they had also launched investigations into 21 other companies over suspected fraudulent payments amounting to Kshs. 999,291,824.

This investigation regards some 8 companies purported to have had tenders that were allegedly adjudicated by MTC with a total receipt of Kshs. 107,868,210. The investigations were at an advanced stage with files waiting to be forwarded to the DPP. The companies involved are the following.

a. Learning Gate Trading	- Kshs. 15,920,050.
b. Classroom Technology	- Kshs. 21,933,800/-
c. Braincraft Trading	- Kshs. 11,891,500/-
d. Examatrix Solutions	- Kshs. 7,939,750/-
e. Ambition Learning Equipment	- Kshs. 5,989,600/-
f. Smart Board Learning Equipment	- Kshs. 23,852,530/-
g. Mindful Learning Equipment	- Kshs. 1,892,100/-
h. New Tool Mart Trading	- Kshs. 18,448,880/-

Total Kshs. 107,868,210/-

These funds were paid between periods running from 9th December 2014 to 19th December 2014 and all were channelled through the eight company accounts held at Family Bank KTDA Branch with the sole signatory being Josephine Kabura Irungu. The payments were supported by fake MTC minutes apparently produced by the claimant to support the fraudulent payments.

Genuine MTC minutes and the payment vouchers for all the eight companies had been recovered and kept as exhibits.

Actions taken to verify the allegations against Mr. Joseph K. Mugwanja

An Inquiry File No 77/2016 was opened with allegations as raised by Josephine Kabura being investigated. The file had been forwarding to the DPP for advice and directions after conclusion of the investigations.

3.1.30 Japhter Kiplimo Rugut, EBS, the then Director General, NYS

Mr. Japhter Rugut appeared before the Committee on Thursday, 6th October, 2016 at 3.00 p.m. He was the Director General NYS from March 2013 to May 2014. He is currently the CEO Anti-doping Agency of Kenya. He submitted as follows;

The decision to restructure NYS was an on-going concern from the year 2012, and perhaps even earlier. A document dated July, 2012 indicated an internal effort to review the operations of the National Youth Service, take over an expanded and enriched mandate, and make the service more versatile so as to contribute to the attainment of the Kenya Vision 2030.

He was appointed the Director General, National Youth Service in February 2013, but could not leave his previous station as Provincial Commissioner, Central Province immediately because of the General Elections at the beginning of March, 2013. He, therefore, only took over his new position during the third week of March, 2013.

On taking over the stewardship of the Service, he immediately embraced the expressed aims of the Institution, including realigning it to the desire to expand its mandate and also embrace the youth agenda as expressed in the manifesto of the new Government.

In May 2013, he prepared a brief on the capacity, challenges and prospects of the National Youth Service which he shared internally with officers of the Service, as well as with the leadership of the Ministry of Devolution and Planning.

In the month of June 2016, he caused the production of another document on the terms and conditions of service for Uniformed Officers of the National Youth Service. This was also shared internally with the officers of the Service, and on a subsequent date, with the Salaries and Remuneration Commission.

Another document, dated August 2013 outlined the Proposed Projects for the NYS, and was a testimony of internal efforts at Institutional reorganization to bring the service to speed with the changing circumstances.

An effort was also made to re-visit the proposed Bill – The National Youth Service Bill, 2011 which was at that time still in draft form. The view was that the on-going efforts at restructuring should be anchored in law.

In the course of these internal attempts at restructuring, he received instructions, communicated during a meeting in which he was in attendance in the month of November that the National Youth Service be Restructured, Rebranded and Relunched, to be in line with the new vision, as contained in the documents referred to above, which were essentially internal efforts at the National Youth Service.

Towards this end, he was to work with Hon. Abdikadir Mohamed, Senior Legal Advisor, Legal and Legislative Affairs, State House. Hon. Abdikadir Mohamed crafted a team while he selected a small group from the National Youth Service, which together worked through the month of November and December 2013 and produced the document. In his view, the document was best placed to take the National Youth Service to the next level. His team submitted the document to the office of the Senior Adviser, Legal and Legislative Affairs. He was to gather later that the latter was fairly busy with the Parastatal Reform Programme in the month of January 2014.

While the above was going on, he received instructions from the Cabinet Secretary, then in Charge of Devolution and Planning, to involve a Consultant, the Consulting House, in the Restructuring of National Youth Service. This request did not emanate from a procurement need within the Institution, since for NYS intents and purposes, the perception towards restructuring were captured in the document referred to earlier. A critique and evaluation of the document would have probably revealed the gaps, and therefor the need to engage a Consultant.

A Consultancy team, representing the Consulting House, presented itself to his office at the National Youth Service Headquarters, Ruaraka, at the end of January. Because of the pressure and obvious urgency with which matter was being directed to his office, he sought the counsel and advice of the Principal Secretary, State Department of Planning, Eng. Peter Mangiti. The Principal Secretary advised him to raise the issue vide a memo.

He proceeded to write an Internal Memo Ref. NYS/PROC/4/1/(36) dated 3rd February, 2014.

In the memo, he was careful to include all the provisions that would allow the National Youth Service as a procuring entity, to do so without flouting the procurement regulations since this was taking the form of single-sourcing of a service.

The Consulting House subsequently provided an originating Note and a Technical Proposal and from this, the Terms of Reference for the Consultancy was formulated. A proposed price schedule was attached.

The first document produced after the interaction between the team of Consultants, and the Officers of the National Youth Service (who were under strict instructions to cooperate) was produced on 15th February, 2014 and shared both internally and with the political leadership at the National level.

It was important to note that the feedback to their own document which NYS had submitted earlier was received back at the Ministry Headquarters from the Chief of Staff and Head of Public Service on 24th March, 2014 and marked to him (Rugut) for discussion by the Principal Secretary on 26th March 2014. By then, the events triggered by the Consultancy were already taking a totally different direction, and it was no longer possible to apply the earlier document.

The final document apparently is what was rolled out on 19th May 2015, as the Five-Point Vision of the National Youth Service. This was one week after he had left the Service.

He pointed out that as visualized internally at the National Youth Service, the process of restructuring of the Service was meant to be phased, and a long term growth plan. By then, when the documents were being developed, the Service was in the middle of the financial year 2013/14. A procurement plan for the Financial Year (FY) following (2014/15) would need to have been developed in June/July at the turn-over of the budget cycle and especially if the restructuring was approved and rolled out as it eventually was. He had left before this was done.

However, he recalled chairing a number of meetings with Sectional and Departmental Heads in the period between January and April 2014 where they examined the internal capacity of the National Youth Service, and what needed to be done to enhance that capacity in order to cope with the new expectations from the expanded mandate and challenges raised by the new roles National Youth Service was expected to play. Unfortunately, he did not have access to documents developed from those meetings, though he was aware minutes and reports were done.

He left the National Youth Service before the restructuring process had its final approval. There was still need as at that time to work out details of how the restructuring would be done, and so to speak, even induct the NYS officers on the changes and what it would mean to the Institution.

That did not happen. One week after his exit from the Service, the restructuring plan was launched. If any adjustments to the Structural Capacity at National Youth Service were put in place, he was not aware.

In the course of over twenty five (25) years in the Public Service, he had known transfers and redeployment to be normal and sometimes part of the growth of an individual within the service. He had personally moved at least fifteen times, to different locations within the country in the course of duty.

All the movements in the Public Service should be conducted in a dignified manner and with respect to the rights of the officer involved unless on disciplinary grounds. He received notice of his impending transfer on Friday 9th May 2014, at about 6.00 pm from the Principal Secretary, State Department of Planning. He was in the middle of preparations to host the Chinese Prime Minister who was set to visit the National Youth Service on Sunday 11th May, in the morning.

He had just finished discussions with the Chinese Ambassador who had visited the National Youth Service to finalize the internal programme for the Premier's visit. In fact the message of the redeployment came as he was preparing to see the Principal Secretary, to guide on the Government dignitary who would receive the Premier at the National Youth Service.

He was concerned about what would become with the State function. The Principal Secretary was of the view that he should continue and finish with the preparations, then he would be given his posting letter on the following Monday 12th May 2014. Arrangements were made for the Premier to go to the National Youth Service Headquarters at Ruaraka on Saturday 10th May for a dress rehearsal and brief of the reception process. The Premier arrived at 2.00 pm, but while undertaking the rehearsal, there seemed to have occurred other developments.

The incoming Director General arrived at the site of the reception for a similar brief and rehearsal, indicating that he was under instructions to preside over the event. He took over the office on the morning of Sunday 11th May, and was introduced to the officers and staff in his absence. Rugut got his letter on Monday 12th May 2014 at about 9.00 am when there was already a new Director General in the office.

He however, did accomplish the handing over process of an enormous institution which had taken me a week to take-over, within the same Monday morning.

Mr. Rugut tabled thirteen various appendices as supporting documentation for his submission.

3.1.31 Ms. Ibukun Odegbaike, CEO, Guaranty Trust Bank

Ms. Ibukun Odegbaike appeared before the Committee on Monday 10th October, 2016 at 4.00 p.m. The witness requested for the session to be held in camera since information they were to table was confidential as protected by the CBK Prudential Guidelines. The Committee accepted the request after determining the information to be tabled was not in the public domain and touched on several clients of the bank.

3.1.32 Mr. Martin Muthomi Gitonga, Managing Partner, M.M. Gitonga Advocates

Mr. Martin Muthomi Gitonga, Managing Partner, M.M. Gitonga Advocates appeared before the Committee on Thursday 13th October, 2016 at 2.30 p.m. and submitted on oath as follows;

He was happy for the opportunity to clarify his role in the NYS matter. The media had hitherto been unforgiving in misreporting claims against the law firm. His client's identity was paramount and requested camera session to disclose the client's name.

He joined the bar in 2013 after graduating from the university in 2010 and had been working hard to build his firm.

He had neither been charged in a court of law as had been reported in the media, nor had his assets been frozen.

The firm never received any funds whatsoever from the NYS or the Ministry of Devolution and Planning for services rendered or otherwise. Furthermore, the firm had not received any funds from any of the affected companies said to have irregularly obtained funds from the NYS.

The firm was never involved in the laundering of illicit funds from the NYS. The governing law, Proceeds of Crime and Anti-money Laundering Act, Chapter 59 (b) of the Laws of Kenya clearly defined what money laundering entails.

Section 3 of the Act stated inter alia that a person must know or ought to reasonably have known that property is or forms part of the proceeds of crime.

Section 7 of the Act stated inter alia that a person commits an offence where the person knowingly transports, transmits, transfers or receives a monetary instrument or anything of value to another person with intent to commit an offence.

Furthermore, Section 2 of the Act defined institutions who reporting responsibility rests with. Advocates or law firms were not one of the designated reporting agencies. Section 45 of the Act provided for the obligation to verify a customer's identity, and provided for reasonable measures to establish the said identity. These measures included obtaining the customer's national identity card and certificate of incorporation or registration certificate.

On or about March 2015 a local mobile telecommunication company well known to the firm approached the firm to act for it in a deal where an investor was to buy 380,000 shares of the company, representing 10% stake, at Kshs.157,500,000.00. The company owns Tangaza, a mobile money transfer service and their valuation was based on their own self-assessment.

The investment amount was then reduced by half to Kshs.78,750,000.00 for 5% stake of the company.

At this stage, the investor's agent, a Mr. John Kago transferred Kshs. 78,000,000.00 to the firm's account held with Prime Bank Limited. The firm was to hold the funds pending conclusion of the deal, giving the company confidence of the investor's capacity to meet their part of the deal.

The mobile firm then submitted confidential information and trade secrets to the investor for purposes of due diligence.

Unfortunately the investor was not satisfied with the results of its due diligence, particularly the company structure, and intellectual property ownership thereof. The deal then fell through.

In the circumstances, the firm was duty bound to refund the money to the investor. On negotiation, it was verbally agreed that the firm would retain Kshs. 400,000.00 for its services.

On or about 3rd June 2015, the investor's agent Mr. John Kago instructed the firm to refund the funds less the retainer of Kshs. 400,000.00.

The instructions were to transfer Kshs. 30 million to Faulu Kenya DTM Limited account no. 08201550007, another Kshs. 30 million to Faulu Kenya Limited account at Cooperative Bank of Kenya, and Kshs. 17.6 million to Old Mutual Money Market Fund account no. 1102369705 at Kenya Commercial Bank Limited.

On or about 4th June 2015 the firm remitted the funds. The firm then had no further dealings with Mr. John Kago. He had never met Mr. John Kago and has not met him yet.

He had known the telecommunication company for a while through a high profile mutual friend and therefore gained their confidence over time. In fact, their offices had shared a building before.

The firm's accounts were frozen three months later because investigations linked companies or individuals that may have handled the funds. When investigators retrieved Mr. John Kago's statements, they found the transaction linking the firm with the individual.

Investigators then rushed to court without asking the client the circumstances. He did not challenge the freezing in court because he did not want the negative publicity that would have come with it. Moreover, the account did not have client's funds.

Mr. John Kago entrusted him with the funds without prior meeting because he was introduced by the company. Moreover, the selling company would only have been more confident of the deal if the funds were with a firm he knew and trusted.

The law firm did not prepare the agreement, which looked lay, but was still an enforceable legal agreement. He gave the advice to the client, who had however already generally agreed with the investor.

His letter to Mr. John Kago confirming transmission of funds was done on 27th August 2015, more than two months after the fact because he was in the process of setting up the firm and was putting his records in order.

3.1.33 Mr. Patrick Onyango Ogola, Managing Partner, Ogola & Co. Advocates (now Ogola & Mujera Advocates)

Mr. Patrick Ogola appeared before the Committee on Monday 17th October, 2016 at 3.00 p.m. to respond to the following two issues directed at him;

- i. His role in the conveyancing transaction for the purchase of property L.R. Number 21/1/97 in Rosslyn Estate Nairobi by Charity Wangui Gethi; and
 - ii. The ownership of Motor Vehicle Registration Number KCB 750Z.
- He submitted as follows;

He met Mr. Benson Gethi in the year 2013; while was acting for the Vendor who was selling two Apartments located along Forest Road in Nairobi. Mr. Gethi's sister was buying one of the units and he accompanied her to the advocate's office to help her negotiate legal fees with him.

The transaction was concluded in about four weeks and Mr. Gethi accompanied his sister to come pick up their Title. He said he was happy with lawyer's services and promised to send more work in the future.

On or about 16th March 2015, he received a call from Mr. Benson Gethi who instructed him to act for his mother Ms. Charity Gethi in the purchase of a property known as L.R. Number 21/1/97 in Rosslyn Estate Nairobi that was being sold for the sum of KShs. 60,000,000.00.

He was advised that Messrs. Michael, Daud & Associates would act as the Vendor's advocates in this transaction and informed him that the purchase price; stamp duty and all firm's costs would be transferred by one of his business associates.

Mr. Ogola provided the Vendor with his firm's Bank Account details for the purpose of the afore-stated transaction, being an account at K-Rep Bank Ltd (now Sidian Bank Ltd) and on or about 16th March 2015, he received a sum of Kshs. 40,000,000 from Mr. John Kago and a further sum of Kshs. 23,513,000 on or about 17th March 2015. This made for a total sum of KShs. 63,513,000 which was the total sum required to complete the transaction.

On or about 16th March 2015, he contacted Ms. Glinis Kigera, an Advocate then practising in the firm of Michael Daud & Associates who were acting for the Vendor.

They exchanged correspondence and proceeded to commence the sale transaction for the property. He prepared the Sale Agreement and the Transfer for the property and forwarded the same to the said firm of advocates for their approval. He also confirmed to them that he was holding the purchase price for the property on behalf of the buyer.

The said advocates advised him that their client lived in Tanzania and they would advise on a date on which he would be in Kenya to conclude negotiations and execute the transaction documents.

In the interim he had done a search and found that the property was charged to Transnational Bank. Michael Daud & Associates proceeded to engage with the bank to procure the release of the titles to facilitate the sale.

He was later contacted by Mr. Gethi, who informed him that the Vendor was in the country to conclude the property transaction. He explained that he was away in Mombasa on personal business circumstances and the meeting was conducted in my absence.

Mr. Gethi called him thereafter and advised him that due to the urgency and inflexibility of the Vendor; he had decided to engage the firm of Michael

Daud & Associates to take over from him; and they would act for both parties in the transaction.

He had already paid the sum of Kshs. 12,000,000 as a deposit so Mr. Ogola should send the sum of KShs. 50,400,000 to Michael Daud & Associates and send the Kshs. 12,000,000.00 to an account at Faulu Kenya Limited.

The Sale Agreement and Transfer documents that he had prepared were discarded and a fresh set of transaction documents prepared by Michael Daud & Associates. He was however instructed to monitor the transaction to its conclusion and he promised to send me other transactions to handle.

He followed up the transaction with Michael Daud & Associates and was provided with written confirmation that the transaction was concluded and property had been transferred to Ms. Charity Wangui Gethi.

On or about 20th May 2015, he received a call from Mr. Gethi in which he advised him that he wished to purchase another property. Just as before, the purchase price would be transferred to his client account by his business associate, Mr. Kago and more details would follow.

He received KShs 40,000,000 from Mr. Kago and Ksh 10,000,000 from a company known as Good Luck Twenty Enterprises, which Mr. Kago advised was his Company.

On or about 27th May 2015, he received a call from Mr. Gethi who advised him that the property transaction had 'fallen through' and he would advise him as to where to send the money.

He later received the relevant account details from Mr. Kago and duly forwarded the money to accounts at Old Mutual Money Market Fund and Faulu Kenya DTM Limited.

The circumstances of his handling these monies were solely in his capacity as a conveyancing Advocate.

Handling, holding and transferring large sums of money on behalf of clients was an integral part of a conveyancing practice. His law firm handled property transactions for numerous clients who include listed companies, banks, multi-national corporations, foreign embassies and individuals.

He maintained and operated a Client Account for purposes of handling client transactions and provided supporting documentation for each and every transfer to his Bank as per the requirements of the law.

He was not a registered supplier at NYS; and had never received any payments from NYS. He had never handled any money from NYS.

Mr. John Kagō, who sent him the money, had not been charged with stealing any money from NYS.

He had read through the Special Report prepared by the Auditor General and had noted that Good Luck Twenty Limited who sent him Kshs. 10,000,000 were not listed as suppliers who received suspicious payment.

He was therefore at a complete loss as to how the monies sent to his account and paid out in the regular course of his business were tied to monies suspected to have been stolen at NYS.

On the ownership of motor vehicle Range Rover registration number KCB 750Z;

There had been quite a bit of publicity relating to Motor Vehicle Registration Number KCB 750Z. The circumstances under which the motor vehicle came to be registered in his name were as follows:

In the course of the above mentioned transactions Mr. Ben Gethi and Mr. John Kago made a number of visits to his offices. He escorted them to the parking lot on several occasions and noted that they always drove high-end motor vehicles.

Upon inquiry Mr. Kago informed me that he ran a business renting out high-end vehicles. The business cycle was such that he would keep the cars for 2-3 years then sell them so that he could purchase a newer model.

Our discussion regarding the vehicles culminated in his offer to sell to me one of his vehicles being, Motor Vehicle Registration Number KCB 750Z, a Range Rover which would be up for sale in about 18 months.

They entered into a Sale Agreement with Mr. Kago for the purchase of the said Motor Vehicle and also signed a Transfer which was held by Mr. Kago.

A term of the Sale Agreement that Mr. Kago would grant him the period of 18 months to raise the purchase price for the Motor Vehicle during which time he would maintain ownership and possession of the said Motor Vehicle.

He had not paid any money towards the purchase of Motor Vehicle Registration Number KCB 750Z and the car was not yet his.

He did not know the circumstances under which the transfer forms for Motor Vehicle Registration Number KCB 750Z came to be submitted for registration and could only speculate that this was done to pressure him not to back out of the transaction

The ownership of this motor vehicle has been confirmed in an Affidavit sworn by Mr. Kago in response to the Asset Recovery Agency's Application in HC Misc. Civ. Application 524 of 2015 - Mlmani and the DPP in its

response to Applications filed by his firm seeking the opening of its Bank Accounts, being HC Misc. Crim. Applications 133 of 2016, 134 of 2016 & 135 of 2016 – Milimani, has acknowledged that he did not have possession of the said vehicle.

He further stated that the circumstances surrounding this transaction were actually freely volunteered by him to the Investigators and the Sale Agreement freely provided. He also had explained to the Investigators that the Traffic Act recognized that for vehicles; unlike land or other fixed assets; the name on the log book is only *prima facie* evidence of ownership.

Section 8 of the Traffic Act which states that:

“The person in whose name a vehicle is registered shall, unless the contrary is proved, be deemed to be the owner of the vehicle”.

After offering this explanation he was allowed to leave and wait to be contacted if any further clarification was required.

On 27th November 2015 he received call from CPL Sautet informing him that he had obtained a Court Order and that he required him to surrender the Motor Vehicle to the nearest Police Station. CPL Sautet said that he was sure that Mr. Ogola was hiding the Motor Vehicle and that he had directed the Police Flying Squad to shoot him if they found me with the car.

The witness submitted further information on the conduct of investigations as below;

Over the last 1 year he had been subjected to investigations by the Banking Fraud Investigation Department. He was harassed, intimidated, threatened and finally openly told that he would need to bribe them to secure a report clearing me of any wrong doing. He refused to do so and he believed that it was solely for this reason that he was named as suspect in the matter and had been charged with the offence of Money Laundering.

Several affidavits had been sworn by CPL Sautet making damning allegations against him without providing any supporting evidence. These affidavits were leaked to the press and on social media; but never served on him.

Three of his bank accounts and one other account belonging to one of his clients had been frozen irregularly and despite his offering explanation and supporting documentation for every transaction that he had been asked about; and despite that incontrovertible fact that the Kshs. 103 Million that He received in Sidian Bank was all paid out in the course of transactions; these accounts remain frozen to date.

Because he refused offer a bribe, He had been subjected to public humiliation; He had been labelled a money launderer. His name had been maligned in the media.

He was once summoned to the Kenya Revenue Authority for investigation. He provided the Kenya Revenue Authority with all the information and documentation that they required and they advised him that they would contact him if they needed anything else.

He recalled on one particular day when he was summoned to the Banking Fraud Investigation Department in the morning; the Anti-Terrorism Agency at noon and KRA in the afternoon.

When he realized that he was under threat of arrest, he sought the intervention of the High Court and made an application for Judicial Review. He obtained an interim injunction barring his arrest but then several other persons who had also been listed applied to be enjoined to his case weakening it. The case was argued in the absence of his Lead Counsel who had requested for a 1 week adjournment and judgment delivered overturning his injunction.

He was finally charged with four counts of money laundering: two counts relating to the transactions explained above, and two other counts relating to monies and transactions that he was a complete stranger to.

He was aware that there were allegations of misconduct made against the investigation team that was headed by a Mr. Mugwanja; that this team was disbanded and that a Multi-Agency Team was then set up to take over and re-investigate.

He was also aware that this Multi-Agency Team did conclude its investigation in relation to himself and that they made fresh recommendations to the Director of Public Prosecution.

He had through his lawyers written several letters to the office the Director of Public Prosecution requesting that they re-look at the facts evidence and recommendations made by the Multi-Agency Task Force; rather than continue to frustrate his business and subject him to an extremely malicious prosecution.

None of his petitions had been responded to and his letters had been ignored.

3.1.34 Samuel Mdanyi Wachenje, former Director Finance, National Youth Service

Mr. Wachenje appeared before the Committee on Tuesday, 18th October, 2016 at 10:00 a.m. and submitted as follows;

During the year 2014 the Government of Kenya came up with a policy to entrench affirmative action. This was meant to empower the youth, women and the disabled through access to thirty percent (30%) of Government Procurement Opportunities (AGPO).

The Youth aspect, of the policy was implemented through the Ministry of Devolution and Planning and in particular the NYS. To achieve the desired effects the NYS was to be restructured such that the recruitment of volunteer Youth was enhanced from 4,000 to 21,870 recruits annually. This required an overhaul of the materials, food, shelter and other services required to sustain this huge increase in numbers.

The NYS budget was thus increased to enhance and achieve the above policy which was being implemented, as follows;

(a)	2013 - 2014	-	Kshs.13,053,202,443
(b)	2014 - 2015	-	Kshs.22,803,431,222

On the Procurement of materials worth Kshs.222,122,919.00 from the Ministry of Public Works Supplies Branch, the NYS placed orders through form works S12 to the Ministry of Public Works, Supplies Branch to supply it with various items to be used by the recruits and community youths involved in youth empowerment programmes. The goods/materials were supplied and payment effected.

The procurement of goods/services worth Kshs.609,252,761.60 was to procure training materials for the trainees in the service, uniforms, foodstuff and branding the new look NYS. These were procured through prequalified companies with the Ministry of Public Works Supplies Branch. These suppliers had term contracts with the Supplies Branch.

Local Purchase Orders (LPOs) were raised by the Supplies Chain Department at NYS. The goods were supplied, acknowledgement of the same was done by the issuance of departmental inspection and acceptance committee certificates.

Payment was then accordingly made on the strength of the contract documents, LPOs, delivery notes, invoices, acceptance and inspection certificate duly signed and certification by the head of supplies chain management that the goods had been received as per the given specifications.

Mr. Wachenje said that the payment of Kshs. 360,315,000 to permanent staff was for food rations to those members of staff who were supervising community youths at Kibera, Mathare, Kiandutu in Thika, Korogocho, among others.

Kshs. 551,750,000.00 belonging to youth cohorts as savings was utilized in NYS Operations when there was delay in the release of money to NYS from the exchequer to pay community youth, huduma kitchen, staff involved in Lamu securitization, construction of water pans, personnel wages and Kibera road committee allowances. The youth were agitated and they were demanding payment. The money was however refunded to the savings account in January 2016.

Mr. Wachenje said that as an alternate AIE holder, he did not participate in the commitment of Kshs. 695,400,000.00.

3.1.35 Mr. Hendrick Nyongesa Pilisi, former Head of Procurement, National Youth Service

Mr. Hendrick Nyongesa Pilisi made his first appearance before the Committee on Tuesday, 18th October, 2016 at 3:00 p.m. and requested to appear at a later date. The Committee granted his request.

He subsequently re-appeared on Wednesday 26th October, 2016 at 3.00 p.m. accompanied by Ms. Jane Wangeci Gichuki and submitted as follows:-

He was the Head of Procurement at the NYS, overseeing all matters regarding procurement.

He thanked the Committee for rescheduling his appearance from the initial date due to his ill health at the time.

He holds an MSc degree in Procurement and Logistics, a Bachelors of Arts in Economics and Sociology. He was due to attain a Doctorate of Business Administration from JKUAT. He also holds professional qualifications in procurement from the Chartered Institute of Purchasing and Supplies.

He joined the Government in 1994 as a supplies officer rising through the ranks culminating in the position of a Principal Supply Chain Management Officer. He was currently on interdiction.

His position as head of procurement was meant to ensure economy, efficiency, transparency and accountability. He adhered to this until 2014 when the direct involvement of the then Cabinet Secretary on supervisory matters of the service began to manifest. The service was restructured with a high turnover of senior personnel, include those heading procurement at the Ministry. The CS deployed her personal advisors to various departments to monitor proceedings. All this was meant to obtain a conducive environment for malpractice. It is instructive to note that some procurements were initiated, done, concluded and passed over to NYS by the Ministry.

The Kibera slum upgrade works were earmarked to be completed by 12th December, 2014 when H.E the President was due to officially hand over the projects to the communities. Despite the urgency, systems were not in place to facilitate timely availability of construction materials as envisaged in the procurement laws.

Because of the attendant risks above, he contacted EACC to appraise them of the challenges at the NYS. He met them at their offices and they promised to act clandestinely and keep him informed. They however did not get back to him. He was therefore surprised when the EACC appeared before the Committee and feigned ignorance.

Further, the companies tabled by EACC were selectively acted on because those linked to powerful individuals were given preferential treatment and promptly paid. The manner in which EACC proceeded with its operations was also suspect; they prosecuted a tender committee for upholding a decision of the evaluation committee in a certain tender award. They in fact turned the evaluation committee into state witnesses.

The NYS had an existing procurement plan which had some aspects of it in sync with the 5-point plan. Some of the pillars of the 5-point plan were however not in the procurement plan.

On the procurement of construction materials for Kshs. 791 Million, the service was tasked with construction of posho mills, police posts, beyond zero clinics, social halls, modern houses, fish tanks and gunny bags in all the villages. A river course way was also to be constructed, foot bridges and connecting foot paths. This led to a high demand of construction materials which could not be procured in time, compounded by the lack of bills of quantities.

On 18th November, 2014, a personal advisor to the former CS confronted Mr. Pilisi for not expediting the process. He was summoned to the former CS's office and instructed to use existing supply branch contracts. However, the only existing contracts for construction materials were delivered by a gentleman purporting to be the CS's personal assistant. The only companies in these contracts that could supply construction materials were Form Home Builders, Roof and All Trading and Reinforced Concrete Technologies. The firms were engaged by the use of supplies branch contracts which he could not imagine were forged because the firms were already in the IFMIS system.

Since the Government had no quarries, they had to use existing contracts, which in fact quoted lesser unit costs than those of obtained quotations, by Kshs. 985.00.

In these contracts, the NYS was to lease its machinery and equipment to the contractors, with the Director Paramilitary Training requested to calculate the hire charges. A team of material engineers identified the suitable quarries in Njiru and Rongai. The materials were delivered and ascertained by the Inspection and Acceptance Committee.

After the presidential launch on 12th December, 2014, Mr. Pilisi stopped the procurements awaiting professional bills of quantities. This earned him a show cause letter from the Cabinet Secretary. He was then suspended and later verbally reinstated by Ms. Betty Maina, the personal assistant to the Cabinet Secretary.

Payments of Kshs. 221,098,209.00 were made for goods to support the roll-out of the Kibera slums upgrading programme and the national dam construction works. The money was sent to supplies branch but full delivery of goods was not done because stock had run out.

He provided a breakdown of supplies made by the use of a supplies branch contract to the tune of Kshs. 609,252,761.60. This included procurement of Kshs. 101,009,135.60 to Brand Associates procured directly by the Ministry Headquarters.

The Consulting House was directly procured for Kshs. 40 Million following a request from the then Director General Mr. Japhter Rugut. The firm had however already been engaged by the Ministry. The contract for implementation of the 5-point plan was done at the Ministry headquarters. In fact, there was another contract of Kshs. 192,501,017.00 that was being discussed at the Ministry. He left the service on interdiction before this contract was executed.

Out of the Box Solutions was procured at Kshs. 302,458,690.00 for sensitization campaigns to enhance access to 30% of Government procurement opportunities to youth, women and persons with disabilities. This procurement was done directly by the Ministry.

Mr. Pilisi submitted the following information to provide details to his previous submission.

The following procurements were done by the Ministry Headquarters on behalf of the NYS;

S/NO	CONTRACT DETAILS	AMOUNT	CONTRACTOR
1	Consultancy for rebranding of the NYS	326,214,462.96	M/S Transcend media Group Ltd
2	Proposed media flighting publicity roll-out of the NYS rebranding MTC min 14/16/2014-2015	79,150,673.80	M/S Transcend media Group Ltd
3	Consultancy for slum upgrading launch event concept min. 2/28/2014-2015	49,580,366.17	M/S Transcend media Group Ltd
4	Rebranding of the NYS media buying consultancy MDP/NYS/media/01/2014-2015	183,654,237.51	Brand Associates Communications, Box 1557-00100 Nbi
5	Consultancy for advisory services on implementation of NYS 5-point vision for six (6) months (Min 3/10/2014-2015)	50,000,000.00	The Consulting House, Box 72289-00200 Nbi
6	Consultancy for advisory services for implementation of NYS 5-point vision for eighteen (18) months (Min 8/39/2014-2015)	192,501,017.00	The Consulting House, Box 72289-00200 Nbi
7	Supply and delivery of artificial insemination kits qty 3000 MDP/RST/03/2014-2015	149,959,000.00	Wais Trading Company
8	Supply and delivery of AI accessories	32,925,000.00	Wais Trading Company
9	Supply and delivery of cylindrical open fish water tanks qty 144 MDP/74/2014-2015	7,182,720.00	Alpha Mmercantile Ltd Box 8823-00200 Nbi
10	Supply and delivery of one cubic meter caged plastic water tanks qty 144 MDP/106/2014-2015	6,681,600.00	Alpha Mercantile Ltd Box 8823-00200 Nbi
11	Proposed NYS camps at Mukuru kwa Njenga, Kiandutu and Korogocho MDP/NYS/MOLHUD/D103/01-2014-15	147,829,315.40	Lukenya Earth Movers Ltd Box 165-00502
12	Proposed establishment of NYS camps at Mathare slums MDP/NYS/RST/MTRE/01/2014-2015	55,247,062.00	Lukenya Earth Movers Ltd Box 165-00502
13	Proposed supply and installation of 20ft dry freight containers MDP/RST/cont/02/2014-2015	25,160,400.00	Modern Hypermart Solutions, Box 967-00100 Nbi
14	Proposed supply and installation of 40ft dry freight containers at NYS Ruaraka	14,310,000.00	Modern Hypermart Solutions, Box 967-

	qty 18 @ 795,000/= MDP/NYS/57/2014-2015		00100 Nbi
15	Fabrication of container based police posts MDP/NYS/RST/06/2014-2015	11,518,770.00	Kenya Vehicle Manufacturers Box 1436-00100 Thika
16	Proposed fabrication of container based clinics qty 9No. MDP/NYS/RST/01/2014-2015	29,580,000.00	CMC Motors Group Ltd
		22,968,000.00	Sai Raj Fibre Glass Products
17	Supply, delivery, installation of community light/life centres in Mathare, Kibera, Mukuru, Kiandutu Min. 11/35/2014-2015	32,999,015.00	Philips E.A Ltd
18	Supply, installation & commissioning of lighting tower at Njiru MDP/NYS/RST/04/2014-2015	2,998,000.00	Benol Building Construction, Box 60735-00200 Nbi
19	Supply, installation & commissioning of light tower (2) at Ngong and Kiserian	5,993,600.00	Joyler Enterprises Ltd Box 70593-00400 Nbi
20	Consultancy services to offer sensitization campaigns to enhance access to 30% reservation of Government procurement opportunities	302,458,690.00	Out of the Box Solutions Ltd Box Nairobi

The following companies were given preferential treatment after clearance by the EACC.

S/no	Item Description	Contractor	Amount	Remarks
1	Impact heat sealer qty 10 @ 550,000/=, motorized maize Sheller qty 10 @ 585,000/=, centrifugal pump qty 6 @ 499,000/=, submersible pump qty 6 @ 512,000/= and auger conveyor qty 8 @ 548,000/=. Delivery period - August 2015	Zeigham Enterprises Box 24120 Nbi	21,800,000/=	Paid in September 2015
2	Cutter grinder and accessories qty 10 @ 5,834,500/=	Fahaza Ltd Box 10782 Nrb	58,385,000/=	Paid in September 2015
3	Lathe machines digital aps qty 10 @ 5,925,000/=	Selumna Ltd Box 14476-00100 Nrb	59,250,000/=	Paid in September 2015
4	Numerical controlled machines aps qty 10 @ 5,549,000/=, power sheet	Greenberg Holdings Box	134,990,000/=	Paid in September

	metal machines aps qty 4 @ 19,950,000/=	34100 Nbi		2015
5	Shaping machines aps qty 6 @ 4,950,000/=, cylindrical grinder aps qty 10 @ 6,800,000/=	Liszolchem Ltd Box 1868-00100 Nrb	97,700,000/=	Put under investigation to date, not paid

Procurement process of construction materials worth Kshs. 791 million

Everything was overshadowed by the then CS's PA Lydia who believably acting on instructions from the CS forced her way into the Mechanical and Transport yard, assigned the trucks and Earth-moving equipment to the casual drivers/operators and instructed for immediate release of the trunks and earth moving equipment to go to work immediately. They were not accorded any chance to calculate hire charges for billing.

The following procurements were done with undue influence from certain quarters;

S/NO	ITEM DESCRIPTION	CONTRACTOR	VALUE	REMARKS
1	Consultancy for the rebranding of the National Youth Service	Transcend Media Group Ltd	326,214,462.96	- The negotiation committee negotiated the price down to Kshs 296 million. However, the then CS directed through Mr. Noor Hassan that the fee be sustained back at 326million, notwithstanding a budget item of meals Kshs 500/= per serviceman/woman but whose actual provision was catered by the Gilgil College in the daily ration. Confirmatory: Muchai - 0722 693049
2	Consultancy for advocacy on access to 30% Government procurement opportunities for women, youth & persons with disabilities	Out of Box Solutions Ltd	302,458,690.00	- Nobody requisitioned for this consultancy in NYS - The response to business among the AGPO groups was overwhelming meaning the public was already informed.

				Nevertheless, it was pushed through with directives from the then CS
3	Media buying consultancy for rebranding of NYS	Brand Associates Communication Box 1557-00100 Nbi	183,654,237.00	- Out sourcing the function for which the Ministry had full communications department to handle.
4	Consultancy for slum upgrading launch event	Transcend Media Group Ltd	49,580,366.17	- A one day's event for handing over NYS Kibera slums facilities to the slums community
5	Supply and delivery one cubic meter fish water tanks qty 144 @ Kshs 46,400/=	Alpha mercantile Ltd Box 8823-00200 Nbi	6,681,600.00	- The item was grossly overpriced. - Supplied by a firm linked to the then CS' office
6	Supply of milk powder 25kg bag qty 5350	Bora Global Ltd Box Nrb Fresco International Box Nrb	115,025,000.00 115,025,000.00	- The then CS directed the foodstuffs to be procured from these firms despite existence of valid running contracts
7	Supply and delivery of maize meal posho 2kg x 12 qty 30,000 bales @ kshs 1,900/=	Bora Global Box Nrb Fresco International	57,000,000.00 57,000,000.00	- The then CS directed the foodstuffs to be procured from these firms despite existence of valid running contracts
8	Supply and delivery of numerical controlled machines aps qty 10 @ 5,549,000/=	Greenberg Holdings Box 34100 Nbi	55,490,000.00	- The items were procured from these firms with directives from the then CS though the firms were not in the prequalification list.
9	Supply and delivery of sheet metal machines aps qty 4 @ 19,950,000/=	Greenberg Holdings Box 34100 Nbi	79,800,000.00	- The items were procured from these firms with directives from the then CS though the firms were not in the prequalification list.
10	Supply and delivery of hard material, soft materials and approved	- Form Homes Builders - Roof and Ag	791 million	- The then CS directed for procurement of materials for the Kibera Access road and other

	sub grade	trading - Reinforced Concrete Technologies		construction on continuous basis (i.e without the support of Bills of Quantities)
11	Injector pump calibration machine qty 4 @ 14,500,000, jig drilling machine qty 2 @ 17,900,000	Kenrie Traders Box 20352-00100 Nrb	93,800,000.00	- The then CS directed for procurement of these items from this company though the firm was not in the list of prequalified suppliers.
12	Cut away model for cylinder mpfi car engine qty 20 @ 950,000/=, model cut transfer assembly qty 20 @ 720,000/=	Brandspark Supplies Ltd Box 29656 Nrb	33,400,000.00	- The then CS directed for procurement of these items from this company though the firm was not in the list of prequalified suppliers.

3.1.36 Mr. Lamin Manjang, MD and CEO, Standard Chartered Bank

Mr. Lamin Manjang appeared before the Committee on Monday, 24th October, 2016 at 2:30 p.m. accompanied by:

- i. Ms. Noela Lubano - Advocate
- ii. Ms. Beth Warui – Financial Crime Compliance
- iii. Ms. Grace Mburu - Manager Compliance
- iv. Mr. Tom Indimuli –Head of External Relations

The witness requested for the session to be held in camera since information they were to table was confidential as protected by the CBK Prudential Guidelines. The Committee accepted the request after determining the information to be tabled was not in the public domain and touched on several clients of the bank.

3.1.37 Prof. (Arch.) Paul Mwangi Maringa, Principal Secretary, State Dept. for Public Works

The Accounting Officer noted that he had initially appeared before the Committee on 25th August, 2016, and his re-appearance was premised on his being accompanied by Arch. Wesley Nyariki, the alleged author of the forged supplies branch contract that was used by the NYS to procure various items.

Arch. Wesley Nyariki submitted as follows;

He was a qualified architect having graduated from the University of Nairobi in 1991 with a bachelor's degree in architecture. He joined government in the Ministry of Public Works in December, 1993 as an assistant architect, and obtained professional registration in 1996, subsequently being promoted to the position of Architect I, a position he served in for 13 years. He was then promoted to the rank of a supretendant architect and in 2010, to the position of senior supretendant architect.

He was then posted to several stations in Central Kenya and the ministry headquarters. In February 2013 he was appointed to head supplies branch, as the administrative head with procurement officers working below him. He was interdicted in March 2016 due to anomalies in the tender processes of the year 2014.

The mandate of supplies branch was to procure common user items, i.e. those goods that are easily transferable without change of specifications. Tenders of these goods are advertised annually for the items in national media. Supplies branch then signs contracts for goods at unit prices. It is the requisitioning entity that then determines how much they need and tenders for them.

The procuring entity does not go through all the procurement processes because supplies branch already has. What is required is for the ministerial tender committee to approve the procurement.

Supplies branch can also procure for a government entity provided they wire the money to their account. In this case, LPO's originate from the supplies branch.

Construction materials that are included in supplies branch contracts are those that have been manufactured, for example cement. Raw items like ballast and quarry stones are excluded.

The circular that was used by the NYS to procure construction materials for the 3.5 kilometre Kibera road was fake. He saw the circular for the first time when he was interviewed by officers of the Auditor General during investigations. It seemed that preceding pages of the circular were doctored and attached to the last page that had his signature.

On the order of Kshs. 222,122,919.00, he had only supplied three LPO's by the time he was interdicted. Various 'S12' requisition forms had been filled for various items.

He conceded having been in charge of supplies branch when the tenders the Principal Secretary deemed fraudulent were processed.

The Principal Secretary added as follows;

Arch. Nyariki together with two other officers had been suspended after an audit he had commissioned internally revealed massive irregularities. A sample of 125 tenders found that letters of offer had not been signed up to two years later.

Further, most of the tenders were awarded to unqualified firms, with some having been earlier disqualified or having not bid at all. The prices were grossly exaggerated, ranging from 100% up to 5000%! An example was a fire fighting equipment costing roughly Kshs. 3 million being procured for Kshs. 18 million.

He confirmed that the State Department was holding Kshs. 172 million out of Kes. 221,098,209.00 received from NYS, in their stores & service fund account at the Central Bank. This amount received varied from what had been reported of Kshs. 222,122,919.00 by Kshs. 1,024,710.00 which they could not trace in their records.

The Committee requested the Principal Secretary to avail the following documents before the Committee in a week's time;

- The internal audit report he had commissioned on tenders issued by supplies branch since 2013;
- An inventory of tenders opened on the 4th and 11th October, 2016.

3.1.38 Mr. John Kago Ndung'u, Businessman

Mr. John Kago, a businessman, appeared before the Committee, on Thursday 27th October, 2016 at 10.00 a.m. accompanied by his advocate Mr. Moses Owuor, and submitted as follows under oath;

He was born in Nyeri in February 1958 and thereafter studied in Kihatha Primary School, Kimathi Secondary School and Gaichanjeru High School for his 'A' levels. He was then employed at the Ministry of Water Development in 1979 and posted to Embu and Machakos as an accounts clerk. In 1997 he was employed by Kenya Commercial Bank as a driver, a position he held until his suspension when the NYS matter came to light.

He had been a businessman since 1988 when he bought his first car from savings, a Datsun, which he used for taxi business. In 1989 he opened a butchery in Machakos but it failed to prosper. This is the point at which he resigned from Government to join KCB. At the bank, he started engaging in buying and selling second hand vehicles before embarking on importing cars from Japan for sale. He is also an estate agent and runs a business by the name Good luck 2011 Enterprises, dealing in the sale of high end personal cars.

He has had no direct or indirect link with the NYS either as a shareholder or director of any of the companies alleged to have received funds stolen from the NYS.

He met Ms. Josephine Kabura through his normal business dealings in 2014 around October, after which she loaned him Kshs. 60 million at the rate of 10% interest per month. This money was deposited in his account held at Family Bank. He had repaid this principal amount, together with Kshs. 6 Million interest for the one month for which he held it, in cash. He knew Ms. Kabura as a shylock and had no knowledge of her alleged involvement with the NYS.

Ms. Charity Wangui Gethi was a property client of his. It is for this reason that he handled funds from Ms. Gethi, and transferred them to M.M. Gitonga & Co. Advocates, and Ogola & Ogola Advocates. Ms. Gethi gave him most of the monies in cash. He had no business or personal relationship with Mr. Ben Gethi. All monies alleged to have been received from Mr. Ben Gethi to his bank accounts were a fabrication of a Mr. Sautet of the Anti-Fraud Banking Unit.

In 2015 he bought a motor vehicle Range Rover registration KCB 750Z for car hire purposes. Mr. Patrick Ogola saw the car and expressed interest in buying it. They signed a sale agreement and filled in the registration transfer form, to commit that the car would not be sold to a third party. The car would however remain in Mr. Kago's possession until full payment of the purchase price within 18 months.

The vehicle was currently in the possession of a Mr. Ireri Kaburu who had hired it but was not driving it because the police had threatened to shoot on sight anyone found with it.

He had three other motor vehicles for his car hire business, a Mercedes 350, Land cruiser 8-seater vehicle and a Toyota Fielder.

Corporal Sautet Matapei had sworn a false affidavit on charges of money laundering related to a Jeep motor vehicle registration no. KCD 241Q, and receipt of monies that he could demonstrate he did not receive. Cpl. Sautet denied him the chance to prove his case.

3.1.39 Mr. Alex Nandi, Interim Director, the Financial Reporting Centre

Mr. Alex Nandi, Interim Director, the Financial Reporting Centre appeared before the Committee on Thursday 27th October, 2016 at 3.00 p.m. accompanied by his officers, and submitted as follows;

The Financial Reporting Centre (FRC) was established in April 2012 under the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA), Section

21. Its key mandate is to combat money laundering and terrorism financing under the Prevention of Terrorism Act.

The FRC works with several agencies listed under the first schedule of the POCAMLA law. They do not investigate but just collect information and prepare reports for submission to investigatory agencies. The FRC is also a regulator of financial transactions by setting up regulations, providing a preventive angle.

The FRC has received 42 suspicious transaction reports from 15 banks regarding NYS transactions. He however felt it not prudent to table the information publicly as prescribed by Section 20 (1) of the POCAMLA law. After an analysis of these transactions, the FRC disseminated 19 financial intelligence reports to the EACC and the DCI for further investigation and prosecutions.

The Committee considered the Interim Director's reservations concerning withholding of information on the financial intelligence reports they submitted to the EACC and the DCI, and resolved that he produces the reports to the Committee by 3rd November, 2016. He would also provide an analysis of suspicious transaction reports filed by financial institutions.

3.1.40 Ms. Josephine Kabura Irungu, Businesswoman

Ms. Josephine Kabura Irungu, appeared before the Committee on Tuesday 1st November, 2016 at 9.00 a.m. accompanied by her lawyer, Advocate Franklin Omino submitted as follows;

She was born in 1981 in Kiharo, Murang'a County and went to Kiangati Primary school and thereafter joined Chania High School. In 2001 she joined KCA University where she studied both Diploma and higher Diploma and graduated in 2004. She was then hired by Home Systems Limited which is a subsidiary of Kenya Data Network where she worked for over 6 years before resigning to run her own businesses

Her businesses entailed supply of IT related items and accessories to Ministries and other Government entities.

She had no blood relationship with former CS, Ms. Anne Waiguru, even though the CS was the one who introduced her to the NYS.

She owned over twenty (20) companies, among them being;

- Learning Gate Trading
- Benchmark Coaching
- Examatrix Solution
- Ambition Learning Equipments

- Inspired Training Technology
- Classroom Technologies
- Critical Mass Electrical
- Gilgrain General Supplies
- Bright Thinking Traders
- Gilnark General Supplies

Five (5) of these companies had been registered whereas the others were not. She was a sole proprietor to most of her companies. The purpose of having so many companies was to increase her chances of business and tender awards, from the Ministries.

She said that there was no prequalification at the Supplies Branch and that there was no tendering. She was called and issued with LPO's to supply the needed goods.

She insisted on going by her earlier sworn affidavit, where she stated that she held regular Sunday meetings with Mr. Harakhe, Mr. Hassan Noor and other officials at NYS Head Quarters where they shared and brainstormed on the deliveries and accomplished pending supplies and payments and upcoming LPOs.

Her companies did not have any contracts with NYS. She carried out business using LPO's only as the binding documents.

She knew John Kago as a good friend for some time but they were not related. She gave him a loan of Kshs. 60 million which he refunded. The money was from the business she was running. She had never engaged in any other business with Mr. Kago before. They had a written agreement which she pledged to submit before the Committee. He was to repay the money within one year and had interest rate at 10% per month attached to it.

From previous submission the Committee noted that Ms Kabura had given Mr. John Kago over Kshs. 150 million which she was not willing to disclose to the Committee.

Following transactions made in her bank accounts for instance, withdrawals from Form Home Builders Ltd, she claimed that she was able to carry the large sums of money withdrawn at a time on her own without any assistance. She would carry using 3 bags and would carry one bag at a time from the bank and transport using a cab to various destinations to pay for goods and services. The bag could carry between ten and twenty million shillings within the same building to a taxi.

Her only contract with the NYS was via the LPO.

She carried out so many transactions in her bank accounts but could not remember details of most of them and would submit before the Committee once she examined the documents.

Excavation and transportation of materials were done by the NYS. She was only required to pay for the material excavated from the quarries. There were no receipts issued as proof of payment and was not able to account for the payments.

She only got to meet Mr. Ben Gethi on the day when they were arrested. She never knew him before then.

Her work was mainly to supply materials for roads. NYS had established different quarries located in Rongai and her work was to facilitate and pay for the materials.

She was tasked to give an explanation as to how she spent Kshs. 1.6 billion, to provide a receipt and a breakdown of how much taxes she paid to KRA.

She confirmed to the Committee that she had never paid any tax returns to KRA.

RTG's made were to pay for other businesses including vector controls. The individuals were suppliers of other materials and services.

None of her companies was registered in the NYS list of prequalified companies.

She also did other works for the Ministry of Lands

The Committee was displeased by the manner in which Ms. Josephine Kabura responded to questions raised. She took the Committee casually and was not open to answer questions raised candidly and to the satisfaction of the Committee.

She was deemed to have been used as a conduit through which money was transferred to other individuals.

Her lawyer did not offer answers to some of the questions raised by the Committee.

The Committee compelled Ms. Josephine Kabura to provide all statements bearing all the transactions of the contracts.

3.1.41 Ms. Muthoni Kimani, Director Asset Recovery Agency

Ms. Muthoni Kimani appeared before the Committee on Tuesday 1st November, 2016 at 4.00 p.m. and submitted as follows;

The Asset Recovery Agency was established under Section 53 of the Proceeds of Crime and Anti Money Laundering Act. No.9 of 2009 (POCAMLRA) as a semi-autonomous body under the Office of the Attorney General. The mandate of ARA was to identify, trace, freeze and recover all proceeds of crime as set out in Section 54.

The Agency relies heavily on investigators and prosecutors reports in to carry out their mandate thus making it hard to operate. The Agency started with civil cases and relied on police powers to have mentioned assets seized. Initially the Agency did not have the capacity to execute its mandate efficiently and effectively.

The Agency is one of the Law enforcement agencies constituted under the Multi_Agency Team (MAT) in November 2015 to enhance the investigation and prosecution of corruption and economic crimes.

On or before November, 2015 the Agency received instructions from the DCI through the Banking Fraud Unit to freeze certain Assets traced during the investigations into the embezzlement of Kshs. 791, 385,000 from NYS

Some of the assets which were preserved, seized and or frozen by ARA included;

- i. A Range Rover Vogue KCB 750Z worth Kshs. 23,489,000 belonging to Patrick Ogola and John Kago.
- ii. Prohibited sale of Plot LR No. 8361/12 in Thika worth Ksh. 35 million for Charity Wangui Gethi.
- iii. Eden Times Restaurant on Moi Avenue at LR209/412/1/Mercury worth Kshs. 16 million belonging to Ms. Charity Wangui Gethi.
- iv. Muthaiga North and House and plot LR No. 14902/38 worth Kshs. 45 million for Ms. Charity Gethi.
- v. House at Rosslyn Estate LR No. 21/1/97 worth Kshs. 63,513,000 owned by Ms. Charity Wangui Gethi.
- vi. A maisonette at Kasarani LR No. 20857/190 bought by Mr. Sam Wachanje alias Sam Mwadime worth Kshs. 21850,000 registered under Susan Mkiwa Mndanyi.

In accordance with POCAMLRA the Agency instituted forfeiture proceedings in respect of the assets preserved by the Agency.

In October, 2016 the DCI attached four police officers to assist and enhance the Agency's operations both covert and overt, to trace and seize assets from suspects and criminals.

The Court orders prohibiting the transfer of the vehicles had been registered with NTSA. The detailed list of the motor vehicles under preservation orders had been circulated country wide in the police stations, traffic base vide police signal dated 17/10/2016. A letter was dispatched to NTSA instructing them to cancel the vehicle licences.

The letter dispatched to the Association of Kenya Insurers requesting for particulars of each vehicle's insurance.

Another letter was written by the police to Mwananchi Microlink Limited requesting for details of charge after investigations and search for the vehicles established that the two vehicles KCE 852T and KCD 536P registered in the name of Paul Kinuthia Gachoka were charged.

She further informed the Committee that the Agency faced some challenges including;

- Removal of the lead investigating officers derailed the progress and filing of further civil recovery proceedings.
- Multiple Court proceedings challenging the freezing and preservation orders (before the High Court and Magistrate Court
- Inadequate capacity in ARA and inadequate appreciation of POCAMLA and the role of ARA in the criminal justice systems
- Legislative gaps in the institutional framework for the efficient performance of ARA.

They were only dealing with assets mentioned in the 791 million scam mentioned. She had Police officers who could quickly move in and interrogate any assets emanating from criminal activities and report to ARA.

ARA did not have to wait until a criminal had been convicted or charged. Evidential burden shifted to the person claiming the matter. There was a simple application in which they acted within a given period of time.

The Agency took up cases of public interest and others which they were able to manage the assets.

The Agency was offering technical training to enable officers to handle the asset recovery process efficiently. They were also working hand in hand with the Judiciary for quick execution and coordination in terms of asset recoveries.

Though the Agency was handicapped in many ways, they worked very hard to carry out their duties and achieve their mandate.

3.1.42 Eng. Peter Ongaga Mangiti, former Principal Secretary, State Department of Planning, Ministry of Devolution and Planning

Eng. Peter Mangiti appeared before the Committee on Wednesday 2nd November, 2016 at 10.00 a.m. He was the Principal Secretary in the State Department of Planning at the time, overseeing the National Youth Service. He submitted as follows;

The NYS empowerment programme of Government was a noble and potential game changer on empowerment of youth in this country, and as a person who was part of its implementation; I endeavored to enthusiastically contribute to the realization of this dream. Never in my wildest imagination could I picture myself and the programme going through the hardship that has considerably jeopardized its ability to deliver on this noble objective.

The NYS, just like the entire Ministry, suffered from systematic sabotaging of the organizational structure and reporting lines that emanated from the leadership style at the Ministry from the onset. It is therefore his belief that the failures including fraud that had bedeviled the institution was as a result of the leadership style and vested personal interests. To this end, he stated as follows:

a) The Consulting House was sourced by the Cabinet Secretary Anne Waiguru and, throughout their assignment they were under strict instructions to report only to the Cabinet Secretary and her retinue of advisors on matters of restructuring of the NYS. The recommendations of the Consultants and her advisors resulted into instructions spiraling down from her office as "Presidential Directives". This was despite the fact that these had huge financial implications which required my input from the onset, as the Accounting Officer.

Further, the NYS, which was expected to implement these recommendations was given minimal opportunities to give their technical input and also to appreciate and prepare for the enormous human capacity enhancement that it would require to deliver the transformation.

b) For the youth empowerment program, starting with Kibera, the Cabinet Secretary deployed the personal advisors in her office to supervise implementation of works, including giving instructions to senior NYS personnel on procurement and technical matters. The end result was a parallel structure, where regular Ministry and NYS staff would be subjected to tirades by the Cabinet Secretary, based on the reporting by these advisors who had effectively taken over the implementation of the program.

The Cabinet Secretary scaled down their participation from around April/May 2015 and directed me to deploy Economists to the program when signs of trouble began to emerge. Even though he appreciated the challenging environment in which they worked, he was forced to constantly warn his officers during staff meetings against abdicating their responsibilities by taking instructions and making decisions under the influence of these so-called advisors.

c) The Cabinet Secretary created a parallel reporting and command structure in the State Department, whereby she frequently preferred to use Mr. Hassan Noor, who would in turn come to inform me about her instructions. He raised the matter severally with her, and instead of appreciating it and realizing that such an approach was detrimental to realization of the Ministry's agenda, she isolated him even further. The following instances illustrate this matter:

Consultancy for sensitization on 30% access to women, youth and people with disability whereby the requisition came directly from the Cabinet Secretary's office, instead of the relevant user department. While the requisition was addressed to my office, it was directly dispatched to Noor for action.

Heads of Department in Accounts and Procurement were instructed by the CS not to work under Mr. Mangiti's supervision, but to report directly to Hassan since in her opinion, he had become difficult. Those who defied this directive were victimized. Whenever he directed the procurement unit and advised the Ministerial Tender Committee to do their work properly, she would know instantly and call him with accusations of sabotaging the Government's development agenda. Examples of tenders which he raised queries on, and for which on each occasion she would subject him to verbal humiliation in the presence of Mr. Hassan Noor and her advisors, were:

- i. Tender for construction of NYS camps in slums
- ii. Tenders for counties devolution capacity building

On procurement, Mr. Peter Mangiti was concerned at the quality of some decisions coming out of the Ministerial Tender Committee, and in February 2015, he wrote a strong circular to the members of the committee reminding them of their duties and responsibilities with emphasis on adherence to the procurement laws and regulations, without exceptions. When she received her copy of the circular, she was furious and called him to say that the circular was not necessary, and that he should withdraw it. He refused to do so and reminded the CS that this was his duty as the Accounting Officer.

At the end of FY 2014/2015, Mr. Mangiti instructed for re-audit of all pending bills before they could be paid. When Ms. Anne Waiguru received her copy of this instruction, she immediately and urgently summoned him to her office, only to be kept waiting for almost an hour. On entry into her office, he found her with Mr. Hassan Noor, whereby both confronted him on the matter, complaining that these instructions would frustrate merchants. Mr. Mangiti stood his ground on this instruction that all pending bills must be re-audited in view of the unfolding events at NYS.

From the onset of the unfolding fraud, and throughout the investigations, the Cabinet Secretary never found it necessary to engage Mr. Peter Mangiti at all - given the serious allegations against him that Mr. Adan Harakhe was busy feeding her with. Instead she propagated, particularly among the interested political class, the narrative that Mr. Mangiti was an opposition mole and saboteur of Government agenda, in a sensitive position in Government, hence the political overtones in the public domain insatiably calling for his dismissal during that particular period. He had suddenly changed from "her hard working PS" to be labelled ethnic, an enemy within and a saboteur. Of all the allegations aimed at him that time, this one hurt him the most, given that personally and professionally, he ethnically and politically non-partisan.

A turning point in the scheme was when suddenly the media focus changed soon after the DCI released Devolution Ministry's report recommending prosecution of Mr. Adan Harakhe among others for the fraud. The CS Ms. Anne Waiguru took personal control of the investigation of 'new suspects' by packaging and distributing a "frame up" of an "analytical" material to media houses to further this new narrative. This narrative was accompanied by loud and frequent public denials of any form of responsibility on the part the CS, even as the CEO of the Ministry, amid chants of "I am not the Accounting Officer".

Soon after Mr. Mangiti was hurriedly charged in court without basic due process. Mr. Adan Harakhe's name suddenly went missing from the charge sheet. One can only conclude that retaining his name in the charge sheet would have exposed and implicated the protectors who had propelled him into NYS. Mr. Mangiti realized it was then that the profiling had now reached another level, and it was just a matter of time before he was hounded out.

Over his twenty eight years of service, Mr. Peter Mangiti rose through the ranks to assume fiduciary responsibilities without any cases of questionable integrity on his part. For over five (5) years preceding his appointment as a Principal Secretary, he was in-charge as an AIE holder controlling an annual

budget of Kshs. 45 billion comprising both Government and Donor financing for the development of the water sector.

During this period, he carried out his duties with utmost dedication and conscientiousness, a record he was proud of. As the Principal Secretary, he personally spearheaded the development of the Ministerial Anti-Corruption Policy and the Leadership and Integrity Code for State Officers, thereby making the Ministry the first in Government to have these documents approved by the EACC.

When the Leadership and Integrity Code was ready for signature, he forwarded to the CS Ms. Anne Waiguru for signature but she declined to do so. Instead, she instructed that all Heads of Departments should sign the Codes before she acted on hers. This was despite Mr. Mangiti's explanation that the requirement was exclusively for State Officers. To his knowledge, she did not sign the Code.

On issues raised by the Committee, Mr. Peter Mangiti responded as follows:

Rationale for increase of Budgetary Allocation and further allocation of Supplementary Budget

The basis for the increase in the budgetary allocation to the National Youth Service during the period under review was the Government's Youth Transformation and empowerment agenda, which National Youth Service was now expected to spearhead. To prepare the NYS for this role, a 5-point transformation framework was developed through a consultancy support. The document developed by the Consultant was the basis of activities and work plans developed for the NYS that resulted in increased allocation in the period under review. However, activities for the revised budget of KShs.3.5billion obtained by the Ministry towards the end of the Financial year, while in principle had a basis in the overall work plan, did not emanate from the National Youth Service as the implementing agency.

This money was requested for directly by the then Cabinet Secretary with neither the input of NYS nor the PS as the Accounting Officer, such that when the supplementary budget was granted, the CS gave instructions through one of her advisors, Ms. Betty Maina to the DG NYS on how the money was to be allocated in the IFMIS. It should be noted that on matters concerning NYS, the CS exercised direct control and also through her advisors, and the Consultant, *The Consulting House*, who reported directly to her.

The Ministry's Procurement Plan related to NYS for FY 2013/2014 and FY 2014/2015 and subsequent alignment to the 5-point vision

In line with the requirements of Treasury and as a Cabinet directive, the Ministry prepared annual work plans and procurement plans from the program-based budget appropriated by the National Assembly. The work plan and procurement plans were prepared by the respective departments in line with their allocations and program targets, consolidated by the procurement unit and reviewed by the state department before the PS's signature. Thereafter, the State Department would forward it to the Cabinet through the Cabinet Secretary for endorsement before loading into IFMIS system to trigger release of funds by the National Treasury.

The implementation of 5-point vision for NYS commenced in the FY 2014/2015, and it is the year in which alignment to the vision took place by identification and planning for the implementation of the specific targets of the vision to be implemented that year.

Rationale for centralization of procurement at NYS

As the Accounting Officer, and as a technical person, he did not find it prudent to centralize procurement given the structure and activities of NYS, where the main activities and populations of the Service were for the most part in far-flung units. This was a directive given by the Cabinet Secretary, citing an executive decision that he had no authority to question.

Circumstances of Transfer of Japhter Rugut as DG NYS

The transfer of Mr. Japhter Rugut from the NYS was executed through the Central Posting Committee chaired by the Chief of Staff and Head of Public Service. Mr. Mangiti was at that time a member of the Committee and conveyed its decision to Mr. Rugut formally. However, prior to that, Mr. Mangiti called Mr. Rugut to his office and in keeping with public service decorum, informed him on what was in the offing and prepared him for it as best as he could.

This happened when the *Consulting House* Consultants were already on board. On that Sunday when the Service was hosting the visiting Chinese Premier, Mr. Mangiti could not locate Mr. Rugut at the event, and on calling him he informed him that he had been advised not to be present, even though he had not received Mr. Mangiti's letter. The PS however noticed, in addition to the incoming DG Dr. Githinji, the presence of Mr. Mutahi Ngunyi of the *Consulting House*.

Mr. Mangiti remembered sending Mr. Ngunyi a message through one of the PS's senior staff, asking him to leave as Mr. Mangiti did not find Mr. Ngunyi's presence appropriate as a private entity when the service was hosting a state guest. In his response Mr. Ngunyi indicated that the Cabinet Secretary had asked him to be present. His specific role on that day remained unknown to Mr. Mangiti.

Systematic Accelerated promotion of Adan Mr. Adan Harakhe despite integrity issues

Adan Mr. Adan Harakhe was headhunted by the CS Ms. Anne Waiguru with the assistance of Hassan Noor who was the Director of Administration in the Ministry. He was brought into the Ministry through the Central Posting Committee under the Chairmanship of the Chief of Staff and Head of Public Service, Mr. Joseph Kinyua.

Part of the TOR of the Consultant was to propose an organizational structure of NYS capable of delivering the 5-point vision of transformation. Mr. Mangiti recalled that the consultant delivered the proposed organizational structure, which the Cabinet Secretary approved. It was within this proposed structure that the Cabinet Secretary deployed Mr. Adan Harakhe to act as the Senior Deputy Director-General in charge of Finance, Administration and Programmes. This was to pend change in the NYS Act, and approval of the new structure by the Public Service Commission.

In May 2015, the Cabinet Secretary instructed Mr. Mangiti through a memo to sign a letter to PSC to consider creating the post of Senior Deputy Director General in the NYS and appoint Mr. Mr. Adan Harakhe to it. She made it clear that she had discussed the matter with the Chair of PSC and the letter was being awaited. However, PSC declined this request, advising that the position be advertised. Subsequently, vacancy indents for advertisement were prepared in line with the existing NYS Act, indents which Mr. Mangiti forwarded to her for approval. However, she forwarded amended indents to the Public Service Commission.

Scrutiny of the indents she forwarded reveal that academic requirements among other key qualifications had been expunged, raising questions from the Public Service Commission. In their letter of reply, Public Service Commission requested for a joint meeting to discuss these indents. The instruction from the Cabinet Secretary was that Mr. Mangiti sought her guidance before he attended the meeting. The meeting never took place while the PS was in office.

To Mr. Mangiti's knowledge, Mr. Mr. Adan Harakhe was never promoted on his authority, as insinuated in earlier presentations made to the Committee by the Secretary, Public Service Commission. Furthermore, such a promotion went beyond his Terms of Reference.

Reasons for revocation of appointment of Dr. Nelson Githinji as AIE Holder and replacement with Adan Mr. Adan Harakhe

Normally it was the Heads of Departments and Directorates who were appointed AIE holders by the Accounting Officer. However, in consideration of exigencies of work, a subordinate but senior person could be appointed, but with very clear reporting instructions since the head of directorate/department must retain overall responsibility. The PS made this very clear in his appointment letter to Mr. Adan Harakhe.

In this particular circumstance, it was the Cabinet Secretary who gave this directive during a Senior Staff meeting held on 18th February 2015.

Manner of Procurement and the Terms of Reference for the Consulting House to develop and implement the 5-point plan for NYS

As far back as June 2013, the National Youth Service together with the State Department of Planning had commenced the development of a legal and organizational blue-print for the transformation of NYS to be a more robust vehicle for development of a wider cadre of youth in Kenya. This effort was given impetus by an Executive Directive in November the same year. From then on, the Service briefed the Cabinet regularly through the PS.

Mr. Mangiti learnt about the involvement of the Consultant, the *Consulting House* when the then DG Mr. Japhter Rugut briefed him about the directive of the Cabinet Secretary that a consultant take over the restructuring and rebranding of NYS. The PS advised the DG that the relevant provisions of the procurement law and regulations must be adhered to and proper justification made for the choice of procurement method. He recalled thereafter raising the matter of procurement law with the CS, to which she replied that the assignment was a specialized one touching on security, and therefore could be single-sourced. In any case a decision had already been made at a higher level and the DG instructed on what to do. Mr. Mangiti then advised the DG to forward a justified requisition to his office, which he marked to the procurement unit for action.

Based on the requisition and the negotiated terms of engagement, the Ministerial Tender Committee made a determination and award and forwarded an award letter for Mr. Mangiti's signature, followed by the Consultancy Contract.

The Terms of Reference for the consultancy included development of a new strategic direction for the effective utilization of the NYS as a catalyst for transformative youth development in the country, and implementation support services to the NYS.

Overpayment of Kshs. 12.5 Million to Consulting House by use of a copy of invoice

Given that the process of payments for goods and services through IFMIS is an elaborate process requiring processing and/or authorization by specifically appointed personnel, it was impossible for this payment to have been made erroneously. It therefore points to possible collusion with intention to fraud by the concerned officers. As Accounting Officer, it was difficult for the PS to detect such an occurrence since he had no direct operational role in the processing and approval of payments in the IFMIS system.

Procurement and payment of contract for supply of goods and services worth Kshs. 791,385,000 for construction of 3.5km Road in Kibera

Mr. Mangiti reiterated that the 3.5 km road in Kibera was to be undertaken by the NYS personnel and equipment in cooperation with other Government agencies to demonstrate the potential for NYS to undertake such works at costs lower than the market. This was the basis for the take-over of the road from the Ministry of Land, Housing and Urban Development, who had earlier tendered for its construction. In this regard, the PS had personally taken the effort to have the equipment that NYS had acquired from China arrive in time to be used in the project. Subsequently, when the works commenced, he made it clear to the NYS that they would execute the works using NYS personnel and equipment while getting construction materials from suitable source quarries with the assistance of the KURA who were implementing partners.

As the works progressed, Mr. Mangiti made requests to the DG NYS for updates on the costs of the works and from the submitted reports, they were on course to achieve the target costs. It therefore came as a surprise to the PS during investigations that the final cost of construction was much higher than anticipated. The matter was currently in court.

Value for Money of the Supplies for construction of the road

Given that the sourcing of materials deviated from what had been the initially agreed method of delivering the road, and the fact of inflation of

rates through wrong entries into the IFMIS system as unearthed by the investigations, there was definitely no value for money on these works.

Procurement for supply of goods or services worth Kshs. 609,252,760.60 related to various supplies

The procurements and subsequent payments did not emanate from approvals through the Ministerial Tender Committee, through which the PS would be made aware of their existence. Officers within NYS and specifically the AIE holders at that time bore responsibility for using this method of procurement and subsequently approving payments.

The NYS had a fully functional IFMIS system; and procurement and finance units capable of transacting on all but one of the 25 stations of the system, that is, transmission of payments which was done at HQ in Treasury. From time to time Mr. Mangiti reminded the NYS management to observe the threshold of procurements that must pass through the ministerial procurement process as per the requirements of the law. He expected full adherence to the law without exception. However, from the audit revelations, it appeared that the NYS management did not consistently follow this requirement.

Fraudulent payment of Kshs. 240,751,576.06 purportedly to Youth cohorts

One of the key pillars of the Youth Empowerment Program was the saving of part of daily payments to the youth cohorts for their community activities in their respective SACCOs. The NYS therefore developed a payment system in cooperation with Safaricom and paying banks. Mr. Mangiti was concerned about the robustness of the system and instructed NYS to ensure that any request for payment of cohorts was accompanied by authenticated lists of particulars of beneficiary cohorts. This was prompted by a routine sample check he had made on some of the requests which contained only numbers per working station instead of the actual names and particulars of the cohorts. He instructed the DG NYS to ensure complete payrolls of the cohorts were attached to the requests for payments to avoid payments to ghost cohorts. If indeed the payments were fraudulent, then the concerned persons may not have adhered to this instruction.

Procurement of Publicity Services for Kshs.302,458,690.00 to Out of the Box Ltd.

The initiative for sensitization of beneficiaries of the 30% spend directive (AGPO) by the executive was driven directly by the Cabinet Secretary. The requisition for procurement of consultancy to undertake the work came from the CS's office. It was addressed to Mr. Mangiti's office but it never passed through him, instead going directly to Mr. Hassan Noor who was the

Secretary Administration and Chairman of the Ministerial Tender Committee. The procurement went through an open tender process and was finally awarded to M/S. Out of the Box Solutions Ltd.

Since the activity fell under the budget programmatic area of Women and Youth Empowerment, under which NYS also fell, the budgetary provision for the activity was under the NYS item for consultancy services.

Use of a forged Supplies Branch Circular for the procurement of goods/services worth Kshs. 222,122,919

Mr. Mangiti stated that following his observations in 9 and 11 above, should these payments be found to be fraudulent, individual responsibility should prevail.

Irregular payment of Kshs. 360,315.00 to permanent staff of NYS

According to the design of the program, and in compliance with labor laws, only the community youth (cohorts) working with the NYS servicemen and women in the respective community projects were eligible to be paid daily wages, out of which as Mr. Mangiti had mentioned earlier, a portion was retained as savings in their respective registered SACCOs. If any payments were certainly made to permanent NYS staff, then individual responsibility should prevail.

Reallocation of Kshs. 551,750,000 to fund NYS activities

Mr. Mangiti submitted that if this indeed took place, then it was an NYS internal decision that did not obtain the authority of the Accounting Officer. The management and transfers of wages to cohorts was an operational responsibility of the NYS as the implementing agency. He did not recall any request for exchequer to fund budgeted activities that went unattended during his tenure.

Operations of bank accounts by the NYS without Treasury Approval

Mr. Mangiti recalled giving clear instructions to the DG NYS on this matter when it came to his attention that proper procedure was not being followed in the opening and operation of accounts by NYS. Once he had given the necessary guidance, he expected the laid down procedure to be followed.

Chronology of actions Mr. Mangiti took as Accounting Officer to mitigate loss of public funds when the matter of fraudulent transactions in IFMIS was first raised

a) *Dissuasion of Mr. Adan Harakhe on involvement of DCI;*

On 25th May, 2015, a finance officer in Mr. Mangit's State Department of Planning, a Mr. Nixon Obora informed him that there could be problems with commitments of the KShs. 3.5 billion that Treasury had availed for activities at NYS, with the AIE Holder, Mr. Adan Harakhe claiming that there were commitments in IFMIS which he had not authorized.

The PS immediately summoned Mr. Adan Harakhe to his office to explain what was happening. He reported to his office the following morning, and in the presence of Mr. Noor Hassan Noor and the Finance officer, claimed that his password had been stolen to make unauthorized commitments in IFMIS. The PS asked Mr. Harakhe what steps he had taken to forestall the misuse of his password. He indicated that he had called in the DCI.

The PS further asked Mr. Harakhe why he had not found it necessary to inform him as the Accounting Officer, only bringing up the matter after the PS had summoned him. Mr. Harakhe had no answers to these questions. The PS asked Mr. Harakhe who his initial suspects could be and he gave him the names, upon which the PS took the first step of stopping any further progress of these transactions by writing to the PS Treasury to debar the suspected officers from access to IFMIS. It is then dishonest for Mr. Adan Harakhe to ridiculously present the memo to the Committee in a completely different context and not having the conscience to at least admit what triggered it.

Mr. Mangiti said he did not direct Mr. Adan Harakhe not to involve the DCI. As the Accounting Officer, it was well within his mandate to assess the situation and make a rational decision on whether or not to call in the DCI. He had not ceded that responsibility to Mr. Adan Harakhe when he appointed him as the AIE holder. Mr. Adan Harakhe kept the matter hidden from the PS as the Accounting Officer, and he only learnt about it from a Finance Officer on the 25th May 2015, as stated above. This was six (6) days after the commitments were allegedly made.

Mr. Adan Harakhe was very cagey with information, even failing to give the PS a formal report of the nature of the transactions when he directed him to do so. All he Mr. Harakhe said in the presence of Hassan Noor, was that indeed these transactions were for works actually delivered, and that his main problem was that the then Cabinet Secretary Ms. Anne Waiguru had directed him to commit moneys on specific items of priority interest to her, and that she was furious about these items not getting adequate funding from the revised budgetary provision that had just been given by Treasury.

b) Threats to Mr. Adan Harakhe on Follow-Up with DCI;

Mr. Adan Harakhe further alleged that the PS had threatened him with dire consequences if he continued to follow up the matter with the DCI. If the PS

had wanted the DCI not to proceed with the matter, he would have communicated to the Director of DCI without going through Mr. Adan Harakhe. Since the NYS had formally called in the DCI and they were on the scene, his objection, if lacking merit, would be inconsequential to the progress of the investigations. Mr. Adan Harakhe was not in charge of the investigations, without whose follow up the investigations would collapse!

Mr. Harakhe's that the PS told him that he would cause merchants to take him to court for non-payment of their dues was not correct. His claim that the PS would ensure that DCI fixed him on the on-going investigations was inaccurate as the PS did not control the DCI, neither did he assign him duties.

At the conclusion of their investigations, DCI indeed found Mr. Adan Harakhe culpable in the attempted fraud, in their report submitted to the DPP, which recommended his prosecution together with others, and on the basis of that report, the Ministerial Human Resources Committee interdicted him, an interdiction which stands to date. In effect therefore, what Mr. Adan Harakhe's submission before the Committee was tantamount to accusing the DCI of complicity and cover-up due to the fact that their investigations had found him culpable as the PS had allegedly threatened would happen.

Generally as the Accounting Officer and as his superior then, the PS's office had more effective options of dealing with Mr. Adan Harakhe if indeed the PS had any personal interests in the matter.

The above claims clearly depicted Mr. Harakhe as untrustworthy. It was therefore no wonder that a committee of the Directorate of Public Service Management, confirmed Mr. Adan Harakhe as a person not fit to continue serving in the public service.

Given the grand organizational plan that steered Mr. Adan Harakhe to the Ministry and specifically to the NYS, he embarked on a self-uplifting mission and developed an attitude of superiority even towards the Accounting Officer, assuming that he was answerable only and directly to the Cabinet Secretary.

c) Initial notification to DCI to commence investigations;

The allegation by Mr. Adan Harakhe that he wrote to DCI to commence investigations lacks basic supporting facts. Mr. Mangiti knew only of the existence of two letters; one by a Mr. Gishiora of the ICT department of NYS to DCI dated 26th May, 2015 (curiously not copied to him, nor even to Mr. Adan Harakhe himself), but later forwarded to the PS by the then Director-General Dr. Githinji, for his information; and the other by the then Cabinet Secretary, Ms. Anne Waiguru, dated 5th June, 2015, to the DCI.

Interestingly, in the wordings of Ms. Anne Waiguru's letter, she had already concluded that Mr. Adan Harakhe's IFMIS password had been stolen, even before the investigations commenced. It may be recalled that this was the position she presented to the media. However, in their investigations, the DCI confirmed that Mr. Harakhe's password could not have been possibly stolen. One can only conclude that this manoeuvre by CS Ms. Anne Waiguru was an attempt to shield Mr. Adan Harakhe from the onset.

It was on record that the then Cabinet Secretary never engaged Mr. Mangiti on the matter at all, preferring to deal directly and only with Mr. Adan Harakhe and Mr. Hassan Noor Hassan. Mr. Mangiti could only with hindsight, conclude that this was an elaborate scheme to let the matter develop under their control, and keeping him, the Accounting Officer, deliberately in the dark on the goings-on for purposes of finding a scapegoat when the need arose.

For instance memos purportedly authored on various dates starting with 3rd June 2015 which were only between the two, was in Mr. Mangiti's view a scheme to produce paper trail pointing to culpability on his part. Forensic examination of the alleged memos may most probably reveal that they were written much later than the purported dates, probably after the DCI had released their first report implicating Mr. Adan Harakhe among others.

d) De-commitment of fraudulent payments;

Once it became apparent to Mr. Mangiti that indeed these transactions could be fraudulent he, as the Accounting Officer, wrote a number of letters to Treasury to have them de-committed from the System. On the strength of these letters, a team from NYS effected the de-commitments on the authority of the National Treasury after the DCI had gathered the necessary evidence from IFMIS.

In contrast, and without any evidence, Mr. Adan Harakhe claimed that he cancelled the fraudulent transactions. In fact it is Mr. Adan Harakhe who attempted to interfere with the investigations when, knowing very well that the investigations had just commenced, wrote to IFMIS in an attempt to have these transactions removed from the IFMIS system. This implies that he may not have wanted the DCI to be officially engaged in this matter.

Further to the steps outlined above, Mr. Mangiti did the following:

He directed that all pending bills from NYS and other directorates of the State department be subjected to re-audit by the State Department Internal Audit unit before being considered for payment. This move drew the wrath of the Cabinet Secretary and her cohorts, but he stood his ground; and

He gave instructions that all payments whose basis was Supplies Branch Contracts should not be honored until the National Audit Office had carried out forensic audit on the same.

He wrote to the National Audit Office to carry out forensic audit on payments that the internal audit unit had found not to be properly supported, including supplies branch contracts.

On observing that Inspections and Acceptance Certificates were the weakest link in accountability for payments, he put an internal team together, led by the procurement unit, to design a standard Inspection and Acceptance Certificate, which he proposed to the National Treasury to consider and adopt as an accounting document just like LSOs/LPOs that were in use across Government. He was not aware whether Treasury ever considered this suggestion.

Failure by the Ministerial Tender Committee to ratify NYS procurements above the prescribed threshold

Mr. Mangiti stated that other than procurement using purported supplies branch contracts, he was not aware of any procurement above the prescribed thresholds that were not processed by the Ministerial Tender Committee.

Personal interest in any of the firms that won tenders in NYS

Allegations that Mr. Mangiti had interests in tenders at NYS and/or within the Ministry through proxies were unfounded. He claimed that the allegations were peddled by Ms. Anne Waiguru to the media. One can only conclude that this was a narrative of their skewed insinuations that they had long hoped was true. Further, stated that he was open to investigations and would appreciate a thorough forensic audit to confirm these allegations. He absolutely had no interest on these tenders.

Such an audit would exonerate him from constant malicious propaganda and negative publicity regarding the beneficiary companies of the stolen funds namely: Bora Global, Fahaza Ltd, Blue Star, Lukenya Earth Movers, Alpha Mercantile, Brand Associates, Greenberg Holdings, Brandspark Supplies, Fresco International, etc. Such a detailed audit, including the money and paper trails, would unmask the real schemers of the looting at NYS.

3.1.43 Mr. Jeremy Awori, Managing Director, Barclays Bank

The witness requested for the session to be held in camera since information they were to table was confidential as protected by the CBK Prudential

Guidelines. The Committee accepted the request after determining the information to be tabled was not in the public domain and touched on several clients of the bank.

3.1.44 Ms. Anne Waiguru, former Cabinet Secretary, Ministry of Devolution and Planning

Ms. Anne Waiguru, former Cabinet Secretary Ministry of Devolution and Planning appeared before the Committee on 3rd November, 2016. She categorically denied all the allegations levelled against her by previous witnesses, and provided her own 'facts' to counter the allegations.

She informed the Committee that Mr. Ben Gethi had earlier stated that she was the one who "fixed" him with regards to NYS matter through the DCI. In her facts about the matter, she stated that Mr. Gethi was facing 6 charges from 4 different agencies being;

- i. Attempted fraud of Kshs. 828.6 million and theft of kshs. 791 million from NYS funds by DCI
- ii. Money laundering by BFIU
- iii. Tax evasion by KRA
- iv. Lack of delivery of election material to IEBC.

Mr. Gethi could not explain the coincidence between withdrawals of monies by Josephine Kabura and deposits of similar amounts into his account. He could not explain why he was transacting large amounts of money in cash

She said that Dr. Nelson Githinji had stated that he was not in control of NYS because he was removed as an AIE holder, claimed he was innocent and didn't know what was happening and also claimed that Mr. Harakhe reported to her and that she worked through Mr. Harakhe. According to her facts, Ms. Waiguru informed the meeting that Dr. Githinji was the AIE holder when Kshs. 791 million was stolen from NYS.

Dr. Githinji was arraigned in court for forging Government documents during his tenure as the DG NYS, by having his personal car serviced as if it was a Government vehicle and that Dr. Githinji was the Service Commander of the NYS drawing his mandate and authority from the NYS Act and the appointing authority.

She submitted to the Committee, sample correspondence between herself and the DG.

She informed the Committee that Mr Samuel Wachenje had claimed that he signed off the payments under duress from her. She was quick to correct his statement by stating that she had never spoken to Mr. Wachenje as he was

not within her reporting line. He had been found with Kshs. 10 million in his account, while the Asset Recovery Agency found a property worth Kshs. 21.8 million in Kasarani, a plot in Ruiru worth kshs. 3.8 million, 3 Toyota Prado vehicles worth a combined value of Kshs. 13.5 million between 2014 and 2015 and that he could not explain the source of funds. During the raid by EACC on 1st December, 2015, he was found to be in possession of about Kshs. 5 million in cash.

She also stated that Mr. Hendrick Pilisi had claimed that she issued verbal instructions and that he was supervised by her advisors. She submitted before the Committee copies of correspondence addressed to the DG showing all her instructions in writing.

She further submitted that Eng. Peter Mangiti had claimed that she micro-managed him and blamed her for the loss in NYS. She stated her facts on that matter as follows;

- i. All instructions by herself to the PS were in writing and in line with her mandate
- ii. Eng. Mangiti as the former Principal Secretary was the accounting officer of the Ministry. That according to the PFM Act, section 68(1), an accounting officer for the national Government, entity, Parliamentary Service Commission and the Judiciary should be accountable to the National Assembly for ensuring that the resources for the respective entity for which he or she was the accounting officer are used in a lawful, authorised, effective and efficient manner.
- iii. There was no proof of such correspondence from him to Ms Waiguru or anyone else according to the requirement of the law.
- iv. Eng. Mangiti had lied to the Committee in the past by submitting a fake asset register of the Ministry of Devolution and Planning in November, 2015 that sent the country reeling with rage. He then went on national TV and admitted to submitting an erroneous register and requested for more time to submit the true register.

In addition, she informed the meeting that Ms. Josephine Kabura had made outrageous claims on her alleged interactions with various persons in the execution of the heist in NYS. On this note, Ms. Waiguru informed the meeting that Ms. Kabura had been recommended for charges by the DCI on perjury for lying under oath with regards to her affidavit. Ms. Waiguru informed the meeting that she was on record that she had never met or interacted with Ms. Josephine Kabura.

She submitted a copy of her responding affidavit responding to the allegation by Josephine Kabura as well as a network map of phone

communication between Ben Gethi, Josephine Kabura and other persons in the network.

On systematic accelerated deployment of Mr. Adan Harakhe to the non-existent position of Senior Deputy Director, she informed the meeting that the allegations were untrue. She stated that the actual facts were as follows;

- i. Mr. Harakhe was transferred to the Ministry in November, 2014.
- ii. She had never met Mr. Harakhe before he went to the Ministry.
- iii. He was appointed as a Deputy Director, reporting to the Director General NYS
- iv. The manner in which he was transferred was in accordance with the common procedure of transfers involving civil servants.
- v. When Mr. Harakhe was transferred to NYS he was not the AIE holder. He was appointed the AIE holder on 19th February, 2015 and was established in the system on 24th February, 2015.
- vi. During the time when NYS lost Kshs. 791 million, the substantive AIE holder was Dr Nelson Githinji and the alternate AIE holder was Mr. Wachenje, the finance director.
- vii. Even after Dr. Githinji's appointment as AIE holder was revoked on 19th February, 2015, he continued to have access to the IFMIS and made approvals as late as 20th May, 2015
- viii. When Mr Harakhe was the AIE holder, they were able to stop the attempted fraud of Kshs. 695 million
- ix. The PSC supported the re-organization and engineering of the NYS and approved the proposed organization structure and established the Deputy Director General Administration and Operation and Deputy Director General Technical Programmes vide letter reference no. PSC/2/1/VOL 111 of 18th June, 2014 and letter ref No. PSC/2/NYS/35(5) of 15th July, 2015

She submitted a copy of letter from PSC to the Ministry approving the proposed organizational structure as well as a copy of central posting order transferring Mr. Harakhe from the Ministry of Interior and Coordination of National Government.

On reasons for the revocation of the appointment of Dr. Nelson Githinji as the AIE holder and replacement with Mr. Adan G. Harakhe, Ms Waiguru informed the Committee as follows;

- i. That reference was made to the letter dated 19th February, 2015 by the PS planning to the DG, revoking his AIE. In the letter he cited the need for the DG to have sufficient time to provide oversight and drive the institution.

- ii. There were concerns about the DG's of the programme. It was incisive to note that one of the concerns that had been raised was the cost of the Kibera project, this was after the DG confirmed that a toilet had cost Kshs.2.2 million and the road costed Kshs.33.5 million per km despite the fact that NYS was using its own machinery and own labour.
- iii. In a memo dated 22nd January, 2015 addressed to the PS, Ms Waiguru had raised the issue of the costing of the road which was much higher.
- iv. In another memo dated 22nd January, 2015 addressed to the PS she also raised the issue of general costing being very high and the need to look into it as well as reminding the PS of his obligations as the accounting officer.
- v. In subsequent meetings held on 9th February, 2015 and 18th February, 2015 the matters were discussed and it was agreed that the functions of leading the organization and undertaking administrative functions be split to allow the DG focus on driving the vision and steering the organization.

She submitted copies of the memos, minutes of the said meeting as well as letters by PS Planning to the Committee for their perusal.

On questions relating to procurement, she answered the questions by clarifying the roles and functions of a Cabinet Secretary vis a viz the roles and functions of the Principal Secretary according to Article 152(2) and 226(2) of the Constitution, Section 12 of the National Government Coordination Act 2013, section 67 and 68(1) of the PFM Act 2012 as well as section 27 (2) of the Public Procurement and Disposal Act of 2005 and section 7 of the subsidiary regulations of 2006 outlined the functions of the Principal Secretary and on the other hand, Article 153(2) of the Constitution and section 9 and 10 of the National Government Co-ordination Act 2013 outlines the roles of the Cabinet Secretary is responsible for policy formulation, direction and coordination. The cabinet secretary does not engage in the procurement process at any stage, and does not even receive any documentation with regard to the procurement plans

Regarding rationale for the increase in budgetary allocation for the period under review, she informed the meeting that she made the request for the supplementary budget as the Cabinet Secretary responsible for the NYS and proceeded to defend the same in Parliament in line with her mandate.

In line with the 5-point plan, the Government was expanding and revamping the institution, introducing a new way of community engagement and expanding the types of projects it undertook. Thus there was an;

- i. Expansion from the recruit base of only 4,000 to over 20,000 per annum. For the NYS to accommodate the increased number, it needed to expand the facilities including accommodations, beds, bed linens, uniforms, food, and personal effects for recruits, etc.
 - ii. Engagement of over 80,000 community youth every year, earning a daily wage of kshs. 471
 - iii. Requirement for tools and materials for community projects during national service
- That the budgetary increase was to cover the expansion in expenditures occasioned by the fivefold increase in numbers

It was normal for Cabinet Secretaries to request the CS for finance at the National Treasury to consider the Ministry's request. In that case, the letter would be drafted by the respective PS and forwarded to the Ministry for signing.

She submitted to the Committee detailed presentation of the 5-point plan, memos by PS and letter to the National Treasury seeking additional funds.

She informed the meeting that the transfer of Mr Japhter Rugut as Director General from the NYS and his replacement by Dr Githinji was in no way a controversial but a normal practice in line with Government regulations and procedures. The transfers were undertaken through the Central Posting Unit.

She submitted to the Committee copies of correspondence on the said transfers.

She in conclusion stated that she had no interest in any of the firms that won tenders for the supply of goods and services to NYS or did business for the Ministry.

The Committee directed Ms. Waiguru to amend the table she had submitted to the Committee on the breakdown of Kshs. 791 million by capturing all the AIE holders and their alternates for the period under investigation before re-submitting it to the Committee.

3.1.45 Mr. Hillary Sigei, Managing Partner, SMS Advocates

Mr. Sigei appeared before the Committee on two occasions, 6th and 15th December, 2016. He submitted the following;

SMS Advocates indeed received kes. 8 Million From Out of the Box Solutions through their advocate client Account held at Co-operative bank, Parliament

road branch. The firm also received kes.7 million from the same client deposited into their account held at Family bank retail branch.

He further submitted that as an Advocate firm they were approached by one Ben Gethi to represent him in the case before the Banking Fraud Investigation Unit (BFIU) on a matter he was involved in money laundering. The agreement was verbal. The firm however ceased to represent Ben Gethi in Court on the matter from 25th Sept, 2015 due to the involvement of other advocates. The firm was yet to be paid the legal fees for the service rendered.

He noted that the money paid in by the Out of the Box Solution was transmitted to M/S. Kigen & Company Advocates in Eldoret for purchase of property as instructed by the client, totaling Kshs. 13 Million.

He further submitted that the client Out of the Box Solution was under investigation by the EACC as relates the parcel of land in Eldoret. The law firm also appeared before the EACC to shed light on the matter.

As of any knowledge or relationship with Josephine Kabura, Mr. Sigei informed the committee that he did not know Josephine Kabura nor represented her in their course of a duty as an Advocate firm.

The witness refused to state the purpose of a withdrawal of Kshs. 500 million from the firm's client account, and also refused to table cash transaction documentation, land sale agreements, invoices, and land valuation report between themselves and the client, Out of the Box Solutions.

3.1.46 Mr. Keriako Tobiko, Director of Public Prosecutions

Mr. Tobiko submitted a confidential written submission on the status of investigations into the NYS scandal. The Committee acceded to his confidentiality request due to his position as prosecutor of a matter active before court.

3.1.47 Mr. Farouk Kibet

Mr. Farouk Kibet submitted a written submission to the Committee to respond to allegations that he handled proceeds of funds syphoned from the NYS.

He stated that in the normal course of his business, he urgently required Kshs. 1.5 million. He contacted an acquaintance, Mr. Benson Gethi who accepted to advance him the funds as a soft loan.

The money was deposited to his bank account, after which he realized it was made by a Ms. Josephine Kabura (on behalf of Mr. Benson Gethi). He did not know who Ms. Kabura was.

Mr. Kibet added that he paid back Mr. Gethi the amount in cash and never transacted with him again.

PART IV

4.0 OBSERVATIONS AND FINDINGS

4.1 General observations

After due consideration of submissions and evidence adduced, the Committee made the following general observations:-

THAT;

1. The comprehensive youth empowerment policy was initially well-intentioned to address the youth problem in the country. This noble programme was however manipulated and used to embezzle public funds.
2. Evidence by officers of the NYS and other witnesses point to a lack of consultative exercise in the 5-point policy formulation, resulting in a document that only the former Cabinet Secretary, Ms. Anne Waiguru and a few top officials, were well acquainted with. It is little wonder then that the implementation of the policy was driven from the Cabinet Secretary's office.
3. The policy titled '5-point plan' was the basis for the Ministry requesting for additional funds. The CS made the request herself and even personally appeared before Parliament to make a case for increased budgetary allocation. National Treasury went ahead to increase budgetary allocation to the Ministry by 231% in the 2013/14 FY (with development budget increasing ten-fold), and by a further 74.7% in the subsequent allocation for 2014/15 FY.

The latter included a supplementary allocation of Kshs. 3.5 billion. All these allocations were done without proof of end user request and provision of procurement plans. Treasury failed to strictly comply with Section 12 & 13 of the Public Finance Management Act, 2012.

4. The scheme was actualized with the entry and subsequent meteoric rise of Mr. Adan Harakhe, an officer brought in hurriedly by the then Principal Secretary, who claimed coercion by the Cabinet Secretary. Mr. Harakhe who proved unqualified during his appearance before the Committee, was given a non-existent title in the Service, 'Senior' Deputy Director General, and awarded an AIE holder status.

The changes to the leadership of the Service began with the unceremonious transfer of Mr. Japhter K. Rugut, replaced by Dr. Nelson Githinji. Dr. Githinji later alleged that he was also stripped of his powers

after refusing to cooperate, after Mr. Adan Harakhe was brought in as an AIE holder.

5. Evidence adduced before the Committee by several witnesses pointed to an 'all-powerful CS' who whimsically micro-managed the Ministry and the NYS. She positioned numerous 'advisors' in every strategic office, to monitor progress of implementation of programmes, and pushed for payment of specific contracts. Ms. Betty Maina, the CS's Personal Assistant, pushed for certain companies to be awarded contracts at the NYS. The CS personally intimidated, suspended or dismissed some junior officers who did not toe the line.
6. The former CS, Ms. Anne Waiguru, appeared before the Committee and was keen on passing the blame to the Accounting Officer and with deliberate ignorance on the 11th Cabinet meeting resolution of 2nd December 2014 which resolved to donate 'greater oversight in sanctioning procurement in MDAs and State and Government Agencies, formerly a preserve of Principal Secretaries to Cabinet Secretaries. The oversight powers donated to Cabinet Secretaries vide the said resolutions required Cabinet Secretaries to approve work, procurement and cash flow plans'. The Public Service Commission Circular Ref. PSC/SEC/93/37/(92) dated 5th January 2015 further gave Cabinet Secretaries powers of oversight in procurement and human resource functions.
7. All procurement officers who appeared before the Committee submitted that contracts in the Ministry and the Service were awarded based on patronage and cronyism. Witnesses submitted lists of companies that they claimed various individuals fronted at the Service, including those by the CS Ms. Anne Waiguru, PS Peter Mangiti and the then DG, Dr. Nelson Githinji. These companies received payments in record time. Indeed, Ms. Josephine Kabura submitted under oath that Ms. Anne Waiguru assisted her to register nearly twenty (20) companies to 'increase her chances of winning tenders'.
8. Non-adherence to the Public Finance Management Laws and Regulations; and procurement procedures led to wanton looting at the NYS, with some officers in the procurement chain at the Service amassing immense wealth disproportionate to their earnings. Contracts were awarded to entities that had been newly registered.
9. The IFMIS system proved to be prone to manipulation and was operated without proper controls. For instance, dubious suppliers were defined by a junior officer at Treasury acting on instructions from the NYS. Treasury admittedly submitted that it was unable to check correctness of information given, and simply acted on instructions as received from MDAs.

10. The scheme was facilitated by a complicit financial system. The Central Bank breached Sections 27,32,33 & 33A of the Banking Act No. 9 of 1998, and Section 44 & 45 of the POCAMLA, 2009 with the Governor submitting that the CBK was simply a 'conduit and conveyor belt' that transmitted funds from one end to the other, even at instances that it was itself the originating Bank. Commercial banks received funds running into billions, sometimes paying out to account holders without due diligence. Family Bank for instance paid some of the suspects tens of millions of shillings, compounding doubt on their innocence, with the knowledge that a branch's float limit was usually capped. This trend was noted in several other commercial banks and financial institutions.

Moreover, the one (1) million limit fine that the CBK imposed on Commercial banks was grossly insufficient and could not deter financial malpractice.

11. The Financial Reporting Centre was structurally insufficient in dealing with money laundering. Commercial banks for instance submitted that after reporting suspicious transactions, the FRC was not obligated to revert to them, and they were unable to get feedback on their reports. Furthermore, the FRC is a unit under CBK with its staff seconded from the CBK. This hampers their independence and effectiveness.
12. The Internal Audit function at the Ministry of Devolution was either unable or unwilling to curb fraud. Basic transgressions like failure to attach documentation before payment were overlooked by the NYS with no red flag from Internal Auditors. Indeed, the Internal Auditors appended their signatures to some of the payments. Mr. Alex Ngugi, head of Internal Audit at the Ministry at the time appeared grossly unqualified for the job and his evidence pointed to aloofness at the on-goings at the Ministry.

4.2 Specific findings and observations

4.2.1 Direct procurement of the Consulting House for the 5-Point Vision Plan

13. The Consulting House was directly procured in contravention of Section 74 of the Public Procurement and Disposal Act 2005. The need for the consultancy was neither unique nor was it an emergency. The NYS is also not among the security agencies as per Article 239 of the Constitution. The requisition for single sourcing was made by the then Director General, Mr. Japhter Rugut, through a memorandum to the PS Eng. Mangiti, justifying the need to engage the company, and extolling the company's virtues and competence.

The PS and the MTC went ahead to approve this anomaly. Moreover, the contract was not in the procurement plan of the Ministry of that respective financial year. The direct procurement was in fact in two instances; Kshs. 40 million to produce the document and a further Kshs. 50 million contract to implement its own recommendations.

14. There was no value for money for the contract. The Consulting House generated a document which was almost similar to that produced by a taskforce commissioned by the former Minister, Mr. Mohamed Kuti. Further still, production of the policy had no full participation of the Service officials to create ownership and acceptance. Staff at the NYS were given the alternate document and told to implement.
15. On the second contract on implementation, the Consulting House was paid a total of Kshs. 62.5 million, Kshs. 12.5 Million above contract sum. The fraudulent overpayment was made by a copy of invoice number 001/15/TCH-NYS dated 11th March 2015, and passed all financial controls at the service and Ministry. The company held these funds from 12th April 2015 to 19th September, 2016, almost for sixteen months. The refund was made by the company one day to their appearance before the Committee, pointing to outright mischief and dishonesty after feigning ignorance for more than a year.
16. Some officials of the Ministry/NYS were complicit since the overpayment went through several controls, with the payment vouchers mysteriously disappearing. The Ministry also made no effort to demand refund until after the matter was exposed by the Auditor General's report. Further, IFMIS should not have allowed the use of an invoice number already used to authorize payment.

4.2.2 Leadership and responsibility changes at the NYS

17. Mr. Japhter K. Rugut was informed he had been replaced by Dr. Nelson Githinji as the DG NYS on a Sunday in May 2014, without being given time to handover contrary to common practice in the civil service. The transfer was acrimonious with Mr. Rugut himself submitting that it was unfair. On 27th November, 2014, Mr. Harakhe was transferred to NYS as 'Senior Deputy Director General', a non-existing position in the NYS scheme of service, in charge of all administrative support functions, including finance. This essentially stripped off Dr. Githinji some of the functional powers, and created two centres of power. Dr. Githinji submitted that this was the 'ultimate humiliation'.
18. The change of AIE rights was haphazardly authorized by the former PS Eng. Peter Mangiti, sometimes with contradicting instructions. Mr. Adan Harakhe was designated as an alternate AIE holder to ensure certain payments were authorized because Dr. Githinji was uncooperative. The

changes at the service were clearly designed and orchestrated to plant a stooge to facilitate the fraudulent transactions. This scheme was eventually actualized.

19. Mr. Harakhe was not sufficiently competent to perform the functions of an AIE holder. His credentials appeared suspect, as he submitted that he held two distance learning degrees from the Washington International University, having never set foot at the school, once arriving a day late for his graduation and therefore detouring! His password was used to commit funds, while he claimed that his password had been stolen. He was unable to keep track of massive reduction of funds or was consciously oblivious of the transfer of funds in the system made within days.
20. Mr. Adan Harakhe had numerous disciplinary cases at the Public Service Commission, and the Secretary to the PSC was at pains to explain how Mr. Harakhe survived all these cases, and in fact kept rising to higher positions, culminating in his posting at the NYS.
21. To consolidate the plan, the CS ordered that all procurement to be centralized. The justification was that the Service would save on costs through 'economies of scale.' The Committee finds that the plan was to ring-fence certain procurements for preferred companies and to maximize on tenders.
22. During operations at the NYS, the alleged 'advisors' of Ms. Waiguru were overseeing operations and pushing for prompt payment. Several officers submitted that they were intimidated by these 'advisors.' The Head of Procurement, Mr. Hendrick Nyongesa Pilisi was suspended by Ms. Waiguru for slowing down work and not sharing on the 'vision' of the NYS. He was later verbally reinstated by one of the 'advisors'.

4.2.3 Construction of 3.5 km road in Nairobi's Kibera area

23. The Committee finds that the entire amount of Kshs. 791,385,000.00 was fraudulently paid. The figures included an addition of a zero to all payments, with the effect of compounding the figure from Kshs. 79,138,500.00 to Kshs. 791,385,000.00. The paid firms owned by one Ms. Josephine Kabura Irungu were hurriedly registered before award of tender. Moreover, the procurement was not in the procurement plan, with procurement done using forged documents.

24. The awards were based on a fake Supplies Branch contract for the construction of a 3.5 km road in Kibera. This fake document originated from a stranger purportedly sent by former CS Waiguru and delivered to Mr. Hendrick Pilisi, Head of Procurement at the NYS. The procurement officers went ahead to use it, without due diligence, and without submitting the process to the MTC for review and approval.

The former Head of Procurement claimed to have received verbal instructions from CS Waiguru to use the contract, which had only the 3 firms owned by Ms. Josephine Kabura in it. The firms had neither prior experience in road construction nor did they submit requisite documentation including the Contract, Performance Bonds, Bid Bonds and National Construction Authority accreditation.

25. The companies used NYS lorries to ferry construction materials from three private quarries in Rongai, Njiru and Ngong identified by NYS engineers. Construction was also done by NYS personnel under KURA supervision. The companies therefore did NO work for the entire Kshs. 791,385,000.00.

4.2.4 Supply and delivery of goods worth Kshs. 609,252,760.00

26. This payment was made to Ms. Josephine Kabura Irungu, again by the use of fake Supplies Branch contracts. The companies were awarded the contracts soon after registration with no history of previous works undertaken, as in the case above.

27. It is not clear whether any goods/services were delivered to the NYS. The Committee finds the entire payment fraudulent.

4.2.5 Payment of Kshs. 240,751,575.06 to NYS youth cohorts

28. The Committee noted that NYS contracted the National Bank of Kenya, who in turn contracted Safaricom Ltd. to provide a platform for mobile money transfer. The National Bank received a list of people to be paid from the NYS and took full responsibility for the accuracy of data provided.

29. The NYS provided a list with duplicate telephone numbers, individuals with similar identity card numbers, and in some cases double payments. There was no way to verify receipt and no controls. There was definite fraudulent payment to ghost cohorts amounting up to Kshs. 240,751,576.06, as tabulated below;

	Description	No. of Cohorts	Amounts paid in Kshs.
1	Payments where recipient had Identical National ID	9,170	19,461,567.10
2	Payments to different beneficiaries via Identical Mobile Numbers	8,752	18,050,313.10
3	Payment for alleged excess days (processed through excel)	4,145	12,796,968.86
4	Payment for alleged excess days (processed through the NYS ERP)	27,674	190,442,727.00
	TOTAL		240,751,576.06

4.2.6 Payment of Kshs. 360,315.00 to permanent staff of the NYS

30. The Committee established that these payments to permanent staff were un-procedural. The Accounting Officer could not ascertain the reason for the payment.

4.2.7 Use of cohorts' savings of Kshs. 551,750,000.00

31. The Committee found that the withdrawal of youth savings to fund NYS recurrent operations was irregular. The irregular withdrawal of these funds was authorized by the then DG, Dr. Nelson Githinji and was tantamount to breach of trust.

4.2.8 Payment of Kshs.222,122,919.00 to Supplies Branch for undelivered goods

32. The Committee observed that the amount had been fully accounted for by the PS Works, under whom Supplies Branch fell. Against these monies, supplies worth Kshs. 81,712,551.50 had already been dispatched to the NYS, with a balance of Kshs. 139,385,657.50 worth of supplies still to be procured awaiting NYS instructions.

4.2.9 Unaccounted for AIE of Kshs. 70 million

33. The Committee noted that the hitherto unexplained AIE of Kshs. 70 million issued to Gilgil College had now been fully accounted for as submitted by the current PS Youth Affairs and Public Service.

4.3.0 Fraudulent commitment of Kshs. 695,400,000.00 on IFMIS

34. Mr. Adan Harakhe alleged that his password was stolen to commit Kshs. 562,200,000.00. The then Director Finance, Mr. Samuel Wachenje confirmed having committed Kshs. 133,200,000.00.

Among the intended recipients of these funds were companies owned by Ms. Josephine Kabura who had been previously paid. Others were Messrs. Draco Capital, Grumum Engineering and Tegmen Trading with Mr. Peter Omari Otwoma and Ms. Caroline Njambi Kinuthia as the registered owners.

4.3.1 Construction of dams/water pans of Kshs. 3,615,709,800

35. The Committee observed that these funds were issued to NYS to construct water dams/pans across the country even though NYS lacked logistical and technical capacity to do so. NYS therefore forwarded the funds to the then Ministry of Environment, Water and Natural Resources to execute the programme through water service boards on their behalf. This programme should have been issued directly to the Ministry concerned in the first place, and not to NYS. This seemed part of the plan already alluded to, of allocating whatever funds available to the Ministry of Devolution and Planning.
36. The implementing agency, now PS Irrigation, was unable to demonstrate clear criteria for identifying locations of these water dams/pans. Whilst some constituencies had more than two allocations, those neighbouring them with same socio-economic and climatic conditions got none. The Committee found that these allocations were whimsical and not fairly distributed.
37. Implementation was not properly supervised with some of the projects stalling at varying completion rates pointing to a lack of foresight and sound project management.

4.3.2 Procurement of publicity services for Kshs. 302,458,690.00

38. This was a programme for publicity services for promotion of tender opportunities to vulnerable sections of the society. The contract was awarded to Out of the Box Solutions Ltd. The company tendered jointly with another company, Round Trip (K) Ltd., but was curiously awarded solely, by the Ministerial Tender Committee. The Committee observes that the contract entered into was void and not enforceable by law, as it was signed by only one of the two joint tenderers.

39. The Committee observes that the company had been paid Kshs. 90,737,607.00 representing 30% of contract sum for delivery of the project's inception report. The company claimed to have performed up to 60% of the contract, but had curiously not demanded payment of the balances due. The current PS confirmed having blocked the funds until investigations were complete.
40. There was no value for money for the entire payment. On examination of the inception report and video/audio presentations by the company's directors, the Committee observed that the content was nothing more than information lifted from the internet and was not worth Kshs. 90 million.
41. During examination of the firm's bank account, the Committee found a number of cash withdrawals by individual directors and no evidence of payment of any salaries or performance costs.
42. A further Kshs. 15 million was paid to Sigei, Murkomen and Sing'oei Advocates purportedly for a land transaction in Eldoret. The Committee could not verify this transaction as vital documents such as the sale agreement and a copy of the title deed were not provided despite the Committee's directive to Mr. Hillary Sigei, a Managing Partner of the firm to furnish them. Further, the Managing Partner of the law firm, Mr. Hillary Sigei, flatly refused to state what withdrawals made from the law firm's account in his personal name were meant for. The Committee finds that the law firm was used to launder irregularly acquired public funds.

4.3.3 Operation of bank accounts without Treasury approval

43. The NYS operated the bank accounts without Treasury approval in contravention of Section 28 (1) of the PFM Act. The Accounts were opened at National Bank of Kenya and Kenya Commercial Bank.

4.3.4 Other awards of tender

44. The Committee found that Mr. Benson Gethi Wangui was awarded a tender to supply fuel without requisite licenses from the Energy Regulatory Commission. Mr. Gethi was found to have been an accomplice of Ms. Josephine Kabura and was part of the business cartels at the Ministry.
45. A firm called Alpha Mercantile was awarded tenders to supply water plastic tanks at a cost of Kshs. 44,600.00 per unit, and another at Kshs. 49,880.00, totaling Kshs. 13,864,320.00. The proprietors appeared before the Committee and could not justify their pricing, which was way above market rates. Upon examination of the Ministry's payment

schedule, the Committee observed that the company had been paid in excess of Kshs. 400 million for further unclear contracts.

4.3.5 Other matters of interest

46. The Committee found that Mr. John Kago Ndung'u received funds from both Ms. Josephine Kabura Irungu and Mr. Benson Gethi Wangui . Mr. John Kago Ndung'u was employed at the Kenya Commercial Bank as a driver, earning a modest salary of Kshs. 15,000 notwithstanding the tens of millions that he transacted. Mr. Kago was used as a conduit to launder funds stolen from the NYS. He claimed that the relationships with Mr. Gethi and Ms. Kabura was purely business and not personal, while at pains to explain how they traded with each other by cash, running into of millions.
47. Law firms Ogola & Co. Advocates (now Ogola & Mujera Advocates) and M.M. Gitonga and Co. Advocates were used by Mr. John Kago Ndung'u, Mr. Benson Gethi Wangui and his mother Ms. Charity Wangui Gethi to launder stolen funds through purchase of assets and in investment instruments. Part of the scheme was to enter into agreements to purchase property, have the agreements nullified or 'fall through' and channel the funds elsewhere, rather than return to sender.
48. The Principal Partner of the firm Ogola & Co. Advocates, Mr. Ogola, had a Range Rover vehicle in the name of Mr. John Kago Ndung'u transferred to his name in a purported purchase. Mr. Ogola signed the transfer forms, logbook and sale agreements and strangely left them with the seller, with the understanding that it would be transferred when he paid after 18 months. He claimed he did not know under what circumstance Mr. Kago transferred the ownership to him before payment.
49. Mr. Benson Gethi Wangui and Ms. Josephine Kabura Irungu lied under oath, claiming not to know each other. The Committee found that they indeed knew each other, as evidenced by written submission from Mr. Farouk Kibet. In his presentation, Mr. Kibet claimed to have borrowed money from Mr. Benson Gethi, an acquaintance, to the tune of Kshs. 1.5 million. This money was deposited to his account by Ms. Josephine Kabura. Mr. Kibet confirmed to have paid back the loan to Mr. Gethi in cash.
50. Ms. Anne Waiguru submitted before the Committee a web of telephone chart between various individuals, with a view to linking them to the scam. The chart was replete with inconsistencies. A cursory look at chart showed that the CS had not placed a single call to her PS in the Ministry for a prolonged period, a scenario the Members deemed illogical. The Committee wrote to the Directorate of Criminal

Investigations to verify the telephone chart, among those made by Ms. Waiguru herself. The DCI had not reverted by the time of tabling this report.

51. The persons named hereunder made several approvals into the IFMIS system for various payments to Ms. Josephine Kabura Irungu's companies without due diligence being followed to establish the authenticity of the vouchers. The IFMIS print-out for these approvals is annexed to this Report as Appendices 1 & 2.

i) **Ms. Ruth Njeri Hihu**

Ms. Hihu was the AIE approver in IFMIS of part of the payment of Kshs. 791,385,000.00 to Ms. Kabura's firms without due diligence.

ii) **Mr. Charles Onsare Nyaachi**

Mr. Nyaachi was the officer who invoiced in IFMIS payment of Kshs. 791,385,000.00 to Ms. Kabura's firms without due diligence.

He further invoiced in IFMIS fraudulent supplies using fake Supplies Branch contract totaling Kshs. 609,252,760.60.

Mr. Nyaachi further was the invoicer in IFMIS of the fraudulent double payment of Kshs. 12.5 million to The Consulting House by use of duplicate copy of invoice.

He also invoiced in IFMIS fraudulent procurement of goods/services totaling Kshs. 695,400,000.00 that was later discovered and reversed.

iii) **Ms. Regina Nyambura Mungai**

Ms. Mungai was the officer who encumbered in IFMIS payment of Kshs. 791,385,000.00 to Ms. Kabura's firms without due diligence.

She further encumbered and was the requestor of part of the fraudulent supplies using fake Supplies Branch contract totaling Kshs. 609,252,760.60.

Ms. Mungai requested and was the 'PO User' in IFMIS fraudulent procurement of goods/services totaling Kshs. 695,400,000.00 that was later discovered and reversed.

iv) **Mr. Okello Fredrick Nasiche**

Mr. Okello was the requestor in IFMIS for part of fraudulent supplies using fake Supplies Branch contract totaling Kshs. 609,252,760.60.

v) **Ms. Mbuthia Mary Wangui**

Ms. Mbuthia was the validator for part of fraudulent supplies using fake Supplies Branch contract totaling Kshs. 609,252,760.60.

She also validated in IFMIS of the fraudulent double payment of Kshs. 12.5 million to The Consulting House by use of duplicate copy of invoice.

Ms. Wangui also validated in IFMIS fraudulent procurement of goods/services totaling Kshs. 695,400,000.00 that was later discovered and reversed.

vi) **Mr. Kamau Ezekiel Karanja**

Mr. Karanja was the validator for part of fraudulent supplies using fake Supplies Branch contract totaling Kshs. 609,252,760.60.

vii) **Mr. Jared Nyadimo Okumu**

Mr. Okumu was the requestor in IFMIS of the fraudulent double payment of Kshs. 12.5 million to The Consulting House by use of duplicate copy of invoice.

viii) **Ms. Leah Githuku Wambui**

Ms. Wambui was the 'PO User' in IFMIS of the fraudulent double payment of Kshs. 12.5 million to The Consulting House by use of duplicate copy of invoice.

52. Ms. Charity Wangui Gethi handled stolen property by receiving and investing monies in various investment banks. Assets so far preserved by the Assets recovery Agency in her name are in excess of Kshs. 200 million.

53. Members of the Ministerial Tender Committee that have been cited in various preceding cases above included the following;

i) Mr. Hassan Noor Hassan - Chairman

- ii) Mr. John Munywoki - Vice-chairman
- iii) Mr. Moses O. Ogola - Member
- iv) Mr. Hezbourne Mackobongo- Member
- v) Mr. Samuel Wachenje - Member
- vi) Ms. Veronica Ochieng - Member
- vii) Mr. Salim Ali Molla - Member
- viii) Mr. Nixon Oborah - Member
- ix) Ms. Ruth Kiiru - Alternate Member
- x) Ms. Fresia W. Kamau - Alternate Member
- xi) Mr. Samwel Odhiambo - Secretary

54. A total of Thirty (30) financial institutions including commercial, and investment banks handled funds from the Ministry/NYS. It is not clear whether provisions of the Banking Act and POCAMLA laws were adhered to, due to observed institutional weaknesses of the Financial Reporting Centre. These institutions include the following;

- i) African Banking Corporation, Kenya Ltd.
- ii) Bank Of Africa Kenya Ltd.
- iii) Bank Of Baroda Ltd.
- iv) Barclays Bank of Kenya Ltd.
- v) Commercial Bank Of Africa Ltd.
- vi) CFC Stanbic Bank Ltd.
- vii) Chase Bank Limited Ltd.
- viii) Consolidated Bank of Kenya Ltd.
- ix) Co-operative Bank of Kenya Ltd.
- x) Credit Bank Ltd.
- xi) Diamond Trust Bank Ltd.
- xii) Eco Bank Ltd.
- xiii) Equity Bank Limited
- xiv) Family Bank Limited
- xv) First Community Bank Ltd.
- xvi) Giro Commercial Bank Ltd.
- xvii) Guaranty Trust Bank Ltd.
- xviii) Gulf African Bank Ltd.
- xix) Housing Finance Ltd.
- xx) I & M Bank Ltd.
- xxi) Jamii Bora Bank Ltd.
- xxii) Kenya Commercial Bank Ltd.
- xxiii) National Bank of Kenya Ltd.
- xxiv) NIC Bank Limited
- xxv) Paramount Investment Bank Ltd.
- xxvi) Sidian Bank Ltd.
- xxvii) Standard Chartered Bank Kenya Ltd.

- xxviii) Transnational Bank Ltd.
- xxix) Faulu Micro-Finance Bank Ltd.
- xxx) Old Mutual Kenya Ltd.

55. The Committee notes that aware of the existence of the enhanced functions of Cabinet Secretaries as resolved in the 11th Cabinet meeting of 2nd December, 2014, it wrote to Dr. Joseph Kinyua, Head of Public Service, to avail minutes of the said Cabinet meeting. However as at the time of adopting this report, the said minutes had not been availed to the Committee.

PART V

5.0 CULPABILITY

The Committee was guided by witness statements, evidence submitted and its observations to assign responsibility and culpability for errors of omission and/or commission. With this, the Committee was alive to Article 226(5) of the Constitution which states that:-

“If the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not.”

The Committee apportioned responsibility of its findings to the following, for the reasons stated;-

1. MS. ANNE MUMBI WAIGURU

The former Cabinet Secretary was the overall head of the Ministry and its departments. The 11th Cabinet meeting of 2nd December, 2014 gave CSs greater oversight responsibilities and control of their Ministries. The CS personally vouched for the increased budgetary allocation to the Ministry. Several witnesses adduced evidence to the effect that she personally ordered responsibility changes at the NYS. This was the genesis of the scandal.

Corroborated evidence by several officers of the Ministry and the NYS who appeared before the Committee pointed to a domineering CS who bulldozed her way, and assigned a host of ‘advisors’ to monitor operations. She single handedly steered the 5-point vision plan and on a number of occasions issued verbal orders on operations. The Cabinet Secretary personally signed disciplinary letters to some officers of the service.

Evidence presented to the Committee by several witnesses linked a number of companies to the CS, which were paid within record time after delivery of goods and/or services. These companies have been recommended for investigation to unearth possible links to the former CS as in the recommendation chapter of this report.

Ms. Waiguru is therefore responsible for the entire loss of public funds at the Ministry during her tenure by her failure to exercise leadership effectively.

She therefore takes personal responsibility for the failures and

disorganization that led to the financial losses at the Ministry and the NYS.

2. ENG. PETER ONGAGA MANGITI

As the Accounting Officer at the Ministry and the ultimate gate keeper of the Ministry's finances, Eng. Peter Mangiti takes full responsibility for the loss of public funds during his tenure, in contravention of Section 68 of the PFM Act.

Eng. Mangiti, being the Appointing Authority of the Ministerial Tender Committee at the Ministry, is responsible for all the irregular procurement at the NYS such as the Consulting House, Out of the Box Solutions Ltd., the Kabura and Benson Gethi Wangui companies/firms, in direct contravention of Section Section 74 of the Public Procurement and Disposal Act 2005.

Eng. Mangiti takes responsibility for deploying Mr. Adan Gedow Harakhe to the non-existent position of 'Senior Deputy Director General' at the NYS, and designating him as the AIE holder without ascertaining his competence and ability to manage expenditure particularly through the IFMIS.

Further, Eng. Mangiti failed to promptly revoke the AIE status of Dr. Nelson Githinji, thus leading to a multiplicity of approvals as a result of loopholes that exposed the Service to financial losses.

Eng. Mangiti is therefore responsible for abuse of office, flouting the PFM Act 2012 and the Procurement and Disposal Act 2005 and Regulations 2006, thus liable for the loss of public funds at the Ministry during his tenure.

3. MR. JAPHTER KIPLIMO RUGUT

The former Director General confessed to authoring the request for direct procurement of the Consulting House, contrary to Section 74 of the Public Procurement and Disposal act, 2005.

Mr. Japhter Rugut is therefore responsible for sourcing directly services from the Consulting House that culminated into loss of public funds contrary to procurement laws.

4. MR. ADAN GEDOW HARAKHE

Mr. Harakhe, former 'Senior Deputy Director General' had a trail of disciplinary cases in the public service and was clearly brought to the

NYS by the then PS to fulfil the scheme to fraudulently obtain public funds.

Mr. Harakhe's password was used to approve payments of Kshs. 695,400,000.00. His claim that his password was stolen was disproved by all state authorities, including the DCI, EACC and the IFMIS department. If at all his password was stolen, it would only be as a result of his failure and negligence to safeguard it, in breach of Government's ICT policy.

Mr. Harakhe was the requisition approver in IFMIS of the fraudulent double payment of Kshs. 12.5 million to the Consulting House by use of duplicate copy of invoice, as evidenced in IFMIS extracts annexed to this report as Appendix 1.

Mr. Adan Gedow Harakhe failed to disclose his disciplinary record in the Public Service, according to evidence presented to the Committee by several witnesses.

The Committee further directed Mr. Harakhe to provide his Academic Certificates to ascertain the level of his education, after casting doubts over his claim of having undertaken Post-graduate studies in the US, with details he scantily and hazily remembered. These Certificates were never availed to the Committee.

The Committee strongly believes that Mr. Adan Gedow Harakhe's submission was choreographed and designed to throw the Committee off the track and purposely derail this inquiry.

Mr. Adan Harakhe is therefore culpable for abuse of office leading to the loss of public funds at the NYS as highlighted above and is further liable for deliberately and willingly misleading and lying to the Committee on Oath.

5. DR. NELSON GITAU GITHINJI

As the Head of NYS, Dr. Githinji approved the use of Kshs. 551,750,000.00 of cohorts' savings for NYS recurrent operations.

Further, Dr. Githinji either by design or default, failed to ensure payments to youth cohorts through MPESA mobile money platform were done prudently, and with controls, directly leading to the possible loss of Kshs. 240,751,576.06.

As the DG, Dr. Githinji approved the use of NYS trucks and equipment for the construction of the 3.5 km road in Kibera.

Dr. Githinji was the requisition approver for part of fraudulent supplies using fake Supplies Branch contract totaling Kshs. 609,252,760.60 as evidenced in IFMIS extracts annexed to this report as Appendix 1.

He was also the requisition approver in IFMIS of part of the fraudulent procurement of goods/services totaling Kshs. 695,400,000.00 that was later discovered and reversed, as evidenced in the IFMIS report annexed to this report as Appendix 1.

Dr. Githinji was also alleged to have pushed for tenders for certain companies linked to his close relations. These companies have been recommended for investigation to unearth possible links to the former DG as in the recommendation chapter of this report.

Dr. Nelson Githinji is therefore responsible for abuse of office, complicity and financial mismanagement at NYS, which led to loss of public funds.

6. MR. JOHN MUNYWOKI

Mr. John Munywoki, the Chief Finance Officer at the Ministry of Devolution and Planning at the time, was fully responsible for the approval of all payment vouchers before final payments, as was detailed in Mr. Harakhe's deployment letter copied to him, and is therefore culpable of the financial losses at the NYS.

Mr. Munywoki was also the Vice-chairperson of the Ministerial Tender Committee which irregularly approved several tenders leading to the loss of public funds at the Service.

7. THE MINISTERIAL TENDER COMMITTEE

Members of the Ministerial Tender Committee were responsible for procurement in the Ministry, for all tenders above Kshs. 2 million;

The MTC is responsible for the following;

- i. Direct procurement of the Consulting House for a total of Kshs. 90 Million;
- ii. Award of tender of publicity services for Kshs. 302,458,690.00 to Out of the Box Solutions, despite them having bid jointly with Round Trip (K) Ltd.;
- iii. Failure to pro-actively track ALL matters procurement vis a vis the procurement plan, contrary to Section 10(2)(a) of Procurement Regulations 2006;
- iv. Failure to ensure that all payments were done in line with

Section 10(2)(e) of Procurement Regulations 2006, and within existing market rates. Companies such as Alpha Mercantile Ltd. and Horizon presented exorbitant quotations and were paid for supply of water tanks and fuel, respectively;

- v. Failure to approve the use of Supplies Branch contracts as a method of procuring goods/services amounting to Kshs. 791,385,000.00 and Kshs. 609,252,750.00, contrary to Section 10(2)(h) of Procurement Regulations 2006.

The MTC is therefore solely responsible and culpable for the irregularities listed which led to loss of public funds.

8. MR. NAFTALI HENRY GITHINJI

Mr. Naftali Githinji, former Head of Accounting NYS, authored the letter to Director IFMIS requesting definition of among others, Reinforce Concrete Technologies, Roof and All Trading, Braincraft Trading and Form Home Builders, all belonging to Ms. Josephine Kabura (Appendix 3). This set the stage for the fraudulent payments.

Further, Mr. Naftali Githinji was the AIE authorizer in IFMIS for part of the payments totaling Kshs. 791,385,000.00 as evidenced in IFMIS extracts annexed to this report as Appendix 2.

Mr. Naftaly Henry Githinji therefore bears responsibility and is culpable for abuse of office and conspiracy to steal by setting into motion payments to suspect companies belonging to Ms. Josephine Kabura Irungu, which led to loss of substantial public funds.

9. MR. SAMUEL MDANYI WACHENJE

Mr. Wachenje was the Director Finance at the NYS and was also alternate AIE holder. As Director Finance, Mr. Wachenje failed to effectively safeguard public funds at the agency.

Mr. Wachenje approved requisition and AIE for fraudulent supplies using fake Supplies Branch contract totaling Kshs. 609,252,760.60 as evidenced in IFMIS extracts annexed to this report as Appendix 1.

Moreover, he was the AIE approver in IFMIS of the fraudulent double payment of Kshs. 12.5 million to The Consulting House by use of duplicate copy of invoice, as evidenced in IFMIS extracts annexed to this report as Appendix 1.

Mr. Wachenje was the AIE approver in IFMIS for the payments totaling Kshs. 791,385,000.00 as evidenced in IFMIS extracts annexed to this report as Appendix 2.

Mr. Wachenje was the requisitioner and AIE approver in IFMIS fraudulent procurement of goods/services totaling Kshs. 695,400,000.00 that was later discovered and reversed, as evidenced in IFMIS report annexed to this report as Appendix 1.

Assets worth over Kshs. 38 million (which include Kshs. 10 million in cash) were found in Mr. Wachenje's name and have since been frozen by the Assets Recovery Agency. This is clearly disproportionate to Mr. Wachenje's earnings and he was unable to explain the source of his wealth. Further, he flatly refused to answer questions regarding some of the frozen property.

Mr. Samuel Wachenje is therefore culpable of abuse of office, money laundering, complicity and collusion leading to the loss of public funds from the Ministry of Devolution and Planning and at the NYS.

10. MR. HENDRICK NYONGESA PILISI

Mr. Pilisi was the Head of Procurement at the NYS and as such should have ensured that the agency fully adhered to procurement laws and regulations. The procurement mess at the NYS was therefore a direct result of his failure to effectively perform his duties.

Mr. Pilisi approved procurement for fraudulent supplies in IFMIS using fake Supplies Branch contract totaling Kshs. 609,252,760.60 as evidenced in IFMIS extracts annexed to this report as Appendix 1.

Further, Mr. Pilisi submitted that a 'stranger' allegedly sent by the former CS Ms. Anne Waiguru, delivered the forged Supplies Branch contract to his office. Mr. Pilisi failed to ascertain authenticity of this document and went ahead to approve it for use in the procurement of goods/services amounting Kshs. 791,385,000.00 and Kshs. 609,252,750.60.

Further, he was the procurement approver in IFMIS of the fraudulent double payment of Kshs. 12.5 Million to The Consulting House by use of duplicate copy of invoice, as evidenced in IFMIS extracts annexed to this report as Appendix 2.

Mr. Pilisi was the procurement approver in IFMIS fraudulent procurement of goods/services totaling Kshs. 695,400,000.00 that was

later discovered and reversed, as evidenced in IFMIS report annexed to this report as Appendix 2.

Mr. Pilisi failed to ensure all procurements above the threshold prescribed by the Accounting Officer of Kshs. 2 million were ratified by the Ministerial Tender Committee, contrary to Section 10 (2)(h) of Procurement Regulations 2006.

Mr. Hendrick Nyongesa Pilisi is culpable for abuse of office and directly liable for contravening the Public Procurement and Disposal Act, 2005 and Regulations, 2006, which led to the loss of public funds at the NYS.

11. MS. JOSEPHINE KABURA IRUNGU

Ms. Kabura was the business front of the scheme to defraud NYS. Firms linked and owned by Ms. Kabura were hurriedly registered so as to be awarded tenders at the Ministry. Ms. Kabura willfully conspired with officers at the NYS and the Ministry of Devolution to steal public funds. She was paid in excess of Kshs. 1.4 Billion for goods and services not delivered.

Kshs. 791,385,000.00 was paid to her account at Family Bank Ltd., instead of Kshs. 79,138,500.00 which was the value of her 'contract' to construct the 3.5 Km Kibera road. She willfully withdrew the money and shared it with several of her accomplices. Moreover, in execution of the said 'contract', Ms. Kabura used NYS lorries, equipment and labour without paying for them.

Kshs. 609,252,750.00 was paid to Ms. Kabura's firms for goods and services not delivered. She flatly refused to name the quarry partners she allegedly paid the money to

She further outrageously misled the Committee that she single-handedly carried tens of millions of shillings in sacks to pay quarry owners, a claim that the Committee found hard to believe.

Ms. Josephine Kabura Irungu is therefore liable and culpable of lying under oath and misleading the Committee. She claimed she did not know Mr. Benson Gethi, a fact disproved by several other witnesses.

Ms. Josephine Kabura is found culpable for complicity and collusion leading to the loss of public funds in excess of Kshs. 1.6 billion, plus aiding and abetting money laundering.

12. MR. BENSON GETHI WANGUI

Mr. Gethi was the second business front of the scheme to defraud NYS. He confessed to having been in business with the NYS for some time before the scandal broke out. He supplied fuel without evidence of requisite licensing.

Mr. Gethi was identified as the source of monies invested in various investment schemes in the name of his mother, Ms. Charity Wangui Gethi, that have since been preserved by the Assets Recovery Agency. He was unable to explain the source of his wealth.

Mr. Benson Gethi Wangui is therefore culpable of complicity, knowingly aiding and abetting money laundering of part of Kshs. 791,385,000.00, being funds stolen from the public coffers.

13. MR. JOHN KAGO NDUNG’U

Mr. Kago handled stolen property by receiving monies in cash and through his bank accounts. He then channeled the funds to various individuals and law firms in a well-orchestrated layering process.

Mr. Kago, a driver at KCB earning a modest salary of Kshs. 15,000.00 a month, purchased a brand new Range Rover vehicle in his name and ‘hired it out’ without seeking payment.

Mr. John Kago Ndung’u is therefore culpable of willfully aiding and abetting money laundering.

14. THE CONSULTING HOUSE

The Company conspired with officers at the NYS to defraud the public of Kshs. 90 million by reproducing an existing document with minor adjustments. Further, the company knowingly withheld Kshs. 12.5 million overpaid to them using copy of invoice.

The Consulting House Chief Executive Officer, Mr. Mutahi Ngunyi is culpable for plagiarism, perjury and willfully withholding information from the Committee. He is directly liable for failure to make full disclosure that he had been paid in excess of Kshs. 100 million for other unspecified services from the NYS.

15. OUT OF THE BOX SOLUTIONS LTD.

Out of the Box Solutions was another business entity that was given an amorphous tender without clear deliverables and value for money.

Indeed the contract was jointly tendered for by Roundtrip (K) Ltd. and Out of the Box Solutions. The latter was later curiously awarded the tender singly and thus had no contractual obligation with the NYS yet it was paid by the Ministry.

The Directors of Out of the Box Solutions are therefore culpable of receiving irregular payments amounting to Kshs. 90 million for services irregularly tendered for.

16. ALPHA MERCANTILE LTD.

The firm received a tender to supply goods at exorbitant prices and the directors could not justify the costing. They were one of the firms alleged to have links with certain officials at the Ministry.

The Directors of Alpha Mercantile are therefore culpable for complicity and receiving irregular payments whose tenders were overly exaggerated.

17. OGOLA & CO. ADVOCATES

The law firm now known as Ogola & Mujera Co. Advocates handled stolen funds and were part of the laundering process by receiving funds in purported property transactions which were designed to ultimately be nullified or 'fall through' with money being later channeled elsewhere.

The Managing Partner, Mr. Ogola, assisted Mr. Kago change ownership of a Range Rover vehicle KCB 750Z in a deliberate effort to hide the property.

The Partners of Ogola & Company Advocates are therefore culpable of abetting and aiding money laundering.

18. MM GITONGA & CO. ADVOCATES

The law firm handled stolen funds and were part of the laundering process by receiving funds in purported property and investment transactions which were designed to ultimately be nullified with money being channeled elsewhere later.

The Partners of MM Gitonga & Company Advocates are therefore culpable of abetting and aiding money laundering.

19. SING'OEI, MURKOMEN AND SIGEI ADVOCATES

The law-firm handled irregularly acquired funds and was part of the

laundering process by receiving funds from Out of the Box Solutions in a purported property transaction which they could not support with evidence.

The law firm also coincidentally represented Mr. Benson Gethi during investigations, curiously with verbal instructions.

Mr. Hillary Sigei, the Managing Partner, withdrew Kshs. 500,000.00 of these funds from the law firm's client account for his personal use.

The Partners of Sigei, Murkomen and Sing'oei Advocates are therefore culpable of abetting and aiding money laundering.

The firm is further culpable of withholding information from the Committee in contravention of Article 125 of the Constitution; by failing to provide a Sale Agreement, a certified copy of the Title Deed and KRA Tax receipts as prove of existence and purchase of the purported parcel of land in Eldoret.

Further, Mr. Hillary Sigei, Managing Partner of Sigei, Murkomen and Sing'oei Advocates, is personally responsible for receiving Kshs. 500,000.00, being funds stolen from the NYS, for personal gain.

20. THE CENTRAL BANK OF KENYA (CBK)

In Clause 4A(1) of the Central Bank of Kenya Act, among the objects of the Bank is to... ***act as a Banker and adviser to and as fiscal agent of the Government.***

Further Section 44 of the Central Bank Act recognizes the Central Bank as ***the Fiscal Agent and Banker to public entities, and specifically states as follows:-***

44(1) The Bank shall act as fiscal agent of and banker to the Government

(2) The Bank may also perform the functions of fiscal agent and banker for any other public entity in accordance with, and within the scope determined by, any special arrangements made between the Bank and the public entity concerned.

The Central Bank of Kenya was the source of all the funds that was paid to the Commercial Banks and other institutions for onward payments to NYS Suppliers. It is apparent that CBK was used as a conduit for transfer of funds which were irregularly paid to suspect companies for goods and/or services not delivered.

Payments are initiated at the relevant Ministries, Departments and Agencies (MDAs) in accordance with the contract in place with the supplier. The verification of the supplier, deliveries and invoicing happens at the Ministry. Once these are confirmed, payment requisition is made and approved within the MDA through the IFMIS. Payments are then processed by CBK which sends payments instructions (Swift Advises to Commercial banks).

Based on the above process, the Committee finds that three parties namely the MDA, The Central Bank and the respective commercial bank/financial institution each had an equal obligation to safeguard the public against loss of funds.

Section 44 of the Proceeds of Crime and Anti-Money Laundering Act (PROCAMLA) details the procedure a reporting institution must perform. The CBK failed to do so; the Banking and Bank Supervision Departments and the Financial Reporting Centre of the CBK failed to confirm the authenticity of payments to the Commercial Banks and other financial institutions before releasing the funds.

In addition to the above, the CBK as the remitting Bank under RTGS rules has the following responsibilities:-

- Remitting Bank is required to obtain supporting documentation for large and unusual transactions
- Ensure transactions have the relevant approval signatures
- Should confirm all documents supporting payments such as invoices are obtained and all approvals given and appended on the paying instructions.

Further, the PROCAMLA applies to all institutions which undertake financial transactions and the CBK as the Banker for Government falls under the ambit of the Act.

The Act defines a **“reporting institution”** as a **financial institution** and designated non-financial business and profession

As a financial institution is defined to include’..... *an entity that conducts any of the following operations..... **transferring of funds** or value, by any means, including both formal and informal channels;*

In this respect, the CBK would be expected to obtain appropriate documentation as to the identity of the recipient (or sender) of the transferred or paid funds, and the reason underlying the transfer or payment for large, frequent or unusual transfers or payments of funds

from the Bank.

We note with concern that the CBK has failed to take ownership of its responsibility as a paying Bank to ensure that it safeguards public funds and complies with Anti-money laundering laws. Central Bank in this instance was the first point of entry of public monies into Banking ecosystem and ought to have ensured such monies were not proceeds of crime, money laundering and/or corruption.

The CBK is therefore culpable of abetting and aiding in money laundering in contravention of the Proceeds of Crime and Anti-Money Laundering Act. In particular, the Governor is culpable for failure to advise the Government on the irregular payment requisitions that were being received from the Ministry of Devolution and Planning, as per the above Section of the CBK Act.

21. FAMILY BANK LTD.

Family Bank received all the monies paid to Ms. Josephine Kabura's firms as well as accounts for Mr. John Kago and Mr. Benson Gethi. The bank did not do due diligence and violated POCAMLA laws and Know-Your-Customer principles, especially since the accounts were newly opened.

The bank allowed the suspects to withdraw large sums of cash, well above set branch float ceilings.

However, the Committee notes the Bank is already facing charges over this act of commission/omission.

PART VI

6.0 RECOMMENDATIONS

The Committee recommends as follows:-

THAT:-

- 1. The Judiciary expedites prosecution of Criminal case CMC Court Cr. C No. 1905/2015 (Republic – vs – Eng. Peter Mangiti & 24 others) (Charge sheet annexed to this report as Appendix 4). Further, Eng. Peter Mangiti should be barred from holding a public office, if found guilty after due process.**
- 2. The Judiciary expedites proceedings of money laundering case No. 301/2016 (Republic – vs – Josephine Kabura Irungu & 10 others) (Charge sheet annexed to this report as Appendix 5).**
- 3. The Directorate of Criminal Investigations (DCI) and Ethics and Anti-Corruption Commission (EACC) conduct thorough investigations into all payments made through IFMIS from the Ministry of Devolution and Planning (including NYS) over the Audit period amounting to over KSh. 23 billion to establish:-**
 - (i) The names of the Directors/Proprietors of all the companies/businesses which received these payments;**
 - (ii) Whether they (directors/proprietors) had any relations with senior Ministry/NYS officials;**
 - (iii) Names of the Banks into which the payments were made including names of signatories to each of the accounts;**
 - (iv) Names of all the end recipients of the funds from these accounts;**
 - (v) The procurement process leading to the award of all these contracts, and/or whether any Contract Agreements were signed prior to commencement of the works/services. Copies of such Contract Agreements should be availed for scrutiny;**
 - (vi) Whether Local Purchase Orders/Local Service Orders were issued prior to award of these contracts;**

(vii) Whether actual goods and services were delivered prior to payments being made, including a demand for presentation of authenticated/signed/stamped Delivery Notes/Inspection and Acceptance Reports;

(viii) Whether the Kenya Revenue Authority (KRA) received the due portions of the taxes from the payments on the purported goods and services delivered over this period from the individual firms and recipients of the funds. Where due taxes were not paid, the KRA immediately commences recovery processes, complete with the applicable penalties.

4. Ms. Anne Mumbi Waiguru, the former Cabinet Secretary in the Ministry of Devolution and Planning, be barred from holding public office, if found guilty after due process, in light of her overall leadership failures at the Ministry, for;

a) Contravention of Chapter Six of the Constitution in its entirety but more specifically, Article 73 which provides that a "State Officer must ...bring honour to the nation and dignity to the office and promotes public confidence in the integrity of the office"; and,

b) Aware of the existence of a Cabinet resolution on the enhanced functions of a Cabinet Secretary as resolved vide the resolution of the 11th Cabinet meeting held on 2nd December, 2014, she failed to execute the said enhanced functions.

5. The DCI commences fresh investigations over abuse of office by Ms. Anne Mumbi Waiguru, former CS Ministry of Devolution and Planning, the findings be made public and appropriate action be taken against her if found culpable.

6. The EACC conducts a thorough lifestyle audit of top officials of the Ministry of Devolution and Planning and the NYS, including the then CS, Ms. Anne Waiguru, spanning the last five years (2012-2016). The outcome of this audit should be made public by 31st December, 2017, with criminal proceedings instituted against those found culpable.

7. The DCI and EACC to conduct thorough investigations with a view to establishing whether the Governor of the Central Bank of Kenya, Dr. Patrick Ngugi Njoroge, should be charged with abuse of office for abetting the theft of funds at the Ministry of Devolution and Planning and the National Youth Service for

failing/refusing to advise the Government on the abnormal payment requisitions from the Ministry and NYS as per Sections 4A(1)(e) ,44(1) and (2) of the Central Bank of Kenya Act.

8. The Director Public Prosecutions (DPP) immediately reviews his decision not to charge Mr. Adan Gedow Harakhe of attempted theft of Kshs. 695,400,000.00, in light of the fact no evidence of his password having been stolen was given. The DPP should further institute charges against him for his role in approving a duplicate payment of Kshs. 12.5 million to the Consulting House Ltd., and for lying under oath over the purported theft of his password, and his academic qualifications.
9. The EACC and DCI institutes investigations into the conduct of the various public officers who made the diverse approvals into the IFMIS system for various payments to companies associated with Ms. Josephine Kabura and others without due diligence as noted under Observation paragraph no. 51.
10. The EACC and the DCI expeditiously carries out investigations on the members of the Ministerial Tender Committee as listed in Observation paragraph no. 53 with a view to referring the cases to the DPP for appropriate action.
11. The DCI and EACC immediately commences investigations into the role of the Central Bank of Kenya with particular focus on the Directors of Banking Services and Banking Supervision Directorates, and the Financial Reporting Centre with a view to charging them with contravening the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA) 2009 for aiding and abetting money laundering. The Committee further directs that investigations be conducted to establish whether there was complicity on the part of CBK and/or any of its members of staff in aiding/abetting this theft of public funds.
12. The DPP should immediately prefer charges of aiding and abetting money laundering on the Partners of the following law firms; MM Gitonga Advocates, Ogola & Mujera Co. Advocates and Sing'oei, Murkomen & Sigei Advocates.
13. The DCI commences investigations into the conduct of Mr. Hillary Sigei, the Managing Partner of Sing'oei, Murkomen & Sigei Advocates with a view to instituting criminal charges against him

for the withdrawal and use of Kshs. 500,000, being proceeds of crime from the firm's client accounts for his personal benefit.

14. The DCI should launch investigations into the circumstances under which the Consulting House and its Directors in collusion with officers of the NYS were paid Kshs. 12.5 million in excess of the contract sum during the NYS 5-Point Vision re-branding contract, and institute charges on the firm's Directors for perjury and handling stolen funds. Further, the Directors of the Consulting House should be investigated to establish the circumstances under which they received funds in excess of Kshs. 100 million from the Ministry of Devolution and the NYS over the audit period. Should the investigations establish that these funds were irregularly acquired, recovery measures should be instituted against the Directors individually in addition to appropriate charges being preferred against them.
15. The Judiciary expedites cases against Family Bank, and its former employees, already before court.
16. Both DCI and Ethics and Anti-Corruption Commission conducts a detailed forensic investigations on the following financial institutions that received funds from the Ministry and/or NYS, to ascertain compliance with the Banking Act and POCAMLA, and take appropriate action on those institutions found culpable of flouting the law, namely:-
 - i) African Banking Corporation, Kenya Ltd.
 - ii) Bank of Africa Kenya Ltd.
 - iii) Bank of Baroda Ltd.
 - iv) Barclays Bank of Kenya Ltd.
 - v) Commercial Bank of Kenya Ltd.
 - vi) Central Bank of Kenya
 - vii) CFC Stanbic Bank Kenya Ltd.
 - viii) Chase Bank Limited
 - ix) Consolidated Bank Ltd.
 - x) The Co-operative Bank of Kenya Ltd.
 - xi) Credit Bank Ltd.
 - xii) Diamond Trust Bank Ltd.
 - xiii) Eco Bank Ltd.
 - xiv) Equity Bank Ltd.
 - xv) First Community Ltd.
 - xvi) Giro Commercial Bank Ltd.
 - xvii) Guaranty Trust Bank Ltd.
 - xviii) Gulf African Bank Ltd.
 - xix) Housing Finance Bank Ltd.
 - xx) I & M Bank Ltd.

- xxi) Jamii Bora Bank Ltd.
- xxii) The Kenya Commercial Bank Ltd.
- xxiii) National Bank of Kenya Ltd.
- xxiv) NIC Bank Ltd.
- xxv) Paramount Investment Bank Ltd.
- xxvi) Sidian Bank Ltd.
- xxvii) Standard Chartered Bank Ltd.
- xxviii) Transnational Bank Ltd.
- xxix) Faulu Micro-Finance Bank Ltd.
- xxx) Old Mutual Kenya Ltd.

17. Pursuant to the provisions of Article 229(5) and (6) of the Constitution and Sections 32 and 49 of the Public Audit Act, 2015, the Auditor General conducts a complete and thorough forensic audit of the Ministry of Devolution and Planning (and ALL its Agencies and Departments) development budgets for the period 2013-2016 and reports to the House by 31st December, 2017.

18. The Public Service Commission immediately reviews ALL the disciplinary cases brought upon the person of Mr. Adan Gedow Harakhe and takes appropriate and satisfactory action. In the same breadth, the Commission for University Education should immediately investigate the authenticity of the academic qualifications held by Mr. Adan Gedow Harakhe, and take appropriate disciplinary action against Mr. Adan Harakhe should he be found to have been promoted based on fake/falsified qualifications.

19. The EACC and DCI immediately probes the relationship between Directors of the following companies with top officials at the Ministry/NYS, the procurement process leading to award of contracts and appropriate charges of complicity instituted, if any, on the following Companies:-

- i. Bluestar Enterprises
- ii. Alpha Mercantile Ltd.
- iii. Lukenya Earth Movers Ltd.
- iv. Bora Global Ltd.
- v. Fresco International Ltd.
- vi. Trancend Media Group Ltd.
- vii. Greenberg Holdings
- viii. Kenrie Traders
- ix. Brandspark Supplies Ltd.
- x. Celebrity Foods
- xi. Sakoji Ltd.

- xii. **Aenon Enterprises**
- xiii. **Allbest Consultants**
- xiv. **Selumna Ltd.**
- xv. **Liszolchem Ltd.**
- xvi. **Out of the Box Solutions Ltd.**
- xvii. **Brand Associates Communications**
- xviii. **Wais Trading Company**
- xix. **Apex**
- xx. **Avcon Agencies**
- xxi. **Benchmark Holdings**
- xxii. **Betacamp General**
- xxiii. **Big Kent Company**
- xxiv. **Broadlink General Merchants**
- xxv. **Clout Ventures**
- xxvi. **Comtech Enterprises**
- xxvii. **Creed Traders**
- xxviii. **Dayton Investments**
- xxix. **Derby Techno Systems**
- xxx. **Epinician Ltd.**
- xxxi. **Equip Agencies Ltd.**
- xxxii. **Era Two Thousand Ent.**
- xxxiii. **Esaki Ltd.**
- xxxiv. **Fairate Tyres**
- xxxv. **Flagstone Merchants**
- xxxvi. **Greenland Supplies Ltd.**
- xxxvii. **HHJ Spices and Cereals**
- xxxviii. **Highview Trading**
- xxxix. **Ilsan Ent. Ltd.**
- xl. **Jogut Supplies Ltd.**
- xli. **Kabira Ventures Company Ltd.**
- xl. **Kenirie Ltd.**
- xliii. **Kenvic Agencies**
- xliv. **Konjuli Enterprises Ltd.**
- xl. **Liberty Professional Services Ltd.**
- xlvi. **Lorche Agencies**
- xlvii. **Newtool Mart Trading**
- xlviii. **Polykea Ventures**
- xl. **Prime Mattresses Ltd.**
- l. **Purma Holdings Ltd.**
- li. **Qsetters Investments**
- lii. **Rai Raj Ltd.**
- liii. **Realtool Trading**
- liv. **Ristein Company Ltd.**
- lv. **Salala Logistics Consultants**
- lvi. **Selima Ltd.**

- lvii. **Sepherit Technologies**
- lviii. **Shackmac Investments**
- lix. **Sigi Holdings Ltd.**
- lx. **Sparemart Agencies**
- lxi. **Tansyc Industrial Supplies**
- lxii. **Technical Supplies and Services**
- lxiii. **Technology House Kenya Ltd.**
- lxiv. **The Consulting House Ltd.**
- lxv. **Thwama Building Services Ltd.**
- lxvi. **Timlac Services**
- lxvii. **Total Plus Bureau Co. Ltd.**
- lxviii. **Trade Circles Ltd.**
- lxix. **Uniglobe Northline Travel Ltd.**
- lxx. **Volcanic Plumbing Works Ltd.**
- lxxi. **Wanders General Supplies Ltd.**
- lxxii. **Africa Neuritech Systems Ltd.**
- lxxiii. **Alfalink Ent. Ltd.**
- lxxiv. **Aloukik Investments Ltd.**
- lxxv. **AMG International**
- lxxvi. **Aylia Investments Ltd.**
- lxxvii. **BN Kotecha and Sons Ltd.**
- lxxviii. **Baltimore General Supplies Ltd.**
- lxxix. **Bashash Construction Company**
- lxxx. **Bedi Investments Ltd.**
- lxxxi. **Bell Industries Ltd.**
- lxxxii. **Blue Ravine**
- lxxxiii. **Blue Star Enterprises**
- lxxxiv. **Bramlin Ventures Ltd.**
- lxxxv. **Brave Life (K) Ltd.**
- lxxxvi. **Budken Building Construction Co. Ltd.**
- lxxxvii. **Bulsons Agencies Ltd.**
- lxxxviii. **Butechs Construction Co.**
- lxxxix. **Canaries Holdings Ltd.**
- xc. **Carol and Khan Ventures**
- xc. **Centon Ltd.**
- xcii. **China Roads and Bridges**
- xciii. **Charwins Ltd.**
- xciv. **Ciren Contractors Ltd.**
- xcv. **Citrolam Contractors Ltd.**
- xcvi. **Comtel Networks**
- xcvii. **Comtech Enterprises Ltd.**
- xcviii. **Corporate Consulting Int. (K) Ltd.**
- xcix. **Costbill Systems**
- c. **Craynon Holdings**
- ci. **Creative Technologies Ltd.**

- cii. Crinon Enterprises Ltd.
- ciii. Critical Mars Electrical
- civ. Crystal Valuers
- cv. Dakawon Transport Ltd.
- cvi. Daybreak Supplies Ltd.
- cvii. Dayton Investments Co. Ltd.
- cviii. Dimensional Services Ltd.
- cix. Diwaga Investmednt Ltd.
- cx. Doris Investment Enterprises
- cxii. Erico Diesel Services Ltd.
- cxiii. Ermiflag Agencies Ltd.
- cxiiii. Eribet Fairdeal Supplies
- cxv. Ernst and Young
- cxvi. Everhard Enterprises
- cxvii. Excella Supplies Services
- cxviii. Fastlane Freight Forwarders
- cxviiii. F-Eight Ent. Ltd.
- cxix. Firthing Supplies Ltd.
- cxix. Fresco Int. Ltd.
- cxxi. GAB Int. Construction Co. Ltd.
- cxixii. Gamoji Ltd.
- cxixiii. Gilnak General Supplies
- cxixiv. Glennsteam Eng. Works. Ltd.
- cxixv. Grayon Holdings Ltd.
- cxixvi. Greenberg Holdings Ltd.
- cxixvii. Hayzee Solutions Ltd.
- cxixviii. Helix Logistics Ltd.
- cxixix. Highview Trading
- cxixix. Illadu Construction Co. Ltd.
- cxixxi. Infimium Technologies Ltd.
- cxixxii. Inter Management Group Kenya Ltd.
- cxixxiii. International Partnership Services Ltd.
- cxixxiv. Interscope Tech and Services
- cxixxv. Isoflyn Corp Ltd.
- cxixxvi. Jumbo Commodities Ltd.
- cxixxvii. Knight Frank Kenya Ltd.
- cxixxviii. Lagum International Ltd.
- cxixxix. Linksoft Integrated Services Ltd.
- cxli. Luguna Ventures Co. Ltd.
- cxli. Mamoja Construction Co. Ltd.
- cxlii. Mareka Enterprises
- cxliiii. MC Builders Ltd.
- cxliv. Microbit Systems Ltd.
- cxlv. Monrho Co. Ltd.
- cxlvi. Morrison and Associates

- cxlvii. Mruttu Salmann and Associates**
- cxlviii. Multicon**
- cxlix. Mweha Ent. Ltd.**
 - cl. Namorutunga Building Construction Ltd.**
 - cli. Ndury Redline Ent.**
 - clii. Neomatech Ltd.**
 - cliii. New Look Construction Ltd.**
 - cliv. Newgen Enterprises**
 - clv. New Toolmart Trading**
 - clvi. Norift Construction Co. Ltd.**
 - clvii. Nyamusi General Contractors**
 - clviii. Nyochieng General Contractors**
 - clix. Occassions and Days Ltd.**
 - clx. Off-Limit Brands**
 - clxi. Openfield Business Systems**
 - clxii. Pabari Distributions Ltd.**
 - clxiii. Parmco Enterprises**
 - clxiv. Pathway Construction Co. Ltd.**
 - clxv. Pentium Systems**
 - clxvi. Pisu and Co. Ltd.**
 - clxvii. Ponela Kenya Ltd.**
 - clxviii. Pyramid Construction Ltd.**
 - clxix. Ready Go Ltd.**
 - clxx. Red Eagle Africa**
 - clxxi. Sanbeat Investments Ltd.**
 - clxxii. Sashiba Impex Ltd.**
 - clxxiii. Silverscope Ltd.**
 - clxxiv. Silverware Inv. Ltd.**
 - clxxv. Sipi International AB**
 - clxxvi. Sivad Construction Ltd.**
 - clxxvii. Speed Light Enterprises**
 - clxxviii. Stanklean Commercials Ltd.**
 - clxxix. Tanad Transporter Ltd.**
 - clxxx. Tarlykes Ventures**
 - clxxxi. Techbic Ltd.**
 - clxxxii. Tesia Supermarket Ltd.**
 - clxxxiii. Timo Chem Gen. Supplies**
 - clxxxiv. Tison Ltd.**
 - clxxxv. Tropical Technology**
 - clxxxvi. Tunasco Insaat Taahhut Ticaret Anonim Sikketi**
 - clxxxvii. Unes Consultancy**
 - clxxxviii. Unifresh Exotics (K) Ltd.**
 - clxxxix. Verve KO Kenya Ltd.**
 - cx. Wajir Vegetable Supplies Ltd.**
 - cxci. Waluco Investment**

- cxcii. Westbuild General Contractors Ltd.**
- cxciii. World Tie Line Ltd.**
- cxciv. Xplore Networks Ltd.**
- cxcv. Yuhaismo Ltd.**
- cxcvi. Telenodech Agencies Ltd.**

- 20. The Director of Public Prosecutions commences investigations on the conduct of Mr. Japther Kiplimo Rugut with a view to instituting abuse of office proceedings against him for recommending direct procurement of the Consulting House, contrary to section 74 of the Public Procurement and Disposal Act 2005.**
- 21. The Government blacklists Mr. Benson Gethi Wangui and Ms. Josephine Kabura Irungu, and their associated companies and/or firms, and other firms or companies and their individual Directors found guilty of malpractice at the Ministry of Devolution and Planning and/or NYS, from engaging in further business dealings with any public entity.**
- 22. The Kenya Revenue Authority immediately reviews tax returns by companies held by Ms. Josephine Kabura Irungu and Mr. Benson Gethi Wangui and other listed individuals and companies who secured contracts with the Ministry of Devolution and Planning and the NYS, with a view to recovering all tax due and outstanding from awarded tenders.**
- 23. The National Assembly prioritizes and considers for adoption the recommendations contained in the Report on the *'IFMIS Effectiveness Audit Report for the Period July 2010 to June 2014'* presented to the House on 1st December, 2016 by the Auditor General.**
- 24. Parliament proceeds to immediately review and subsequently amend the Banking Act and other financial laws and regulations with a view to realizing the following—**
- i. Substantial increase in the maximum fine levied by the Central Bank of Kenya on non-compliant financial institutions;**
 - ii. Converting the Financial Reporting Centre to an autonomous body with operational independence from the Central Bank of Kenya;**

- iii. Delegating the authority to order the preservation of suspected proceeds of crime to the Financial Reporting Centre, subject to judicial review;
 - iv. Express recognition of the Central Bank of Kenya as one of the reporting institutions under POCAMLA;
 - v. Reporting obligations, including guidelines of due diligence and Know-Your-Customer principles to include law firms, estate agents, registered car dealers and other professional firms/service providers dealing in both moveable and immovable assets;
25. The National Treasury should develop regulations on a percentile cap on which financial year budgets of MDA's cannot be surpassed in succeeding years, to guard against non-absorption and misuse of public funds. Within this framework, the National Treasury and the National Assembly are urged to thoroughly scrutinize previous financial year absorption rates and prevailing and future absorption capacity of MDAs, especially on substantial increases in budgetary allocations.
26. The National Treasury immediately revamps the Internal Audit function in MDA's to make it pro-active and effective, including staffing.
27. The Auditor General immediately conducts a detailed forensic review of ALL payments made to youth cohorts using mobile money transfer with a view to recommending prosecution of individuals found to have abused the cohort payment system for personal aggrandizement.
28. The Accounting Officer, Ministry of Devolution and Planning, immediately recovers the full amount of Kshs. 360,315.00 paid to permanent staff at the NYS alongside cohorts.
29. The State Department of Irrigation makes public a list and locations of all water pans and dams constructed in the country. The Ministry should further complete any stalled projects and develop a clear criteria for distribution of such projects in future.
30. The Director of Public Prosecutions commences investigations into abuse of office on officers who authorized opening of bank accounts without the National Treasury approvals, contrary to Section 28(1) of the PFM Act, 2012.

APPENDICES

List of Appendices

Appendix 1: Table B of IFMIS approval chain of funds amounting to Kshs. 609,252,750.00, Kshs. 695,400,000.00 and Kshs. 12.5 Million;

Appendix 2: Table A of IFMIS approval chain of funds amounting to Kshs. 791,385,000.00;

Appendix 3: Letter by Naftaly Githinji instructing the Director IFMIS to define fraudulent companies;

Appendix 4: Charge Sheet on Criminal case CMC Court Cr. C No. 1905/2015 (Republic – vs – Eng. Peter Mangiti & 24 others);

Appendix 5: Charge Sheet on Money laundering case No. 301/2016 (Republic – vs – Josephine Kabura Irungu & 10 others);

Appendix 6: Extracts from IFMIS Records/Submission by the PS Public Service and Youth Affairs.

COMPANY	AMT	LPO	REQUESTOR	REQ APPROVER	PO USER	PO APPROVAL CFO	PO APPROVA	INVOICER	VALIDATION	CASHIER
Braincraft Trading	3,972,000.00	43	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	5,922,600.00	42	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	1,997,500.00	107	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	1,997,500.00	223	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	12,605,000.00	1529	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	28,250,000.00	390	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	45,145,000.00	762	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	KAMAU, Mr. EZEKIEL KARANJA	Jeniffer Mugure Manyara
	3,450,000.00	1530	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	23,925,000.00	1528	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara

ANNEX 1

Essential Prodigy Trading	26,000,000.00	1043	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	24,375,000.00	845	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
			Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	
Gilnak General Supplies	24,375,000.00	1045	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	29,250,000.00	846	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	29,250,000.00	N/A				Wachenje, Mr. Samuel Mndanyi		Ndungu, Mr. George Karogo	Nancy Kemunto Onwong'a	Jeniffer Mugure Manyara
						Wachenje, Mr. Samuel Mndanyi				Jeniffer Mugure Manyara
						Wachenje, Mr. Samuel Mndanyi				Jeniffer Mugure Manyara
Smartboard Learning Equipment	5,962,700.00	227	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	7,970,980.00	228	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara

	5,939,350.00	222	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	3,979,500.00	224	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Okello, Mr. Fredrick Nasiche	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
						Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare		Jeniffer Mugure Manyara
						Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare		Jeniffer Mugure Manyara
Startling Trading	29,250,000.00	843	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	27,625,000.00	1041	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
			Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi			Mbuthia, Miss Mary Wangui	
			Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi			Mbuthia, Miss Mary Wangui	
Tucking Stitch Emporium	27,625,000.00	844	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	29,250,000.00	1042	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara

								Nyaachi, Mr. Charles Onsare		
								Nyaachi, Mr. Charles Onsare		
Brand Associates Limited	73,461,695.00	N/A						Nyaachi, Mr. Charles Onsare	Kamau, Mr. Ezekiel Karanja	Jeniffer Mugure Manyara
	27,548,135.60	N/A						Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
								Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
								Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
The Consulting House Limited	12,500,000.00	2147	Jared Nyadimo Okumu	Harakhe, Mr. Adan Gedow	Leah Githuku Wambui	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
							Pilisi, Mr. Hendrick Nyongesa			Jeniffer Mugure Manyara
							Pilisi, Mr. Hendrick Nyongesa			Jeniffer Mugure Manyara
							Pilisi, Mr. Hendrick Nyongesa			Jeniffer Mugure Manyara

Reinforced Concrete Technologies	31,500,000.00	767	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	25,650,000.00	768	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	39,150,000.00	812	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	35,700,000.00	925	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	29,700,000.00	765	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	36,750,000.00	764	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	33,600,000.00	926	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	37,260,000.00	813	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	21,150,000.00	1531	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	29,700,000.00	814	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara

			Mungai, Mrs. Reginah Nyambura		Mungai, Mrs. Reginah Nyambura		Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare		
			Mungai, Mrs. Reginah Nyambura		Mungai, Mrs. Reginah Nyambura		Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare		
Form Homes Builders	15,750,000.00	263	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Kamau, Mr. Ezekiel Karanja	Jeniffer Mugure Manyara
	39,900,000.00	405	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	37,275,000.00	362	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	36,750,000.00	388	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	36,750,000.00	418	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	26,250,000.00	415	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
	26,250,000.00	389	Mungai, Mrs. Reginah Nyambura	Githinji, Doctor Nelson Gitau	Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare	Mbuthia, Miss Mary Wangui	Jeniffer Mugure Manyara
			Mungai, Mrs. Reginah Nyambura		Mungai, Mrs. Reginah Nyambura	Wachenje, Mr. Samuel Mndanyi	Pilisi, Mr. Hendrick Nyongesa	Nyaachi, Mr. Charles Onsare		

NO	INVOICE NO.	OFFICER WHO ENCUMBERED	OFFICER WHO INVOICED	AIE APPROVER	AIE AUTHORIZER	COMPANY NAME	AMOUNT
1	03936	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Reinforced Concrete Technologies	29,700,000
2	03937	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Reinforced Concrete Technologies	33,600,000
3	04186	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Reinforced Concrete Technologies	36,750,000
4	03684	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Reinforced Concrete Technologies	35,700,000
5	04167	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Reinforced Concrete Technologies	21,150,000
6	03147	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Reinforced Concrete Technologies	31,500,000
7	01902	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Form Home Builders	15,750,000
8	02221	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Form Home Builders	36,750,000
9	02220	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Form Home Builders	26,250,000
10	02219	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Form Home Builders	37,275,000
11	02218	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Form Home Builders	39,900,000
12	03939	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Reinforced Concrete Technologies	37,260,000
13	03683	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Reinforced Concrete Technologies	39,150,000
14	03938	MUNGAI, Mrs.	NYAACHI, Mr.	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr.	M/S Roof And All Trading	37,800,000

ANNEX

2

		REGINAH NYAMBURA	CHARLES ONSARE		NAFTALI HENRY		
15	03941	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Roof And All Trading	30,300,000
16	03940	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Roof And All Trading	36,750,000
17	03935	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Reinforced Concrete Technologies	29,700,000
18	03682	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Roof And All Trading	34,650,000
19	02757	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Form Home Builders	36,750,000
20	02756	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Form Home Builders	26,250,000
21	03681	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Roof And All Trading	38,850,000
22	03148	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	HIHU, Miss RUTH NJERI	M/S Roof And All Trading	30,300,000
23	03146	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Roof And All Trading	24,150,000
24	04170	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Roof And All Trading	19,500,000
25	03143	MUNGAI, Mrs. REGINAH NYAMBURA	NYAACHI, Mr. CHARLES ONSARE	WACHENJE, Mr. SAMUEL MNDANYI	GITHINJI, Mr. NAFTALI HENRY	M/S Reinforced Concrete Technologies	25,650,000
		Total					791,385,000

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ANNEX 3

THE NATIONAL TREASURY
RECEIVED
11 NOV 2014
DIRECTOR
IFMIS DEPARTMENT
P. O. Box 30007 NAIROBI

REPUBLIC OF KENYA



THE PRESIDENCY
MINISTRY OF DEVOLUTION AND PLANNING
STATE OF DEPARTMENT OF PLANNING

Tel: +254-020-2632925
Fax: +254-020-2378129
Website: WWW.DEVOLUTIONANDPLANNING.GO.KE

NATIONAL YOUTH SERVICE
HEADQUARTERS
P.O. Box 30397-00100
Nairobi
KENYA
10th November, 2014

When replying please quote:

REF/NYS/FIN/2/3

The Principal Secretary
National Treasury
P.O Box 30007
NAIROBI

Attention: Director IFMIS

RE: SUPPLIER NUMBERS (MERCHANTS)

Attached schedule of supplier details which requires IFMIS number for facilitation of transaction through the system

Naftali Githinji

FOR: DIRECTOR GENERAL



NAME OF SUPPLIER	CO'S Physical location and street	Postal Address	Email address	Company's contact person	Bank and Bank Branch	Bank Account Number	Business Classification Certificate	Company Registration No.
1 Fonkensia Enterprises	Auler-Licing Road	1268-00206	lymcomlive@yahoo.com	Simon Momyiri	Family	055000031753	-	A003117821H
2 Reinforce Concrete Technologies	Tom Mboya	44550-00100	reinforceconcrete@gmail.com	Wamahis	Family - KTDA	065000007847	-	P08462642H
3 RYMA Supplies Enterprises		7246-000200	dikedhis@yahoo.com	Antony Kamau	K.C.B-Kimathi street	1139373250	-	A00642837J
4 Road and All Trading	Ngara	4644-00100		Alice	Family KTDA	065000007848	-	P013903961H
5 Waluco Evestment		2188	jenzizah@gmail.com	Lucy Wambui	K.C.B- Gigiri	1154300986	-	A003214508E
6 Dinnicraft Trading		4042-00200	businessaff@gmail.com	Samuel Wachira	Family - KTDA	065000007865	-	P051321517H
7 Primart Agencies		49171		Peter Kieni	Barclays Hatleeslassic	2019595	-	A001642219I
8 Form Home Builders		56785	homebuilders@gmail.com	Charles Kimani	Family K.T.D.A	065000007849	-	P064513034H
9 CADIDAH Construction Co. Ltd		51871-00100	mmwanki94@gmail.com	J. Mwaniki	Equity - Kerugoya	0100101386483	-	P051147170A
10 Lucy Wambui Ngimiah		49171	jenzizah@gmail.com	Lucy Wambui	K.C.B-Gigiri	1104227806	-	A003214508E

N. Kamau



POLICE 5

O.B. No

THE KENYA POLICE
CHARGE SHEET

POLICE CASE NO: 113/...../2015
DATE TO COURT: 18/11/2015
COURT FILE NO: 1905/15

Christian Names in full or Name AS PER THE ATTACHED LIST	Surname OR Father's Name	I.D	S M A L E	N K E N Y A N	A D U L T	ADDRESS (include District and Location Where applicable)
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CHARGE COUNT I **TAMPERING WITH PUBLIC OFFICERS CONTRARY TO SECTION 107(a) OF THE PENAL CODE.**

PARTICULARS OF OFFENCE
(See Second Schedule of C.P.C.)

1. ENG. PETER ONGANGA MANGITI 2. DR. NELSON GITHINJI
3. BENSON GETHI MUCHEMI

Between 27th May, 2015 and 19th June, 2015 in Nairobi within Nairobi County jointly and severally attempted to induce Adan Gedow Harakhe Senior Deputy Director General in charge of Administration National Youth Service, to fail in his duty by dissuading, threatening and intimidating him with consequences should he continue following up the matter relating to the Conspiracy to steal Kshs 695,400,000/= (six hundred and ninety five million four hundred thousand shilling only) with the Directorate of Criminal Investigation.

(other counts see Attached Sheet)

If Accused Arrested	Date of Arrest	Without or with Warrant	Date Apprehension Report to Court	Bond or Bail and Amount	Is Application made for Summons to Issue
YES	16 & 17/11/2015	W/O	18/11/2015	IN CUSTODY	//////////

Complainant and Address **ANN WAIGURU FOR MINISTRY OF DEVOLUTION**

Witnesses.. 1. ANN WAIGURU 2. ADAN HARAKHE 3. OTHERS TO BE STATED

Sentence ..

Court and date .. **CM S COURT NAIROBI** .. ON If fine paid ..

DFID CASE



FOR: Officer in Charge KICC Police Station
[P.T.O.]

received
7 persons



LIST OF ACCUSED PERSONS

- ✓✓ 1. ENG PETER ONGANGA MANGITI ✓ ✓ — ✓
- ✓✓ 2. DR. NELSON GITHINJI ✓ ✓ — ✓
- ✓✓ 3. BENSON GETHI MUCHEMI ✗ — — ✓
- ✓✓ 4. REGINA NYAMBURA MUNGAI ✓ — — ✓
- ✓✓ 5. FREDRICK OKELLO NASICHE ✓ ✓ — ✓
- ✓✓ 6. JOSEPHINE KABURA IRUNGU ✗ — — ✓
- ✓✓ 7. PETER OMARI OTUOMA ✓ ✓ — ✓
- ✓✓ 8. HENDRICK NYONGESA PILISI ✗ — — ✓
- ✓✓ 9. SAMUEL WACHENJE ✗ ✓ — ✓
- ✓✓ 10. JANE WANGECHI GICHUKI ✗ — — ✓
- ✓✓ 11. DAVID DICKS ALUNGA ✓ ✓ — ✓
- ✓✓ 12. TITUS TROUBLE LIBONDO ✓ ✓ — ✓
- ✓✓ 13. CHEMOS KORORIA NDIEMA ✓ ✓ — ✓
- ✓✓ 14. NAFTALI HENRY GITHINJI ✗ — — ✓
- ✓✓ 15. RUTH NJERI HIHU ✓ ✓ — ✓
- ✓✓ 16. CHARLES ONSASE NYAACHI ✓ ✓ — ✓
- ✓✓ 17. MARY WANGUI MBUTHIA ✓ ✓ — ✓
- ✓✓ 18. EZEKIEL KARANJA KAMAU ✗ — — ✓
- ✓✓ 19. JAMES GITAU KANUTHU ✓ ✓ — ✓
- ✓✓ 20. SAMWEL KILONZI ✗ — — ✓
- ✓✓ 21. PHILIP JOSHUA OTINGA ✓ ✓ — ✓
- ✓✓ 22. JENNIFER MANYARA MUGURE ✗ — — ✓
- ✓✓ 23. RHODA KAVUU MAKAU ✗ — — ✓
- ✓✓ 24. JOEL KANYI KARENJU ✗ — — ✓
- ✓✓ 25. FRANCIS WANYINGI KARIUKI ✗ — — ✓
- ✓✓ 26. CAROLINE NJAMB KINUTHIA ✓ ✓ — ✓

[Handwritten signature]
790 5790 10100

Received 7 Persons
(S no. 4, 5, 7, 15, 17, 19, 26)

10

11

12

13

Mn 8/3/2016 - Summons issued,

ANNEX 5

**KENYA POLICE
CHARGE SHEET**

O.B. No...13/19/02/2016.....

POLICE CASE NO:...113/52/2016....

DATE TO COURT:..22/02/2016.....

COURT FILE NO:.....

304/16

First Names:	Surname:	Sex:	Age:	Address:
1. Josephine Kabura	Irungu	F	A	
2. John Kago	Ndungu	M	A	
3. Charity Wangui	Gethi	F	A	
4. Samuel Mudanyi (Alias Sam Mwadime)	Wachenje	M	A	
5. Patrick Ogolla	Onyango	M	A	
6. Anthony Kihara	Gethi	M	A	
7. Paul Kinuthia	Gachoka	M	A	
8. Benson Gethi	Wangui	M	A	
9. John Hope	Vandamme	M	A	
10. Martine Gachara	Wanjohi	M	A	
11. Jedida Wangari	Wangui	F	A	

CHARGE MONEY LAUNDERING CONTRARY TO SECTION 3 AS READ WITH SECTION 16(1) (a) OF THE PROCEEDS OF CRIME AND ANTI-MONEY LAUNDERING ACT

PARTICULARS OF OFFENCE
(See second schedule of CPC)
1. JOSEPHINE KABURA IRUNGU 2. JOHN KAGO NDUNGU 5. PATRICK OGOLLA ONYANGO 8. BEN GETHI WANGUI: Between 1st December 2014 and 30th April 2015 in Nairobi within Nairobi County, jointly engaged in an arrangement for the purchase of motor vehicle registration number KCB 750Z make Range Rover at a cost of Kshs. 23 Million while knowing or ought to have known that the said money was the proceeds of crime, namely the sum of Kshs. 791,385,000/= (Seven Hundred and Ninety One Million, Three Hundred and Eighty Five Thousand) stolen from the National Youth Service, whose effect was to conceal the source of the said money.

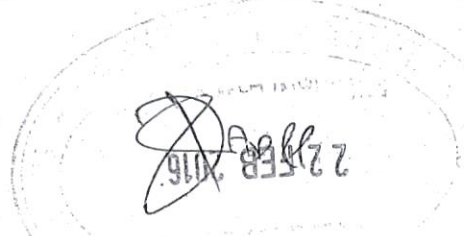
If Accused Arrested	Date of Arrest	Without or with Warrant	Date Apprehension Report to Court	Bond or Bail and Amount	Is Application made for Summons to Issue
NO					YES

Complainant and Address: STATE THROUGH DIRECTORATE OF CRIMINAL INVESTIGATIONS
P.O BOX 30036-00100 NAIROBI

Witnesses: 1. Charles Owour
2. Others to be stated

Sentence:
.....
Court and date: CM Court at Nairobi If fine paid.....

Officer in Charge... 



COMBINED TRANSACTIONS FROM PS SUBMISSION AND IFMIS RAW DATA						
Company Name	Item Description	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	Company totals
A&A Sales And Services	uniforms	3,000,000.00				3,000,000.00
Aeon Enterprises	Other Infrastructure and Civil Works			47,850,000.00		
Aeon Enterprises	Other Infrastructure and Civil Works		7,515,000.00	49,750,000.00		
Aeon enterprises	other infrastructure and civil works		5,565,000.00			
aeon enterprises	purchase of AgriculturalMachinery and Equipment		10,050,000.00			
Grand total						120,730,000.00
Ajocar General Suppliers	Hire of Equipment, Plant & Machinery		6,600,000.00			6,600,000.00
Akarim Agencies Company	Contracted Technical Services			4,120,940.00		
Akarim Agencies Company Limited	contracted professional services		5,497,535.00			
Grand total						9,618,475.00
Alfida enterprises	building materials and agricultural materials	1,606,900.00				1,606,900.00
Alfran Agencies	stationaries	156,300.00				156,300.00
Allbest Consultants Limited	other infrastructure and civil works		5,180,000.00			
Allbest Consultants Limited	purchase of beddings and linen		5,180,000.00			
sub total						10,360,000.00
Alpha Mercantile Limited	Purchase of ICT Networking and Communication Equipment			20,000,000.00		
Alpha Mercantile Limited	R/D Cheques			18,965,517.25		
Alpha Mercantile Limited	Purchase of ICT Networking and Communication Equipment			34,481,502.00		
Alpha Mercantile Limited	Foods and Rations		6,681,600.00	7,490,000.00		
Alpha Mercantile Limited	other infrastructure and civil works		7,182,720.00			
Alpha Mercantile Limited	other infrastructure and civil works		7,490,000.00			
Alpha Mercantile Limited	Foods and Ration					
Alpha Mercantile Limited	purchase of ICT Networking and communication Equipment		10,457,857.00			
Alpha Mercantile Limited	R/D Cheques		9,916,933.35			
Alpha Mercantile Limited	Foods and Ration		7,490,000.00			
sub total						130,156,129.60
Alphatide Enterprises	digital video decoders (APs) and LCD Projectors	877,060.00				877,060.00
Altai Trading Enterprises	spares	2,680,000.00				2,680,000.00
Amagoro Traders	training tools, workshop tools, building materials	11,307,800.00				11,307,800.00
Ambition Learning Solution	Hire of Equipment, Plant & Machinery		5,989,600.00			5,989,600.00
Apex	Supply of Block milking machine		46,853,310.35			46,853,310.35
Asterisks Engineering, limited	Supply of trolley jack engine and lubrication equipment		5,409,000.00			5,409,000.00
Auto Style Enterprises	cartridges	441,000.00	441,000.00			441,000.00
Avcon Agency	Supply of construction materials		36,357,842.90			36,357,842.90
Ballot Ja Limited	Purchase of Educational Aids and Related Equipment			45,750,000.00		45,750,000.00
Beevah General Supplies	cooking oil and deep fry cooking oil	4,977,600.00				4,977,600.00

Belfast Engineering Works Limited	other infrastructure and civil works		8,850,000.00		8,850,000.00
Belfy's Supplies and General Enterprises Limit	Purchase of Educational Aids and Related Equipment			5,860,000.00	
Belfy's Supplies And General Enterprises	spears and samplers and repair of GK vehicles	4,012,884.00			
sub total					9,872,884.00
BenchMark Coaching	Hire of Equipment, Plant & Machinery		5,903,200.00		5,903,200.00
Benchmark Holdings Limited	Purchase of Educational Aids and Related Equipment			44,400,000.00	
Benchmark Holdings Limited	Purchase of Educational Aids and Related Equipment			72,500,000.00	
Benchmark Holdings Limited	Purchase of Educational Aids and Related Equipment			48,000,000.00	
benchmark holdings limited	residential buildings (including hostels)	1,350,150.00			
benchmark holdings limited	internet connections	2,233,000.00			
benchmark holdings limited	telephone, telex, facsimile & mobile phone services	2,842,000.00			
BenchMark Holdings Limited	Hire of Equipment, Plant & Machinery		36,775,000.00		
BenchMark Holdings Limited	other infrastructure and civil works		15,990,000.00		
sub total					224,090,150.00
Benchero General Suppliers	maintainance materials and computer accessories	1,694,930.00			1,694,930.00
Berose General Agencies	other infrastructure and civil works		5,745,000.10		5,745,000.10
Bennyhinn enterprises	executive suits and shirts, food and ration and orthopedic chairs	492,200.00			492,200.00
Betacamp General	spare of YUTONG Wheel Shovel, supply of aluminum welding			11,798,840.50	
Betacamp general suppliers	drawing boards, multimeter digital CNC insert, production materials, ordinary wheel balance and grinding wheel disc	4,675,650.00			
sub total					16,474,790.50
Best part investment	training materials	39,500.00			39,500.00
Bevik Sales	Foods and Rations			7,500,000.00	
Bevik sales	stationaries, cooking oil and anti virus software	1,966,750.00			
sub total					9,466,750.00
Big Kent company	Various supplies:- Boronical traps & spray, Thumetherine satchets, Flumetherine flyodour		71,299,000.00		71,299,000.00
Bilzuma Enterprises	Other Infrastructure and Civil Works			5,180,000.00	5,180,000.00
Blue Star Enterprises	Purchase of Educational Aids and Related Equipment			47,600,000.00	47,600,000.00
BlueGill General Agencies	Purchase of Educational Aids and Related Equipment			10,220,000.00	10,220,000.00
Bonito Properties Limited	other infrastructure and civil works		22,966,554.65		22,966,554.65
bosquare business systems limited	other infrastructure and civil works		42,609,800.00		
Bosqure business systems limited	tyres	1,618,400.00			
Grand total					44,228,200.00

Brain Craft Trading	Various supplies:-Vanier calipers Bronze, Aiphacyperthine& Acetone GPR, Litre Alphacy permethine, Dominated Aleturate & targets, Targets and sachets, Acetone GPR Alpha Cyperm Aceturate	276,902,200.00				276,902,200.00
Blackwood Limited	Construction materials , Training items		16,560,168.10			16,560,168.10
Blam enterprises	maintainance materials	516,700.00				516,700.00
Brand Associates Limited	Refined Fuels and Lubricants for Production			18,365,423.75		
Brand Associates Limited	other infrastructure and civil works		64,278,913.10			
Brand Associates Limited	R/D Cheques		61,064,967.45			
Brand Associates Limited	R/D Cheques		61,064,967.45			
Brand Associates Limited	other infrastructure and civil works		73,461,695.00			
Brand Associates Limited	Hire of Equipment, Plant & Machinery		27,548,135.60			
Brand Associates Limited	other infrastructure and civil works		13,920,000.00			
Brand Associates Limited	General Deposits		61,064,967.45			
sub Total						380,769,069.80
Brandspark Supplies Limited	Purchase of Educational Aids and Related Equipment			19,000,000.00		19,000,000.00
brand spare supplies	Cut away model four cylinder car engine			18,017,241.40		18,017,241.40
brejen enterprises	training materials	248,400.00				248,400.00
bridget enterprises	training materials	152,000.00				152,000.00
Bright Thinking traders	Training tools		7,972,700.00			7,972,700.00
Broadlink General Merchants Limited	Other Infrastructure and Civil Works			13,200,000.00		
Broadlink General Merchants Limited	Minor Alterations to Buildings and Civil Works			26,735,680.00		
broadlink general merchants limited	minor alterations to building and civil works	19,319,046.00				59,254,726.00
sub total						233,125,826.00
Buildmore Construction Company	other infrastructure and civil works		16,394,288.65			
Buildmore Construction Company Limited	Other Infrastructure and Civil Works			31,743,326.00		
Buildmore Construction Company Limited	Other Infrastructure and Civil Works			5,288,336.40		
buildmore construction company limited	residential buildings (including hostels)	13,348,634.95				
sub total						66,774,586.00
Bunny Tech Systems	Other Infrastructure and Civil Works			5,610,000.00		5,610,000.00
Buymol General Sales and Supplies	Other Infrastructure and Civil Works			6,609,000.00		
Buymol General Sales and Supplies	Other Infrastructure and Civil Works			6,609,000.00		
sub total						13,218,000.00
cactus general services	training tools	2,316,500.00				2,316,500.00
Cana General Agencies				3,136,500.00		3,136,500.00
charna enterprises	grinding disk	1,370,000.00				
Charna Enterprises	Purchase of Police, Prisons and NYS small Equipment and Supplies			7,435,000.00		
sub totals						8,805,000.00
charles waweri wairagu	news papers	174,720.00				174,720.00
capital four africa	liquid disinfectant	3,750,000.00				3,750,000.00
cecima enterprises	building materials	1,186,935.00				1,186,935.00
central park guest house	conference facilities	300,000.00				300,000.00
century automobiles (nairobi) limited	battery	385,500.00				385,500.00
Chas Investment		1,777,500.00				1,777,500.00
chemama enterprises	building materials, workshop tools	9,710,600.00				9,710,600.00

chemolite enterprises	purchase of educational aids and related equipment	4,716,050.00				4,716,050.00
chisnari investments	workshop items, repair of Gk vehicle	1,266,820.00				1,266,820.00
Cinatine Enterprises					3,075,135.00	3,075,135.00
cinatine enterprises	HSS tool cutter and MS palte	728,750.00	464,400.00			728,750.00
city and guilds international	exam fee for july 14		116,200.00			116,200.00
city industrial merchantile	uniforms		40,170,000.00			40,170,000.00
Clout ventures limited	Industrial rubber Gloves & Gum boots			29,580,000.00		29,580,000.00
CMC Motors						
combination supplies	electric items, cabro stones	356,700.00				356,700.00
conference caterers	provision of snacks	37,760.00				37,760.00
copier solutions and technologies	goods	2,436,000.00				2,436,000.00
Comtec Enterprises Limited	Purchase of ICT Networking and Communication Equipment			5,441,500.00		
Comtec Enterprises Limited	Purchase of ICT Networking and Communication Equipment			21,766,000.00		
sub total						27,207,500.00
Creed Traders	Ministry HQ Recurrent Bank A/C			32,715,517.25		
Creed Traders	Purchase of Beddings and Linens			34,740,000.00		
Creed Traders	Purchase of Beddings and Linens			16,860,000.00		
Creed Traders	other infrastructure and civil works			32,715,517.25		
Creed Traders	purchase of beddings and linen			34,740,000.00		
Creed Traders	purchase of beddings and linen			16,860,000.00		
sub total						168,631,034.50
Dama services limited	Live diesel Heavy commercial & HYD			28,000,000.00		
dater enterprises	maintenance materials	283,740.00				283,740.00
Dayton Investment Company	Other Infrastructure and Civil Works			75,600,000.00		
Deepcut Auto Repairs						
dernalis merchants limited	metal detectors	197,500.00				197,500.00
Derby Techno Systems	Other Infrastructure and Civil Works			40,000,000.00		
Derby Techno Systems	other infrastructure and civil works			8,534,000.00		
Derby Techno Systems	other infrastructure and civil works			6,984,000.00		
sub total						55,518,000.00
Dibri Solutions						
drucil systems	single phase power supply, training materials	1,158,317.00			2,160,000.00	2,160,000.00
electronics and allied equipment	building materials	962,400.00				962,400.00
eletech systems and control	training materials	85,025.00				85,025.00
emifal agencies	floor mat	189,180.00				189,180.00
emimah enterprises	stationaries, computer toners	395,200.00				395,200.00
Epipician Limited	other infrastructure and civil works			32,981,850.00		
Epipician Limited	other infrastructure and civil works			37,773,000.00		
Epipician Limited	other infrastructure and civil works			8,333,000.00		
Epipician Limited	purchase of beddings and linen			5,482,750.00		
sub total						84,570,600.00
equip agencies limited	refined fuels and lubricants for transport	108,957,300.00				
equip agencies limited	legal dues, arbitration & compensation payment	17,440,000.00				
equip agencies limited	general suspense A/C	30,000,000.00				
equip agencies limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	29,522,560.00				
equip agencies limited	district suspense A/C	59,060,480.00				

equip agencies limited	temporary/imprest	60,928,000.00					
equip agencies limited	inter-ministerial agency A/C	9,999,990.00					
sub total							315,908,330.00
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				1,367,400.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				10,080,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				13,900,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				13,900,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				55,500,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				15,000,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				16,800,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				12,500,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				20,160,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				25,000,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				13,900,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				33,600,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				18,500,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				16,800,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				16,680,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				27,800,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				8,400,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				27,165,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				7,500,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				37,000,000.00		
Era Two Thousand Enterprises	Other Infrastructure and Civil Works				4,209,000.00		
Era Two Thousand Enterprises	Major Roads				37,000,000.00		
Era Two Thousand Enterprises	Foods and Rations				55,500,000.00		
Era Two Thousand Enterprises	Foods and Rations				4,440,000.00		
Era Two Thousand Enterprises	Foods and Rations				31,064,000.00		
Era Two Thousand Enterprises	Foods and Rations				4,865,000.00		
Era Two Thousand Enterprises	Foods and Ration						
Era Two Thousand Enterprises	Foods and Ration				3,505,750.00		
Era Two Thousand Enterprises	Foods and Ration				1,202,500.00		
Era Two Thousand Enterprises	Foods and Ration				3,581,900.00		
Era Two Thousand Enterprises	Foods and Ration				1,200,000.00		
Era Two Thousand Enterprises	Foods and Ration				3,120,000.00		
Era Two Thousand Enterprises	Foods and Ration				1,470,750.00		
Era Two Thousand Enterprises	Foods and Ration				48,800.00		
Era Two Thousand Enterprises	Foods and Ration				792,024.00		
Era Two Thousand Enterprises	Foods and Ration				2,880,000.00		
Era Two Thousand Enterprises	Foods and Ration				632,760.00		
Era Two Thousand Enterprises	Foods and Ration				1,850,000.00		
Era Two Thousand Enterprises	Foods and Ration				1,086,300.00		
Era Two Thousand Enterprises	Foods and Ration				1,665,000.00		
Era Two Thousand Enterprises	Foods and Ration				1,568,000.00		
Era Two Thousand Enterprises	Foods and Ration				212,750.00		
Era Two Thousand Enterprises	Foods and Ration				1,198,800.00		
Era Two Thousand Enterprises	Foods and Ration				1,673,720.00		
Era Two Thousand Enterprises	Foods and Ration				827,000.00		
Era Two Thousand Enterprises	Foods and Ration				1,229,620.00		
Era Two Thousand Enterprises	Foods and Ration				1,093,724.00		
Era Two Thousand Enterprises	Foods and Ration				2,300,000.00		
Era Two Thousand Enterprises	Foods and Ration				1,290,000.00		
Era Two Thousand Enterprises	Foods and Ration				3,120,000.00		
Era Two Thousand Enterprises	Foods and Ration				1,380,000.00		

era two thousand enterprises	foods and ration	2,243,000.00			
Era Two Thousand Enterprises	Foods and Ration		16,800,000.00		
Era Two Thousand Enterprises	Foods and Ration		12,500,000.00		
Era Two Thousand Enterprises	Foods and Ration		37,000,000.00		
Era Two Thousand Enterprises	Foods and Ration		4,270,000.00		
Era Two Thousand Enterprises	Foods and Ration		13,900,000.00		
Era Two Thousand Enterprises	Foods and Ration		12,500,000.00		
Era Two Thousand Enterprises	Foods and Ration		12,500,000.00		
Era Two Thousand Enterprises	Foods and Ration		37,000,000.00		
Era Two Thousand Enterprises	Foods and Ration		13,900,000.00		
Era Two Thousand Enterprises	Foods and Ration		903,000.00		
Era Two Thousand Enterprises	Foods and Ration		1,290,000.00		
Era Two Thousand Enterprises	Foods and Ration		14,602,460.00		
Era Two Thousand Enterprises	Foods and Ration		1,380,000.00		
Era Two Thousand Enterprises	Foods and Ration		1,122,000.00		
Era Two Thousand Enterprises	Foods and Ration		1,480,000.00		
Era Two Thousand Enterprises	Foods and Ration		2,880,000.00		
Era Two Thousand Enterprises	Foods and Ration		1,840,000.00		
Era Two Thousand Enterprises	Foods and Ration		37,000,000.00		
Era Two Thousand Enterprises	Foods and Ration		12,500,000.00		
Era Two Thousand Enterprises	Foods and Ration		16,800,000.00		
Era Two Thousand Enterprises	Foods and Ration		16,800,000.00		
Era Two Thousand Enterprises	Foods and Ration		22,200,000.00		
sub total					
Grand total					860,970,258.00
Ersatz Enterprises				11,610,000.00	11,610,000.00
Esaki Limited	steeldrums, building materials, borehole materials/ machines		35,288,581.00		35,288,581.00
Fair rate Tyres and Auto Mart Limited	Hire of Equipment, Plant & Machinery		13,375,600.00		
fairrate tyres & auto mart limited	hire of equipment, plant and machinery	11,942,500.00			
fairrate tyres & auto mart limited	hire of equipment, plant and machinery	9,076,300.00			
Fairrate Tyres and Auto Mart Limited	Other Infrastructure and Civil Works			9,076,300.00	
Fairrate Tyres and Auto Mart Limited	Hire of Equipment, Plant and Machinery			8,598,600.00	
Fairrate Tyres and Auto Mart Limited	Other Infrastructure and Civil Works			4,538,150.00	
sub total					56,607,450.00
ferilyne enterprises	repair of Gk vehicle	2,991,600.00			2,991,600.00
Flagstone Merchants	Refined Fuels and Lubricants for Production			28,087,500.00	
Flagstone Merchants	Refined Fuels and Lubricants for Production			33,705,000.00	
Flagstone Merchants	Other Infrastructure and Civil Works			11,235,000.00	
Flagstone Merchants	Other Infrastructure and Civil Works			14,043,750.00	
Flagstone Merchants	Other Infrastructure and Civil Works			31,200,000.00	
Flagstone Merchants	Refined Fuels and Lubricants for Production			31,736,400.00	
Flagstone Merchants	Hire of Equipment, Plant and Machinery			13,365,000.00	
Flagstone Merchants	Hire of Equipment, Plant and Machinery			16,049,700.00	
Flagstone Merchants	Hire of Equipment, Plant and Machinery			6,465,600.00	
Flagstone Merchants	Hire of Equipment, Plant and Machinery			6,645,200.00	
Flagstone Merchants	Refined Fuels and Lubricants for Production			19,350,000.00	
Flagstone Merchants	Hire of Equipment, Plant and Machinery			8,577,000.00	
Flagstone Merchants	Hire of Equipment, Plant and Machinery			8,005,200.00	
Flagstone Merchants	Supplies and Production			9,720,600.00	
Flagstone Merchants	Supplies and Production			9,456,000.00	

Flagstone Merchants	Supplies and Production				9,920,000.00		
Flagstone Merchants	Supplies and Production				9,920,000.00		
Flagstone Merchants	Purchase of Police, Prisons and NYS small Equipment and Supplies				8,050,000.00		
Flagstone Merchants	Purchase of Police, Prisons and NYS small Equipment and Supplies				6,196,200.00		
Flagstone Merchants	hire of equipment, plant and machinery	85,770,000.00					
flagstonemerchants	other infrastructure and civil works		46,221,000.00				
flagstonemerchants	other infrastructure and civil works		69,165,000.00				
flagstonemerchants	other infrastructure and civil works		33,300,000.00				
flagstonemerchants	Refined Fuels and Lubricants for production		39,000,000.00				
flagstonemerchants	Refined Fuels and Lubricants for production		36,400,000.00				
flagstonemerchants	Refined Fuels and Lubricants for production		39,000,000.00				
flagstonemerchants	Refined Fuels and Lubricants for production		69,090,000.00				
sub totals							699,674,150.00
gathaiti agencies	meat, dry beans	999,043.00					999,043.00
gaturundu green vegetables	oranges	1,385,880.00					1,385,880.00
geolizma agencies limited	LPG gas, cooking gas	6,480,000.00					6,480,000.00
geolyne logistics	excutive desks and chairs	750,000.00					750,000.00
gitzone enterprises	grooving tools	881,000.00					881,000.00
goods and services EA limited	assorted electricity material	912,500.00					912,500.00
greenland farm products	potatoes, english potatoes, pineapples,cabbages	13,011,492.00					13,011,492.00
GT investment limited	tyres to MTB	3,973,068.00					3,973,068.00
greenland suppliers limited	oils, lubricants to MTB	2,331,000.00					
Greenland Supplies Limited	Refined Fuels and Lubricants for Production				11,655,000.00		
Greenland Supplies Limited	Refined Fuels and Lubricants for Production				7,770,000.00		
Greenland Supplies Limited	Refined fuels and Lubricants for production		12,432,000.00				
sub total							34,188,000.00
H H J Spices and Cereals Suppliers	Foods and Rations				17,680,000.00		
H H J Spices and Cereals Suppliers	Foods and Rations				16,000,000.00		
H H J Spices and Cereals Suppliers	Foods and Rations				50,000,000.00		
H H J spices and cereals suppliers	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	19,250,000.00					
H H J spices and cereals suppliers	general suspense A/C	24,200,000.00					
H H J spices and cereals suppliers	general suspense A/C	13,750,000.00					
H H J spices and cereals suppliers	general suspense A/C	27,500,000.00					
H H J spices and cereals suppliers	general suspense A/C	24,200,000.00					
H H J spices and cereals suppliers	R/D cheques	24,200,000.00					
sub total							216,780,000.00
Haaronia Solution Enterprise	Foods and Rations				6,183,360.00		
Haaronia Solution Enterprises						1,007,000.00	
sub total							7,190,360.00
highview trading	refined fuels and lubricants for transport	8,370,828.00					
HighView Trading	Hire of Equipment, Plant & Machinery		11,733,180.00				
Grand total							20,104,008.00
Hilary Enterprises	Purchase of Police, Prisons and NYS small Equipment and Supplies				7,130,000.00		
Horizon Limited	Refined Fuels and Lubricants for Production				10,440,000.00		
Horizon Limited	Refined Fuels and Lubricants for Production				10,440,000.00		
sub total							20,880,000.00

horizon limited	overhaul of other infrastructure and civil works	401,925.00			
horizon limited	overhaul of other infrastructure and civil works	4,848,675.00			
horizon limited	residential buildings (including hostels)	92,908.00			
Horizon Limited	Refined fuels and Lubricants for production		10,000,055.00		
Horizon Limited	Refined fuels and Lubricants for production		11,250,000.00		
Horizon Limited	Refined fuels and Lubricants for production		13,189,695.00		
Horizon Limited	Refined fuels and Lubricants for production		10,410,000.00		
Horizon Limited	Refined fuels and Lubricants for production		11,500,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,410,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,410,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,410,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,410,000.00		
Horizon Limited	Refined fuels and Lubricants for production		12,492,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,618,200.00		
Horizon Limited	Refined fuels and Lubricants for production		10,350,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,410,000.00		
Horizon Limited	Refined fuels and Lubricants for production		9,000,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,410,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,410,000.00		
Horizon Limited	Refined fuels and Lubricants for production		7,850,000.00		
Horizon Limited	Refined fuels and Lubricants for production		8,950,000.00		
Horizon Limited	Other infrastructure and civil works		3,609,815.60		
Horizon Limited	Refined fuels and Lubricants for production		4,500,000.00		
Horizon Limited	Refined fuels and Lubricants for production		9,000,000.00		
Horizon Limited	Refined fuels and Lubricants for production		9,000,000.00		
Horizon Limited	Refined fuels and Lubricants for production		9,000,000.00		
Horizon Limited	Refined fuels and Lubricants for production		6,750,000.00		
Horizon Limited	Refined fuels and Lubricants for production		10,440,000.00		
sub total					246,123,273.60
haknombo systems and consultancy	production materials	845,500.00			845,500.00
haksson stores	piano yamaha, music insruments	317,450.00			317,450.00
Hudson Agencies	servicing of roller idler press	136,320.00			136,320.00
ibramapet technologies	assorted instruments	734,600.00			734,600.00
ignatius general supplies	worshop tools, building	15,611,500.00			15,611,500.00
intermass technologies EA limited	training materials, desktop computer dell	845,075.00			845,075.00
Ilsan Enterprises Limited	Residential Buildings (Including hostels)			10,124,467.00	
ilsan enterprises limited	major roads	15,259,009.55			
Ilsan Enterprises Limited	Contractors Retention money		6,700,045.10		
sub total					32,083,521.65
interfusion company limited	residential buildings (including hostels)	8,170,952.40			
interfusion company limited	residential buildings (including hostels)	1,441,932.80			
sub total					9,612,885.20
jamawa and sons auto & hardware	servicing and repair of Gk vehicles	365,177.00			365,177.00
jamsty limited	microprocessor, vanier heigth gauge	1,259,000.00			
Jamsty Limited	Other Infrastructure and Civil Works			8,125,000.00	
sub total					9,384,000.00
jayroz eneral supplies	training tools	3,941,800.00			3,941,800.00
Jerrycathy Enterprises	Other Infrastructure and Civil Works			9,618,000.00	9,618,000.00
jimchar enterprises	microsoft windows	1,947,000.00			
Jimchar Enterprises	Other Infrastructure and Civil Works			6,448,000.00	

sub Total						8,395,000.00
jogat supplies limited	ear muffs, slotting tools, cartridge and toner, pipe bender hydraulic, end mill cutters, stationery, welding rods	6,917,480.00				
Jogat Supplies Limited	Other Infrastructure and Civil Works			21,000,000.00		
Jogat Supplies Limited	Other Infrastructure and Civil Works			1,559,000.00		
Jogat Supplies Limited	Other Infrastructure and Civil Works			19,600,000.00		
Jogat Supplies Limited	other infrastructure and civil works		6,200,000.00			
Jogat Supplies Limited	other infrastructure and civil works		17,000,000.00			
sub total						72,276,480.00
Joinus Fairdeal	Other Infrastructure and Civil Works			4,669,000.00		4,669,000.00
johcata agencies	training materials	595,830.00				595,830.00
jolex general supplies and cleaning	kitchen cutlery and utensils, mangenta print cartridge, hoses 30 metres, building materials, end mill cutters	3,678,174.00				3,678,174.00
Joscate Sales and Supplies	other infrastructure and civil works		9,300,000.00			9,300,000.00
josnar metro enterprises	training materials, items	1,840,340.00				
jowamu general merchants	minor alterations to building and civil works	9,965,200.00				9,965,200.00
joyweb enterprises	paint materials, assorted paints, building materials, paints	1,663,930.00				1,663,930.00
Joyler Enterprises Limited	Hire of Equipment, Plant & Machinery		5,993,600.00			5,993,600.00
judly enterprises	30 step down TX 220v/9v5A	660,000.00				660,000.00
juma kenya	part payment for the month of april 2013	15,950.00				15,950.00
Junica Auto Spares	Supply of spare part to MTB			4,498,620.70		
Junnita General Supplies Agencies	Hire of Equipment, Plant & Machinery		6,955,000.00			6,955,000.00
Jusgat Enterprises	Other Infrastructure and Civil Works			6,887,500.00		6,887,500.00
K.C.B Leadership centre	payment for conference and boarding facilities	696,120.00				696,120.00
kabira ventures company limited	capital transfer to individuals and households	19,122,045.50				
kabira ventures company limited	R/D cheques	19,122,045.50				
kabira ventures company limited	capital transfer to individuals and households	43,721,404.90				
kabira ventures company limited	capital transfer to individuals and households	7,242,508.80				
kabira ventures company limited	other infrastructure and civil works		43,630,400.00			
kabira ventures company limited	other infrastructure and civil works		6,755,000.00			
sub total						139,593,404.70
kahuthu agencies limites	spares	1,564,971.00				1,564,971.00
Kalabash Food Supplies				19,071,864.00		19,071,864.00
kalvin agencies	mill cutter, tool bits, servicing and repairing GK vehicles, power cables	4,191,200.00				
Kalvin Agencies	Supply of concealed ,stopwark gate valve			4,817,715.50		
sub total						9,008,915.50
kawendo enterprises	white spirit	57,600.00				57,600.00
Kenirie Limited	Other Infrastructure and Civil Works			93,800,000.00		
Kenirie Limited	R/D Cheques			88,948,275.85		
Kenirie Limited	R/D Cheques			88,948,275.85		
sub total						271,696,551.70
kenmac general supplies limited	laser printerHP2050	343,400.00				343,400.00
kenvic agencies	training materials, stationeries, computer toners, timer delay switch	3,501,300.00				
Kenvic Agencies	Purchase of Beddings and Linens			35,000,000.00		
Kenvic Agencies	other infrastructure and civil works		18,000,000.00			

sub total					56,501,300.00
kenya accountants and secretaries	examination registration fee for ICTT level II nov/dec 2014	136,300.00			136,300.00
Kenya Literature Bureau	Payment for supply of stationeries			9,327,862.50	9,327,862.50
kenya national examination council	booking for knec exam (diploma in food and beverage man. Module 1)-november	725,700.00			725,700.00
Kenya Vehicle Manufacturers	Hire of Equipment, Plant & Machinery		11,518,770.00		11,518,770.00
kevas investments	building materials, production materials, workshop tools,	13,653,247.00			13,653,247.00
Kevman Investment	Supply of Graded T-shirts			26,250,000.00	26,250,000.00
keza enterprises limited	fuel, diesel and petrol, grease for workshop	7,463,887.00			7,463,887.00
Kibra General Supplies	other infrastructure and civil works		5,320,000.00		
kibra general supplies	flouro foam chemical, kitchen cutlery and utensils, mechanical dial scale, inject/black print cartridges, sanitary bin services, hovkry sticks,	5,465,685.00			
sub total					10,785,685.00
Kimgen Supplies Company Limited	Other Fuels (Woods, Charcoal,Cooking gas etc)			5,266,510.00	
kimgen supplies company limited	wood fuel, building materials	3,669,060.00			
sub total					8,935,570.00
kigumo youth general supplies	maize flour food and ratio, stationeries	1,896,451.00			1,896,451.00
kilroysilk E.A	Spare parts	940,000.00			940,000.00
kimmar general merchants	CNC inserts holders APS, electrical materials	928,000.00			928,000.00
kimukom electrical services	21st payment on account contract no. 19635-YATTA	1,080,755.00			1,080,755.00
Kiun Communications Limited	Hire of Equipment, Plant and Machinery			5,660,000.00	
Kiun Communications Limited	other infrastructure and civil works		8,518,487.00		
Kiun Communications Limited	other infrastructure and civil works		5,660,000.00		
sub total					19,838,487.00
kiwaka general merchants limited	tea leaves	1,791,800.00			1,791,800.00
konjuli enterprises limited	meat, rice,	29,043,373.00			
Konjuli Enterprises Limited	Foods and Rations			4,180,000.00	
sub total					33,223,373.00
Lakezal Enterprises	other infrastructure and civil works		12,450,000.00		12,450,000.00
langley trading company	stationeries	250,000.00			250,000.00
Lantex Enterprises Africa	Spare parts	6,211,206.90		6,211,206.90	6,211,206.90
Lavilla Enterprises	Other Infrastructure and Civil Works			5,250,000.00	5,250,000.00
Learning Gate Trading	Hire of Equipment, Plant & Machinery		9,954,250.00		9,954,250.00
lerock enterprises	tripod ladder, charge concrete mixer	874,500.00			874,500.00
Liberty professional services	other infrastructure and civil works		8,500,000.00		
Liberty Professional Services Limited	Purchase of Beddings and Linens			21,250,000.00	
Liberty Professional Services Limited	Purchase of Beddings and Linens			4,788,000.00	
sub total					34,538,000.00
Limpo Agencies	other infrastructure and civil works		9,820,000.00		9,820,000.00
Linema Ventures	Other Infrastructure and Civil Works			7,810,000.00	7,810,000.00
Lizsol Chem Company Limited	other infrastructure and civil works		20,000,000.00		20,000,000.00

Lorch Agencies	Other Infrastructure and Civil Works					28,500,000.00			
Lorch Agencies	Other Infrastructure and Civil Works					25,900,000.00			
Lorch Agencies	Other Infrastructure and Civil Works					25,900,000.00			
sub total									80,300,000.00
Lukuya earthmovers (EA) Limited	Other Infrastructure and Civil Works					118,263,452.30			
Lukuya earthmovers (EA) limited	general suspense A/C	13,979,740.00							
Lukuya Earthmovers (EA) Limited	Hire of Equipment, Plant & Machinery				48,360,685.00				
Lukuya Earthmovers (EA) Limited	minor alterations to buildings and civil works				25,208,192.00				
sub total									205,812,069.30
Luthi Limited	Other Infrastructure and Civil Works					8,710,022.00			
lokanya investments	printing papers	389,500.00							
longrock africa tours and safaris	provision of air tickets	180,796.00							
lowland suppliers	shoe polish	4,352,750.00							
	panga, power point presentation table, welding machines, fencing materials, building materials, maint. Materials,								
lnak enterprises	wood fuel	2,297,320.00							
M&M agencies	Hire of Equipment, Plant and Machinery	1,830,000.00							
Maarit Logistics	Other infrastructure and civil works				4,455,000.00				
Mashine Agencies (K) Limited	Transporting services	5,980,000.00							
Machine Agencies (K) ltd	Supply of 5 heavy duty photocopiers,Supply of photocopiers	23,706,896.60							
Marinho Company limited	sugar, ortopedic seat, drawing boards, repairs of GK, spare parts,	10,578,500.00							
mastery enterprises	liquid crystal display/LDC projector screens,repair of GK vehicle	1,226,800.00							
maxine investment limited	Various contracts:-Repair and service of GK vehicles,Supply of cement,,Supply of 4050 bags of cement, Repair & service of GK vehicles				18,259,137.90				
Merchant Monks	building materials	977,500.00							
mesh you okay agencies	Supply of micro meter and inside dual guage				5,840,000.00				
Metroline Business Solutions	training materials	660,000.00							
metropolitan agencies	Other Infrastructure and Civil Works				13,040,000.00				
Metropolitan Agencies Limited									
sub total									13,700,000.00
Millennium Instrumentation ltd	Consultancy services for design of NYS MAN System	20,887,570.00							
Milliet company	Supply of Hydrometer and neutron scaffer meters	13,901,724.15							
millmar agencies limited	building materials	843,750.00							
Minal Distributors	Supply of spare parts for Shantui SD22				6,470,000.00				
Mindful Learning	Supply of CNCSETS 415 END MILLS				21,840,650.00				
mintland investment	balls, photocopy papers, office stationeries, toners, end mill cutters, office equipments, mild steel wire	5,236,460.00							
mintland investment	Supply of construction materials,Supply of isolators								
Mintland Investment	EZCB and Boring Tools				8,730,568.95				
sub total									13,967,028.95

Mastery Enterprises	Foods and Rations			26,790,750.00		26,790,750.00
miradi kenya limited	installation of server	480,000.00				
mirigi merchants	supply of training materials	465,000.00				
Mokibs Investment	Supply of 30 Bar holders funnel stake			5,594,353.45		5,594,353.45
moobey investment limited	electrical material, building materials	123,380.00				
Moscan Ventures Ltd					1,216,250.00	1,216,250.00
Mudrex Enterprises	Supply of branded booklets for SACCO			9,450,000.00		9,450,000.00
Multilevel Traders	Supply of welding cylinder machines			5,310,000.00		5,310,000.00
multisystems business communicattion	coloured printer, photocopier cannon auto card microsoft, 1PCB software	1,877,720.00				1,877,720.00
Modern Hypermart Solutions	Other Infrastructure and Civil Works			46,410,000.00		
Modern Hypermart Solutions	other infrastructure and civil works		25,160,400.00			
Modern Hypermart Solutions	Other infrastructure and civil works		12,500,000.00			
sub total						84,070,400.00
nairobi diary and marine supplier	milk	4,367,660.00				4,367,660.00
Naito sales and Distributors	Supply of Universal milling machines			23,960,000.00		23,960,000.00
nakhumicha meme traders	residential buildings (including hostels)	4,211,600.00				
nakhumicha meme traders	purchase of educational aids and related equipment	3,988,520.00				
sub total						8,200,120.00
natecho investments	building materials, training materials	13,384,310.00				13,384,310.00
National Housing Corporation	EPS Pannels			33,018,616.55		33,018,616.55
National Oil Corporation of Kenya	Petrol			12,940,000.00		12,940,000.00
nderacy agencies	barret microphone and handset, turning tools	1,498,760.00				1,498,760.00
Nderacy Agencies	Supply of assorted machines			4,174,000.00		4,174,000.00
neflo general supplies	maitanance materials	417,000.00				
New Kenya Co-operative Creameries Limited	Other Infrastructure and Civil Works			56,432,376.00		56,432,376.00
Newtool Mart Trading	Supply of PC and Hardware & LCT Trainer,Supply of ICT Hardware			36,897,760.00		36,897,760.00
Ngara Capital Agencies limited	Supply of iron sheets, Flush Doors,Supply of building materials			8,770,474.15		8,770,474.15
Ngarisipa Enterprises	Supply of other fuels			4,500,000.00		4,500,000.00
Ngiwaco enterprises					22,253,070.00	22,253,070.00
Ngiwaco Enterprises	Supply of food stuff- tinned beans			5,468,655.00		5,468,655.00
Nicroy Investments					2,200,500.00	2,200,500.00
niteban limited	building materials, worshop materials, training tools, workshop tools, production equipment	22,963,510.00				22,963,510.00
Njewanga Enterprises					7,910,000.00	7,910,000.00
northern general merchants	dictionary oxford, production materials	309,250.00				309,250.00
Nyamai Enterprises	Supply of surface plate	12,801,724.15		12,801,724.15		12,801,724.15
oceanbays investments and general	laptops and other machines, sisal gunny bags,	8,103,000.00				8,103,000.00
Oginicho company	Supply of square meter sheet	18,965,517.25		18,965,517.25		18,965,517.25
OM Millers Limited	Other Infrastructure and Civil Works			17,200,000.00		17,200,000.00
One 2 One (K) limited	Supply of bench grinding machines			11,495,000.00		11,495,000.00
online agencies	toner cartridge, training materials	733,000.00				733,000.00
oywer general suppliers	chefs uniform, training materials	314,700.00				314,700.00
Out of the Box Solutions	Contracted Technical Services			90,737,607.00		90,737,607.00
pamatuta enterprises limited	WC pans	274,750.00				274,750.00
panorama technical services limited	training materials	848,600.00				848,600.00
parmoggy agencies	versatile walkie talk	490,000.00				490,000.00

patience services	pineapples	2,530,000.00					2,530,000.00
patoria general supplies	table cloth	42,500.00					42,500.00
Pamoliza Kenya Limited	Residential Buildings (Including hostels)		8,378,966.00				8,378,966.00
patso enterprises limited	grinding disk	500,000.00					
Patso Enterprises limited	Supply of milling machines		4,931,034.50				5,431,034.50
Pegow Agencies	Repair and service of GK vehicles, envelopes		2,968,600.00				2,968,600.00
Petro Kenya Oil company limited	Supply of diesel to MTB		24,705,000.00				24,705,000.00
Pistop Limited	Hire of Equipment, Plant & Machinery	5,386,500.00					5,386,500.00
Planet Shakers Ventures	minor alterations to buildings and civil works	27,448,291.00					27,448,291.00
Polykea Ventures	Other Infrastructure and Civil Works		11,223,500.00				11,223,500.00
Polykea Ventures	Residential Buildings (Including Hostels)	1,575,000.00					1,575,000.00
Polykea Ventures	other infrastructure and civil works	16,490,000.00					16,490,000.00
sub total			33,950,000.00				33,950,000.00
Polyron Enterprises	Supply of wire mesh and angle line				8,005,000.00		8,005,000.00
Prevalent Ventures	provision of air tickets		4,049,850.00				4,049,850.00
primate tours							
Prime Mattress limited	Purchase of Beddings and Linens		11,050,000.00				11,050,000.00
prime mattresses limited	purchase of beddings and linen	8,125,000.00					8,125,000.00
prime mattresses limited	purchase of beddings and linen	8,125,000.00					8,125,000.00
prime mattresses limited	major roads	9,549,513.00					9,549,513.00
sub total					4,450,000.00		4,450,000.00
Prural Services Ltd					46,250,000.00		46,250,000.00
Purma Holdings, Ltd							
Qsetters Investment	Other Infrastructure and Civil Works		44,250,000.00				44,250,000.00
Quality Mark Investment limited	Supply of ridge caps Hinges water tank and floor tiles		7,864,875.00				7,864,875.00
Raford Global	ceramic	3,500,000.00				3,500,000.00	3,500,000.00
Rai Raj limited	Fabricating and conversion of 4 Containers into clinics	22,968,000.00					22,968,000.00
raman enterprises	contractors retention money	7,537,127.10					7,537,127.10
raman enterprises	major roads	12,313,197.05					12,313,197.05
raman enterprises	Hire of Equipment, Plant & Machinery	5,280,769.00					5,280,769.00
sub total					12,384,205.40		12,384,205.40
Ray Engineering and Construction International	Other Infrastructure and Civil Works				31,500,000.00		31,500,000.00
Reakool Trading	other infrastructure and civil works	31,500,000.00					31,500,000.00
Reeds Company (K) Limited	Purchase of Agricultural Machinery and Equipment		10,540,000.00				10,540,000.00
Reinforced Concrete Technologies	other infrastructure and civil works	39,150,000.00					39,150,000.00
Reinforced Concrete Technologies	other infrastructure and civil works	35,700,000.00					35,700,000.00
Reinforced Concrete Technologies	other infrastructure and civil works	29,700,000.00					29,700,000.00
Reinforced Concrete Technologies	other infrastructure and civil works	29,700,000.00					29,700,000.00
Reinforced Concrete Technologies	other infrastructure and civil works	36,750,000.00					36,750,000.00
Reinforced Concrete Technologies	other infrastructure and civil works	33,600,000.00					33,600,000.00
Reinforced Concrete Technologies	other infrastructure and civil works	21,150,000.00					21,150,000.00
Reinforced Concrete Technologies	contracted professional services	170,487,600.00					170,487,600.00
sub total							396,237,600.00

Rint Services	Other Infrastructure and Civil Works				14,906,875.00		14,906,875.00
Ritsem Company Limited	Other Infrastructure and Civil Works				31,250,000.00		
Ritsem Company Limited	Other Infrastructure and Civil Works				36,050,000.00		
Ritsem Company Limited	Other Infrastructure and Civil Works				4,996,000.00		
Ritsem Company Limited	overhaul of water supply and sewerage				3,736,800.00		
Ritsem Company Limited	overhaul of water supply and sewerage				3,886,000.00		
Ritsem Company Limited	other infrastructure and civil works				42,446,000.00		
sub total					42,446,000.00		122,364,800.00
Rock plant (K) limited	Provision of transportation						42,446,000.00
Roof and All Trading	other Infrastructure and civil works				30,300,000.00		
Roof and All Trading	other Infrastructure and civil works				37,800,000.00		
Roof and All Trading	other Infrastructure and civil works				38,850,000.00		
Roof and All Trading	other Infrastructure and civil works				30,300,000.00		
Roof and All Trading	other Infrastructure and civil works				34,650,000.00		
Roof and All Trading	other Infrastructure and civil works				36,750,000.00		
Roof and All Trading	other infrastructure and civil works				19,500,000.00		
Roof and All Trading	other Infrastructure and civil works				22,968,000.00		
sub total							251,118,000.00
Sakoj limited	Supply of grease lubricants				32,241,379.30		32,241,379.30
Salalah Logistics Consultants	Supplies for Production				4,862,260.00		
Salalah Logistics Consultants	Purchase of Beddings and Linens				9,750,000.00		
Salalah Logistics Consultants	other infrastructure and civil works				12,500,000.00		
sub total							27,112,260.00
Sallilow Enterprises	Supply of scanner and printer, soft blooms				6,312,000.00		6,312,000.00
Sancorn General Supplies	Supply of hydrocycle filter				11,853,448.30		11,853,448.30
Sapath General Supplies and Services	Other Infrastructure and Civil Works				4,696,230.00		4,696,230.00
School Work Enterprises	other infrastructure and civil works				5,418,400.00		5,418,400.00
Selumna Limited	Purchase of Educational Aids and Related Equipment				35,550,000.00		
Selumna Limited	Purchase of Educational Aids and Related Equipment				23,700,000.00		
sub total							59,250,000.00
Sepherit Technologies	R/D Cheques				5,418,400.00		
Sepherit Technologies	R/D Cheques				5,418,400.00		
Sepherit Technologies	other infrastructure and civil works				46,810,000.00		
sub total							57,646,800.00
Shackmac Investments	Supply of lathe machines, Supply of training materials				54,097,000.00		54,097,000.00
Shepherd Company Limited	Purchase of ICT Networking and Communication Equipment				5,380,000.00		
shepherd company limited	purchase of agricultural machinery and equipment				5,039,760.00		
Sherpherd Company Limited	purchase of AgriculturalMachinery and Equipment				12,000,000.00		
sub total							22,419,760.00
Sigi Holdings limited	Supply of electric hand drill,Supply of motorized knapsack power sprayer				55,948,275.85		55,948,275.85

Smart Board Learning Equipment	Hire of Equipment, Plant & Machinery		5,939,350.00				
Smart Board Learning Equipment	Hire of Equipment, Plant & Machinery		5,962,700.00				
Smart Board Learning Equipment	other infrastructure and civil works		9,471,600.00				21,373,650.00
sub total			9,412,850.00				9,412,850.00
Soko Huru Road Services Limited	Refined Fuels and Lubricants for Production						
Soko Huru Road Services Limited	Payment of decretal legal cost and interest for Ifata						
Soko Huru Road Services Limited	Engineering						
Soko Huru Road Services Limited	building materials						
sub total			55,918,311.85				
spanfield logistics systems	building materials		355,750.00				
Sparemart Agencies	Other Infrastructure and Civil Works					4,527,900.00	
Sparemart Agencies	Other Infrastructure and Civil Works					4,950,000.00	
Sparemart Agencies	Other Infrastructure and Civil Works					27,000,000.00	
SpareMart Agencies	other infrastructure and civil works		7,000,000.00				
SpareMart Agencies	other infrastructure and civil works		1,495,840.00				
SpareMart Agencies	Advertising,Awareness and Publicity Campaigns		6,900,000.00				
sub total							51,873,740.00
stan investments	management software		455,880.00				
Stand ford Ellis Africa	Supply of head lamp bench drill & water distributor					5,745,000.00	
subken agencies	training materials, electronic tools						5,745,000.00
sugawa general merchants	building materials		3,207,000.00				1,140,500.00
super broom services limited	sanitary services to NYS in march - october 2011		453,600.00				3,207,000.00
							453,600.00
supplies generation systems	workshop tools, training materials, plate, chuck keys						
Supplies Generations Systems	APS and square shoulder, toners, electric shearing						
	machine		3,124,700.00				1,908,000.00
sub total							5,032,700.00
Starling Trading	other infrastructure and civil works					27,625,000.00	
Starling Trading	Hire of Equipment, Plant & Machinery					24,375,000.00	
sub total							52,000,000.00
Tansyc Industrial Supplies	purchase of Educational Aids and Related Equipments						
Tansyc Industrial Supplies	purchase of ICT Networking and communication						
	Equipment						
sub total							5,309,500.00
Tarmac General Supplies	Other Infrastructure and Civil Works						
tarmac general supplies	uniforms		246,340.00				
sub total							4,690,000.00
technical Supplies and Services(K) Limited	other infrastructure and civil works						
Technology House Kenya Limited	Hire of Equipment, Plant & Machinery						
Technology House Kenya Limited	contracted professional services					29,900,000.00	
sub total							15,000,000.00
Telenodech Agencies Limited	Other Infrastructure and Civil Works					45,926,000.00	
Telenodech Agencies Limited	Other Infrastructure and Civil Works					6,319,550.00	
Telenodech Agencies Limited	extension cables, high back and medium high back						
Telenodech Agencies Limited	executive leather chairs, furniture, repair of Gk						
Telenodech Agencies Limited	vehicles, spare parts		5,962,000.00				
sub total							58,207,550.00
tellecommunication today	repair of faulty fibre		3,810,490.00				
sub total							3,810,490.00

Terecress Kenya				1,764,000.00	1,764,000.00
the consulting house limited	casual labour	12,000,000.00			
the consulting house limited	research, feasibility studies - other (budget)	10,000,000.00			
the consulting house limited	contracted technical services	18,000,000.00			
The Consulting House Limited	other infrastructure and civil works		12,500,000.00		
The Consulting House Limited	casual -Labour and others		12,500,000.00		
The Consulting House Limited	casual -Labour and others		12,500,000.00		
The Consulting House Limited	other infrastructure and civil works		100,000,000.00		
The Consulting House Limited	other infrastructure and civil works		3,983,533.00		
The Consulting House Limited	Foods and Ration		17,700,000.00		
sub total					199,183,533.00
Things of Desire	suppy of food stuff			35,560,344.85	
Things of Desire	supply of food stuff			22,500,000.00	
sub total					58,060,344.85
Thwama Building Services	Other Infrastructure and Civil Works			7,061,080.30	
Thwama Building Services	Other Infrastructure and Civil Works			5,340,007.55	
Thwama Building Services	Other Infrastructure and Civil Works			4,943,731.20	
Thwama Building Services Limited	Residential Buildings (Including Hostels)		4,833,534.40		
Thwama Building Services Limited	Foods and Ration		9,030,000.00		
sub total					31,208,353.45
Timclac Services				17,898,000.00	
Timlac services				9,184,000.00	
sub total					27,082,000.00
Toddy merchants limited	proposed construction of yatta complex	1,623,900.00			
tontek technologies	conveyor model, supply services, tester	9,092,000.00			
Total Plus Bureau Company Limited	Refined fuels and Lubricants for production		17,030,000.00		
Total Plus Bureau Company Limited	other infrastructure and civilworks		114,175,062.00		
sub total					131,205,062.00
Toyota Kenya Limited	Purchase of Motor Vehicle			10,184,092.00	10,184,092.00
Trace Limited	Hire of Equipment, Plant and Machinery			29,530,000.00	
trace limited	hire of equipment, plant and machinery	29,530,000.00			
sub total					59,060,000.00
Trade Circles Limited	Other Infrastructure and Civil Works			4,400,000.00	
Trade Circles Limited	Foods and Rations			6,552,000.00	
Trade Circles Limited	Foods and Rations			6,250,000.00	
Trade Circles Limited	Foods and Rations			6,471,300.00	
Trade Circles Limited	Foods and Rations			5,435,300.00	
Trade Circles Limited	Foods and Rations			5,920,000.00	
Trade Circles Limited	Foods and Rations			6,950,000.00	
Trade Circles Limited	Foods and Rations			5,994,000.00	
Trade Circles Limited	Foods and Rations			7,750,000.00	
Trade Circles Limited	Foods and Rations			6,031,000.00	
Trade Circles Limited	Foods and Rations			6,105,000.00	
trade circles limited	hire of equipment, plant and machinery	6,800,000.00			
trade circles limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	7,251,600.00			
sub total					81,910,200.00
Tram Technical Services Limited	Other Infrastructure and Civil Works			21,513,012.00	21,513,012.00
transcend international limited	hp scanner	626,500.00			626,500.00

Transcend Media Group	Consultancy on rebranding of NYS, Rebranding of NYS as per NYS/CON/ADM/1/87/1			432,198,227.00		432,198,227.00
Treasure General Merchants	other infrastructure and civil works		27,625,000.00			27,625,000.00
Tucking Stitch Emporium	Supply of cleaning kits, dust masks rubber, gloves and helmets			159,250,000.00		159,250,000.00
twin ventures	power amplifier	596,000.00				596,000.00
Unicom Limited	Purchase of Uniforms and Clothing - Trainees			4,250,000.00		4,250,000.00
uniglobe northline travel limited	provision of air tickets	28,903,017.00				28,903,017.00
vichri enterprises	sanitary towels, repair of GK vehicles	947,022.00				
Vichri Enterprises	Supply of 16mm squared and 2.5 mm square core armoured			5,689,655.15		6,636,677.15
sub total						1,600,000.00
vinemax supplies	bales maize meals, maize meal	1,600,000.00				
volcanic plumbing works	residential buildings (including hostels)	FY 2013/2014				11,475,813.35
Volcanic Plumbing Works	other fuels(charcoal, cooking gas and wood)		FY 2014/2015			5,909,400.00
sub total						17,385,213.35
wais Trading company	Supply of artificial insemination kits	168,171,982.75		2014/15 & 2015/16		
wandas general suppliers limited	purchase of uniforms and clothing - trainees	11,800,000.00				
Wandas General Supplies Limited	Purchase of Beddings and Linens			47,200,000.00		
Wandas General Supplies Limited	purchase of uniforms and clothings- trainees		29,500,000.00			
Wandas General Supplies Limited	Purchase of computers, printers and other IT Equipments		14,274,000.00			
sub total						102,774,000.00
wavescam investment	freezer, braziers	1,670,100.00				1,670,100.00
wesh agencies	fire wood, assorted paint materials, paints, building materials	2,872,346.00				2,872,346.00
Wilcom International limited	Heavy duty precision multi meter Tester			5,483,405.15		5,483,405.15
Wilwarm Variety Services	Purchase of Educational Aids and Related Equipment			10,000,000.00		10,000,000.00
Zeigham Enterprises Limited	Purchase of Software			5,380,000.00		
Zeigham Enterprises Limited	Other infrastructure and civil works		14,344,000.00			
Zeigham Enterprises Limited	other infrastructure and civil works		18,345,109.00			
sub total						38,069,109.00
GRAND TOTAL						10,543,442,248.90

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IFMIS TRANSACTIONS IN THE FINANCIAL YEARS 2013/14, 2014/15 AND 2015/16					
Company Name	Item Description	FY 2013/14	FY 2014/15	FY 2015/16	Amount
Acorn Solutions	Minor Alterations to Buildings and Civil Works			12,843,050.00	12,843,050.00
Aenod Allied Systems	Foods and Rations			9,800,000.00	9,800,000.00
Africa Neurotech Systems Limited	Purchase of ICT Networking and Communication Equipment			98,061,850.80	98,061,850.80
Alfalink Enterprises Limited	Refurbishment of Non-Residential Buildings			33,020,979.40	33,020,979.40
Alinett Ventures	Purchase of workshop Tools, Spares and Small Equipments			5,595,000.00	5,595,000.00
Alivum General Supplies	other infrastructure and civil works		5,409,000.00		5,409,000.00
aloukik investment limited	rents & rates - non residential	15,829,940.00			
aloukik investment limited	rents & rates - non residential	9,497,964.00			
aloukik investment limited	rents & rates - non residential	15,136,956.00			
sub total					40,464,860.00
alpelex consulting africa limited	contracted professional services	4,458,042.40			4,458,042.40
AMG Internaional	Refurbishment of Non-Residential Buildings			25,609,780.00	25,609,780.00
Anne Mumbi Waiguru	Contracted Professional Services			5,804,744.75	5,804,744.75
associates in intergrated development africa limited	Acquisition of land	11,487,960.00			11,487,960.00
Ayila Investments Limited	Purchase of ICT Networking and Communication Equipment			37,054,381.50	37,054,381.50
B.N kotecha and sons limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	36,250,000.00			
B.N kotecha and sons limited	temporary imprest	72,500,000.00			
B.N kotecha and sons limited	district suspense A/c	72,500,000.00			
B.N kotecha and sons limited	general suspense A/C	21,750,000.00			
sub total					203,000,000.00
Baltimore General Supplies Limited	Purchase of Educational Aids and Related Equipment			37,500,000.00	37,500,000.00
bashash construction company	10% Retention money	4,279,728.10			
bashash construction company	10% Retention money	11,577,034.50			
bashash construction company	non-residential buildings (offices, schools, hospitals, etc	26,949,004.70			
bashash construction company	non-residential buildings (offices, schools, hospitals, etc	51,324,071.20			
sub total					94,129,838.50
Bata Shoe Company (K) Limited	Purchase of Uniforms and Clothing - Trainees			30,589,800.00	30,589,800.00
Beacons Kenya Limited	Minor Alterations to Buildings and Civil Works			6,421,525.00	
Beacons Kenya Limited	Contracted Professional Services			6,421,525.00	
sub total					12,843,050.00
Beatrice Naliaka kataka	Temporary Imprests			5,000,000.00	5,000,000.00
Bedi Investments Limited	Purchase of Uniforms and Clothing - Trainees			49,875,000.00	
Bedi Investments Limited	purchase of uniforms and clothings- trainees		7,740,000.00		
sub total					57,615,000.00

Belfast Engineering Works Limited	other infrastructure and civil works		8,850,000.00		8,850,000.00
bell industries limited	general suspense A/C	49,239,680.00			49,239,680.00
Bellfy's Supplies and General Enterprises Limited	Purchase of Educational Aids and Related Equipment			5,860,000.00	5,860,000.00
Bicon ICT Solutions	Purchase of ICT Networking and Communication Equipment			10,760,000.00	10,760,000.00
Blue Cubes Capital	Foods and Rations			5,040,000.00	
Blue Cubes Capital	Foods and Rations			4,050,000.00	
sub total					9,090,000.00
Blue Ravine	Purchase of Educational Aids and Related Equipment			42,500,000.00	42,500,000.00
Blue Star Enterprises	Purchase of Educational Aids and Related Equipment			47,600,000.00	47,600,000.00
Boma Inn Eldoret	Catering Services (reception), Accomodation, Gifts, Foods and Drinks			7,340,910.00	7,340,910.00
Bora Global Limited	Foods and Rations			15,593,750.00	
Bora Global Limited	Foods and Rations			15,593,750.00	
Bora Global Limited	Foods and Ration		32,250,000.00		
Bora Global Limited	Foods and Ration		18,275,000.00		
sub total					81,712,500.00
Bramlin Ventures Limited	other infrastructure and civil works			28,688,095.00	28,688,095.00
Brave life (K) Limited	purchase of ICT Networking and communication Equipment			18,125,000.00	18,125,000.00
budken building construction company limited	overhaul of other infrastructure and civil works	35,341,528.60			
budken building construction company limited	overhaul of other infrastructure and civil works	34,179,046.20			
budken building construction company limited	overhaul of other infrastructure and civil works	21,057,584.70			
budken building construction company limited	other infrastructure and civil works	20,000,000.00			
budken building construction company limited	access roads	10,255,569.55			
sub total					120,833,729.05
Bullsons Agencies Limited	Refurbishment of Non-Residential Buildings			20,009,823.70	20,009,823.70
Bunny Tech Systems	Other Infrastructure and Civil Works			5,610,000.00	5,610,000.00
Butechs Construction Company	Refurbishment of Non-Residential Buildings			31,379,075.00	31,379,075.00
Canaries Holdings Limited	minor alterations to buildings and civil works			29,558,550.00	29,558,550.00
Carol and Khan Ventures	Hire of Equipment, Plant and Machinery			5,380,000.00	
Carol and Khan Ventures	Hire of Equipment, Plant and Machinery			19,710,000.00	
sub total					25,090,000.00
Cass Ventures Company	Purchase of office Furniture and Fittings			4,147,500.00	4,147,500.00
Cebeth Enterprises	Sanitary and Cleaning Materials, Supplies and Services			4,440,160.00	4,440,160.00
Centon Limited	Purchase of Uniforms and Clothing - Trainees			10,465,000.00	
Centon Limited	Purchase of Uniforms and Clothing - Trainees			13,455,000.00	
Centon Limited	Purchase of Uniforms and Clothing - Trainees			12,210,000.00	
centon limited	purchase of uniforms and clothing - trainees	5,550,000.00			
Centon Limited	purchase of beddings and linen			10,000,000.00	
Centon Limited	purchase of beddings and linen			5,980,000.00	

Centon Limited	purchase of uniforms and clothings- trainees		5,056,605.00			
Centon Limited	purchase of uniforms and clothings- trainees		10,455,000.00			
sub total						73,171,605.00
Charwins Limited	Minor Alterations to Buildings and Civil Works					
Charwins Limited	General Suspense Account				13,000,000.00	
Charwins limited	10% Retention money	3,282,471.85			17,466,782.30	
Charwins limited	10% Retention money	4,218,602.70				
Charwins limited	non-residential buildings (offices, schools, hospitals, etc	22,438,967.00				
sub total						
China Roads and Bridges Corporation (Kenya)	Other infrastructure and civil works		17,097,000.00			
Cirem Contractors Limited	Refurbishment of Non-Residential Buildings				30,854,460.25	
Citrolam contractors limited	Acquisition of land	39,247,590.80				
ClassRoom Technology	Hire of Equipment, Plant & Machinery		7,978,650.00			
ClassRoom Technology	Hire of Equipment, Plant & Machinery		7,978,650.00			
ClassRoom Technology	Hire of Equipment, Plant & Machinery		5,974,500.00			
sub total						
Commetel Networks	Purchase of ICT Networking and Communication Equipment				21,766,000.00	
Comp Tool Trading	Hire of Equipment, Plant & Machinery		7,296,600.00			
Comtec Enterprises Limited	Purchase of ICT Networking and Communication Equipment				5,441,500.00	
Comtec Enterprises Limited	Purchase of ICT Networking and Communication Equipment				21,766,000.00	
sub total						
Corporate Consulting International (K) Limited	contracted professional services		75,261,630.00			
costbill systems	non-residential buildings (offices, schools, hospitals, etc	25,434,983.90				
Craynon Holdings Limited	Purchase of ICT Networking and Communication Equipment				33,419,600.00	
Creative Technologies Limited	Purchase of Software		10,964,400.00			
Creative Technologies Limited	purchase of ICT Networking and communication Equipment		4,466,750.00			
Creative Technologies Limited	purchase of ICT Networking and communication Equipment		5,462,200.00			
sub total						
crinon enterprises	pre-feasibility, feasibility and appraisal studies	4,918,386.65				
crinon enterprises	refurbishment of residential building	10,425,922.70				
Crinon Enterprises Limited	Purchase of Software				7,042,620.80	
Crinon Enterprises Limited	Minor Alterations to Buildings and Civil Works				9,289,347.00	
Crinon Enterprises Limited	Current Grants to Semi-Autonomous Government Agencies				11,499,660.00	
Crinon Enterprises Limited	minor alterations to buildings and civil works	12,499,806.20				
Crinon Enterprises Limited	minor alterations to buildings and civil works	7,000,000.00				
Crinon Enterprises Limited	Refurbishment of Non- residential Buildings	125,000,000.00				
Crinon Enterprises Limited	minor alterations to buildings and civil works	2,149,273.20				
Crinon Enterprises Limited	General Suspense A/C		10,475,720.00			
sub total						
Critical Mass Electrical	Hire of Equipment, Plant & Machinery		41,850,000.00			
crystal valuers limited	rents & rates - non residential	9,582,296.60				
crystal valuers limited	rents & rates - non residential	7,066,000.00				
crystal valuers limited	rents & rates - non residential	3,383,034.30				

crystal valuers limited	rents & rates - non residential	9,582,296.60		
crystal valuers limited	rents & rates - non residential	2,022,538.90		
crystal valuers limited	rents & rates - non residential	1,687,002.80		
crystal valuers limited	rents & rates - non residential	999,423.00		
crystal valuers limited	rents & rates - non residential	12,425,077.30		
sub total				46,747,669.50
CS Consulting Limited	Boards, Committees, Conferences and Seminars		6,919,110.00	6,919,110.00
Curated Spaces Limited	Foods and Rations		4,000,000.00	
Curated Spaces Limited	Foods and Rations		7,000,000.00	
Curated Spaces Limited	Foods and Rations		5,400,000.00	
sub total				16,400,000.00
Dakawou Transport Limited	Refined Fuels and Lubricants for Production		9,450,000.00	
Dakawou Transport Limited	Other Infrastructure and Civil Works		10,440,000.00	
Dakawou Transport Limited	Refined Fuels and Lubricants for Production		10,440,000.00	
Dakawou Transport Limited	Refined Fuels and Lubricants for Production		10,440,000.00	
dakawou transport limited	refined fuels and lubricants for transport	10,440,000.00		
dakawou transport limited	refined fuels and lubricants for transport	10,440,000.00		
Dakawou transport limited	Refined fuels and Lubricants for production		10,440,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		9,450,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		10,440,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		11,340,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		9,000,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		10,440,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		7,850,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		8,950,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		3,612,000.00	
Dakawou transport limited	Refined fuels and Lubricants for production		10,440,000.00	
sub total				153,612,000.00
Dantax Enterprises	Residential Buildings (Including hostels)		5,084,360.00	5,084,360.00
dap del chefter (K) limited	kenya school of government	9,004,000.00		9,004,000.00
Day Break Supplies Limited	Minor Alterations to Buildings and Civil Works		32,012,446.00	32,012,446.00
Dayton Investment Company	Other Infrastructure and Civil Works		75,600,000.00	75,600,000.00
Deelkei Investment Company Limited	Purchase of ICT Networking and Communication Equipment		11,493,834.00	11,493,834.00
Demmy Limited	Other Infrastructure and Civil Works		4,000,000.00	4,000,000.00
devcon group limited	capital transfer to individuals and households	5,934,315.50		5,934,315.50
Dimensional Services Limited	purchase of soft ware		15,760,000.00	15,760,000.00
diwafa investment limited	10% Retention money	4,648,349.50		
diwafa investment limited	10% Retention money	2,324,174.75		
diwafa investment limited	non-residential buildings (offices, schools, hospitals, etc	25,231,137.65		
diwafa investment limited	non-residential buildings (offices, schools, hospitals, etc	5,603,708.15		
sub total				
Doris Investment Eterprises	Foods and Rations		8,610,000.00	
Doris Investment Eterprises	Foods and Rations		4,789,190.00	
sub total				51,206,560.05

Dulax Enterprises Limited	purchase of ICT Networking and communication Equipment		16,505,988.00		16,505,988.00
Dwens Investment	Foods and Rations			5,055,375.00	5,055,375.00
Eastever Agencies	Pre-feasibility, Feasibility and Appraisal Studies			5,999,600.00	5,999,600.00
Edi Suppliers Agencies	Refined Fuels and Lubricants for Production			5,380,000.00	
Edi Suppliers Agencies	Other Fuels (Woods, Charcoal,Cooking gas etc)			12,000,000.00	
sub total					17,380,000.00
Editon Lab and Office Supplies	Purchase of Uniforms and Clothing - Trainees			4,950,000.00	4,950,000.00
Edmand Enterprises	Other Fuels (Woods, Charcoal,Cooking gas etc)			4,900,000.00	4,900,000.00
Electro Watts Limited	purchase of soft ware		12,506,228.00		12,506,228.00
Emco Diesel Services	Other Infrastructure and Civil Works			17,992,275.00	
Emco Diesel Services	other infrastructure and civil works		4,996,204.00		
sub total					22,988,479.00
Emifag Agencies Limited	Other Infrastructure and Civil Works			7,727,300.00	
Emifag Agencies Limited	other infrastructure and civil works		8,000,000.00		
Emifag Agencies Limited	Other infrastructure and civil works		54,659,200.00		
sub total					70,386,500.00
Eribet Fairdeal Supplies	Other Infrastructure and Civil Works			30,825,000.00	30,825,000.00
Ericson General Agencies	Purchase of Police, Prisons and NYS small Equipment and Supplies			14,690,000.00	14,690,000.00
Ernest and Young	Contracted Technical Services			10,000,000.00	
Ernest and Young	Travel Allowance			4,000,000.00	
Ernest and Young	Contracted Professional Services			14,000,000.00	
sub total					28,000,000.00
Espet Business Enterprise	Purchase of Uniforms nd Clothing - Staff			17,094,000.00	17,094,000.00
Essential Prodigy Trading	other infrastructure and civil works		24,375,000.00		
Essential Prodigy Trading	other infrastructure and civil works		26,000,000.00		
Essential Prodigy Trading	Hire of Equipment, Plant & Machinery		29,250,000.00		
sub total					79,625,000.00
evabo enterprises limited	purchase of police, prisons & NYS small equipment supplies	4,050,000.00			4,050,000.00
Everhard Enterprises	purchase of ICT Networking and communication Equipment		25,442,937.00		25,442,937.00
Excella Supplies Services	other infrastructure and civil works		29,145,000.00		29,145,000.00
Exeplary Traders Limited	Purchase of office Furniture and Fittings			4,777,500.00	4,777,500.00
fabro limited	legal dues, arbitration & compensation payment	5,085,990.00			5,085,990.00
Fahaza Limited	Other Infrastructure and Civil Works			29,172,500.00	
Fahaza Limited	Foods and Rations			29,138,000.00	
sub total					58,310,500.00
fastlane freight forwarders limited	other infrastructure and civil works		205,002,118.00		
fastlane freight forwarders limited	other infrastructure and civil works		242,653,673.00		
fastlane freight forwarders limited	Refined fuels and Lubricants for production		54,959,783.20		
sub total					502,615,574.20

F-Eight Enterprises Limited	Refurbishment of Non-Residential Buildings			16,557,856.70	
F-Eight Enterprises Limited	Refurbishment of Non-Residential Buildings			8,376,302.70	
sub total					24,934,159.40
Firstling Supplies Limited	Purchase of Beddings and Linens			8,490,000.00	
Firstling supplies limited	other infrastructure and civil works		21,720,900.00		
Firstling supplies limited	other infrastructure and civil works		16,050,000.00		
Firstling supplies limited	purchase of uniforms and clothings- trainees		8,490,000.00		
sub total					54,750,900.00
Flo Line Company Limited	Foods and Rations			4,100,000.00	4,100,000.00
forest roads flats limited	rents & rates - non residential	9,309,417.60			9,309,417.60
Form Homes Buiders	other infrastructure and civil works		15,750,000.00		
Form Homes Buiders	other infrastructure and civil works		39,900,000.00		
Form Homes Buiders	other infrastructure and civil works		37,275,000.00		
Form Homes Buiders	other infrastructure and civil works		36,750,000.00		
Form Homes Buiders	other infrastructure and civil works		26,250,000.00		
Form Homes Buiders	other infrastructure and civil works		36,750,000.00		
Form Homes Buiders	other infrastructure and civil works		26,250,000.00		
sub total					218,925,000.00
Fostar Solutions	Current Grants to Semi-Autonomous Government Agencies			4,324,000.00	4,324,000.00
Fratrade Agencies Limited	Other Infrastructure and Civil Works			11,200,000.00	11,200,000.00
Fresco International Limited	Other Infrastructure and Civil Works			19,000,000.00	
Fresco International Limited	Foods and Rations			24,950,000.00	
Fresco International Limited	Foods and Rations			12,475,000.00	
Fresco International Limited	Foods and Rations			24,950,000.00	
sub total					81,375,000.00
GAB international costruction company limited	access roads	23,956,248.35			
GAB international costruction company limited	non-residential buildings (offices, schools, hospitals, etc	24,417,272.05			
sub total					48,373,520.40
Gamoji Limited	other infrastructure and civil works		28,922,040.00		28,922,040.00
geodev K limited	overhaul of other infrastructure and civil works	6,882,570.00			6,882,570.00
George Karogo Ndungu	Temporary Imprests			5,040,000.00	5,040,000.00
Geoscintex	Other Infrastructure and Civil Works			13,940,000.00	13,940,000.00
Gigabyte Solutions	Education and Library Supplies			16,324,500.00	16,324,500.00
Gilnak General Supplies	other infrastructure and civil works		29,250,000.00		
Gilnak General Supplies	R/D Cheques		29,250,000.00		
Gilnak General Supplies	other infrastructure and civil works		24,375,000.00		
Gilnak General Supplies	Hire of Equipment, Plant & Machinery		30,875,000.00		
Gilnak General Supplies	R/D Cheques		29,250,000.00		
sub total					143,000,000.00
Gimco Limited	Rent and Rates - Non-Residential			4,580,752.45	
Gimco Limited	Current Grants to Semi-Autonomous Government Agencies			7,027,604.00	
sub total					11,608,356.45
Giwells Limited	Other Infrastructure and Civil Works			12,825,000.00	12,825,000.00

Glencom Enterprises	Other Infrastructure and Civil Works			5,886,000.00		
Glencom Enterprises	Overhaul of plant, Machinery and Equipment		5,572,000.00			11,458,000.00
sub total					32,663,273.10	32,663,273.10
Glensteam Engineering Works Limited	Refurbishment of Non-Residential Buildings					
Global works Engineering Company Limited	Boards, Committees, Conferences and Seminars			5,462,955.60		5,462,955.60
Globesho Trading Company Limited	Purchase of ICT Networking and Communication Equipment					
Globesho Trading Company Limited	Purchase of ICT Networking and Communication Equipment		5,734,150.00		11,218,300.00	16,952,450.00
sub total						9,731,011.10
gragab agencies company limited	residential buildings (including hostels)		9,731,011.10			
gramtech office solutions	pre-feasibility, feasibility and appraisal studies		4,792,800.00			
gramtech office solutions	pre-feasibility, feasibility and appraisal studies		365,930.00			
gramtech office solutions	pre-feasibility, feasibility and appraisal studies		2,674,100.00			
sub total						7,832,830.00
Grand Souq Enterprises	Purchase of office Furniture and Fittings			14,490,000.00		14,490,000.00
Grandlens Merchant Limited	Purchase of Uniforms and Clothing - Staff			8,000,000.00		8,000,000.00
Graynon Holdings Limited	Minor Alterations to Buildings and Civil Works			20,051,760.00		
Graynon Holdings Limited	Purchase of ICT Networking and communication Equipment		18,396,243.20			38,448,003.20
sub total				4,594,080.00		4,594,080.00
Greenberg Holdings Limited	Purchase of Educational Aids and Related Equipment			27,745,000.00		
Greenberg Holdings Limited	Other Infrastructure and Civil Works			79,800,000.00		107,545,000.00
sub total			10,000,000.00			10,000,000.00
Greenfarm Chemicals Limited	purchase of Agricultural Machinery and Equipment					
Hailey Enterprises	Other Infrastructure and Civil Works			8,750,000.00		8,750,000.00
hanamal construction limited	capital transfer to individuals and households		17,154,709.10			
hanamal construction limited	capital transfer to individuals and households		27,024,728.10			
hanamal construction limited	capital transfer to individuals and households		4,678,593.85			
hanamal construction limited	capital transfer to individuals and households		4,413,248.10			
sub total				5,611,300.00		53,271,279.15
Happy Land Timber 7 Hardware Limited	Hire of Equipment, Plant & Machinery					5,611,300.00
Hayze Solutions Limited	Purchase of ICT Networking and Communication Equipment			5,720,500.00		
Hayze Solutions Limited	Purchase of computers, printers and other IT Equipments		13,650,400.00			
Hayze Solutions Limited	purchase of ICT Networking and communication Equipment		17,269,500.00			36,640,400.00
sub total				5,720,000.00		5,720,000.00
Heeves Agencies	Refined Fuels and Lubricants for Production					
Helix Logistics Limited	other infrastructure and civil works			39,240,070.00		39,240,070.00
highview trading	refined fuels and lubricants for transport			8,370,828.00		
HighView Trading	Hire of Equipment, Plant & Machinery				11,733,180.00	20,104,008.00
sub total					7,130,000.00	7,130,000.00
Hilary Enterprises	Purchase of Police, Prisons and NYS small Equipment and Supplies					
Hospser Agencies	Residential Buildings (Including hostels)			4,160,000.00		4,160,000.00

Iantex Enterprises Africa	Hire of Equipment, Plant & Machinery		6,550,000.00		6,550,000.00
ibel construction co. limited	non-residential buildings (offices, schools, hospitals, etc	5,592,471.00			5,592,471.00
illadu construction company limited	general suspense A/C	#####			
illadu construction company limited	general suspense A/C	75,915,937.00			
sub total					254,410,437.00
Illustrate Services Limited	Capital Grants to Semi-Autonomous Government Agencies			4,756,000.00	4,756,000.00
IMG kenya limited	current grants and semi-autonomous govt. agencies	10,440,000.00			10,440,000.00
Infinium Technologies Limited	purchase of ICT Networking and communication Equipment		32,579,395.25		
Infinium Technologies Limited	purchase of ICT Networking and communication Equipment		10,895,765.10		
Infinium Technologies Limited	Purchase of ICT Networking and Communication Equipment			10,859,765.10	
sub total					54,334,925.45
Inforserve Networks Limited	Purchase of Educational Aids and Related Equipment			6,048,000.00	6,048,000.00
Inspired Training Tech	Hire of Equipment, Plant & Machinery		5,953,600.00		
Inspired Training Tech	R/D Cheques		5,953,600.00		
sub total					11,907,200.00
Integrity Services Limited	Contracted Professional Services			5,136,000.00	5,136,000.00
Inter Management Group (IMG) Kenya Limited	Contracted Professional Services			27,413,352.00	
Inter Management Group (IMG) Kenya Limited	Capital Grants to Semi-Autonomous Government Agencies			20,372,734.00	
Inter Management Group (IMG) Kenya Limited	General Deposit			19,000,000.00	
Inter Management Group (IMG) Kenya Limited	Current Grants to Semi-Autonomous Government Agencies			61,270,825.60	
Inter Management Group (IMG) Kenya Limited	Current Grants to Semi-Autonomous Government Agencies			7,156,388.00	
Inter management Group (IMG) Kenya Limited	contracted professional services		8,680,894.80		
Inter management Group (IMG) Kenya Limited	boards, conferences and seminars		9,000,000.00		
Inter management Group (IMG) Kenya Limited	contracted professional services		8,361,789.60		
Inter management Group (IMG) Kenya Limited	Advertising,Awareness and Publicity Campaigns		6,666,666.70		
Inter management Group (IMG) Kenya Limited	boards, conferences and seminars		6,666,666.65		
Inter management Group (IMG) Kenya Limited	Catering services(reception), Accommodation, Gift, food and Drinks		6,666,666.65		
inter management group (IMG) kenya ltd	minor alterations to building and civil works	4,980,200.00			
sub total					186,236,184.00
interfusion company limited	residential buildings (including hostels)	8,170,952.40			
interfusion company limited	residential buildings (including hostels)	1,441,932.80			
sub total					9,612,885.20
International Partnership Services (EA) Limited	Refined Fuels and Lubricants for Production			75,000,000.00	75,000,000.00
interscope tech & services	other infrastructure and civil works		24,180,000.00		
interscope tech & services	other infrastructre and civil works		8,800,000.00		
interscope tech & services	other infrastructure and civil works		11,994,000.00		
interscope tech & services	other infrastructure and civil works		11,200,000.00		
sub total					56,174,000.00
Intertractor Company Limited	other infrastructure and civil works		5,346,000.00		5,346,000.00
Isoflyn Corp Limited	Other infrastructure and civil works		29,190,130.00		29,190,130.00
Jadico Enterprises	Pre-feasibility, Feasibility and Appraisal Studies			7,992,000.00	7,992,000.00
Jagla Agencies Limited	Other Infrastructure and Civil Works			11,051,865.20	

Igla Agencies Limited	R/D Cheques				9,043,474.55		20,095,339.75
sub total							
Jancel Agencies	Foods and Rations				4,000,000.00		4,000,000.00
Jathuco Entreprises	Foods and Rations				4,000,000.00		4,000,000.00
Jemuth Enterprises	Hire of Equipment, Plant and Machinery				7,898,000.00		7,898,000.00
Jerryathy Enterprises	Other Infrastructure and Civil Works				9,618,000.00		9,618,000.00
Jimchar Enterprises	Other Infrastructure and Civil Works				6,448,000.00		6,448,000.00
Jofrim East Africa Company Limited	other infrastructure and civil works				8,300,000.00		8,300,000.00
Josaco Enterprises	Foods and Rations				8,639,400.00		
Josaco Enterprises	Foods and Rations				5,442,430.00		
sub total							14,081,830.00
Joyram Agencies	Capital Grants to Semi-Autonomous Government Agencies				4,988,750.00		4,988,750.00
Julia Njeri Kinuthia	Temporary Imprests				7,065,330.00		7,065,330.00
Jumbo Commodities Limited	Foods and Rations				27,300,000.00		27,300,000.00
Kabango Investments	Refined Fuels and Lubricants for Production				4,200,000.00		4,200,000.00
Kenya Vehicle Manufacturers	Hire of Equipment, Plant & Machinery				11,518,770.00		11,518,770.00
kenyatta international conference centre	rents & rates - non residential			4,531,739.55			
kenyatta international conference centre	rents & rates - non residential			7,407,764.65			
sub total							11,939,504.20
Kenyatta International Convention Centre	Rent and Rates - Non-Residential				8,500,000.00		8,500,000.00
Kenyatta University	Boards, Committees, Conferences and Seminars				23,504,370.00		
kenyatta University	boards, conferences and seminars				23,088,000.00		
kenyatta University	boards, conferences and seminars				5,096,000.00		
kenyatta University	R/D Cheques				5,096,000.00		
kenyatta University	boards, conferences and seminars				6,869,160.00		
kenyatta University	R/D Cheques				3,123,510.00		
kenyatta University	R/D Cheques				1,044,020.00		
Kenyatta University Conference Centre	Boards, Committees, Conferences and Seminars				6,000,000.00		
Kenyatta University Conference Centre	Boards, Committees, Conferences and Seminars				19,790,300.00		
Kenyatta University Conference Centre	Boards, Committees, Conferences and Seminars				20,325,040.00		
Sub total							113,936,400.00
KEPSA - Kenya Youth Empowerment Project	Ministry HQ Development Bank A				96,526,610.95		96,526,610.95
Kingsway Business Systems Limited	Pre-feasibility, Feasibility and Appraisal Studies				13,000,000.00		13,000,000.00
Knight Frank , Kencom house A/C	Rents and rates- non residential				7,352,262.10		
Knight Frank , Kencom house A/C	Rents and rates- non residential				7,352,262.00		
Knight Frank , Kencom house A/C	Rents and rates- non residential				7,352,262.10		
Knight Frank Kencom House Account	Rent and Rates - Non-Residential				7,352,262.10		
Knight Frank Kencom House Account	Rent and Rates - Non-Residential				7,300,062.10		

Knight Frank Kencom House Account	Rent and Rates - Non-Residential			7,300,062.10	
sub total					44,009,172.50
korso enterprises company limited	capital transfer to individuals and households	7,397,758.60			7,397,758.60
Lagm International Limited	Minor Alterations to Buildings and Civil Works			33,419,600.00	33,419,600.00
Laguna Ventures Limited	purchase of ICT Networking and communication Equipment		17,188,150.00		17,188,150.00
laico regency hotel	pre-feasibility, feasibility and appraisal studies	6,966,264.00			6,966,264.00
leamsoft business solution	pre-feasibility, feasibility and appraisal studies	4,968,000.00			
leamsoft business solution	pre-feasibility, feasibility and appraisal studies	1,605,910.00			
sub total					6,573,910.00
Linksoft Intergrated Services East Africa Limited	Purchase of Software			79,779,658.20	79,779,658.20
lloyd masika limited	scholarships and other educational benefits - secondary education	14,598,582.00			14,598,582.00
Luguna Ventures Company Limited	Purchase of ICT Networking and Communication Equipment			26,900,000.00	26,900,000.00
Lusaka Ventures Limited	Maintenance of Office Furniture and Equipment			6,390,000.00	6,390,000.00
Mammerly Solutions	Other Fuels (Woods, Charcoal, Cooking gas etc)			17,496,700.00	17,496,700.00
Mamofa Construction Compay Limited	Refurbishment of Non-Residential Buildings			30,941,645.50	30,941,645.50
mareka enterprises	minor alterations to buildings and civil works		35,895,950.00		
mareka enterprises	other infrastructure and civil works		5,980,000.00		
sub total					41,875,950.00
Maxwel Chenenje Muyundo	R/D Cheques			39,658.70	39,658.70
MC Builders Limited	Minor Alterations to Buildings and Civil Works			30,386,829.00	30,386,829.00
microbit systems limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	19,250,000.00			
microbit systems limited	general suspense A/C	19,250,000.00			
microbit systems limited	general suspense A/C	7,000,000.00			
microbit systems limited	general suspense A/C	19,250,000.00			
microbit systems limited	general suspense A/C	41,250,000.00			
microbit systems limited	general suspense A/C	13,750,000.00			
microbit systems limited	district suspense A/c	27,500,000.00			
microbit systems limited	general suspense A/C	8,439,750.00			
sub total					155,689,750.00
Microsave Kenya	Other infrastructure and civil works		22,026,892.00		22,026,892.00
Mikwa General Supplies	Foods and Rations			5,188,350.00	5,188,350.00
milele apprentice development centre	current grants and semi-autonomous govt. agencies	4,303,000.00			4,303,000.00
Monrho Company Limited	Hire of Equipment, Plant and Machinery			12,500,000.00	12,500,000.00
Monrho Company Limited	other infrastructure and civil works		1,151,400.00		
Monrho Company Limited	contracted professional services		6,675,550.00		
sub total					20,326,950.00
Moriah General Suppliers	Contracted Professional Services			11,460,000.00	11,460,000.00

Morrison and Associates	other infrastructure and civil works		23,960,000.00		23,960,000.00
mruttu salmann and associates	non-residential buildings (offices, schools, hospitals, etc	25,812,101.65			25,812,101.65
Mudrex Enterprises Limited	Other Infrastructure and Civil Works			9,450,000.00	9,450,000.00
multicon	access roads	22,000,000.00			22,000,000.00
multimedia university college of kenya	catering services (reception) accommodation, gifts, foods & drinks	5,452,500.00			
multimedia university college of kenya	accommodation - domestic travel	5,599,579.70			
multimedia university college of kenya	accommodation - domestic travel	5,382,019.70			
multimedia university college of kenya	catering services (reception) accommodation, gifts, foods & drinks	11,609,980.00			
sub total					28,044,079.40
Muya Karera	Temporary Imprests			4,250,000.00	
Muya Karera	Temporary Imprests			11,847,110.00	
sub total					16,097,110.00
Mweha Enterprises Limited	Refurbishment of Non-Residential Buildings			10,782,557.30	
mweha enterprises limited	non-residential buildings (offices, schools, hospitals, etc	11,957,444.00			
mweha enterprises limited	general suspense A/C	4,689,277.00			
mweha enterprises limited	overhaul of other infrastructure and civil works	38,195,394.45			
mweha enterprises limited	overhaul of other infrastructure and civil works	38,298,810.90			
mweha enterprises limited	overhaul of other infrastructure and civil works	19,464,289.05			
mweha enterprises limited	general suspense A/C	1,601,426.30			
sub total					124,989,199.00
Naff Abbatiors Limited	Foods and Rations			4,075,000.00	
Naff Abbatiors Limited	Foods and Rations			4,128,750.00	
sub total					8,203,750.00
namorutunga building construction company limited	capital transfer to individuals and households	18,096,728.90			
namorutunga building construction company limited	capital transfer to individuals and households	6,540,874.00			
namorutunga building construction company limited	R/D cheques	6,540,874.00			
namorutunga building construction company limited	capital transfer to individuals and households	16,646,863.25			
namorutunga building construction company limited	capital transfer to individuals and households	4,765,289.85			
namorutunga building construction company limited	capital transfer to individuals and households	9,086,813.75			
sub total					61,677,443.75
National Youth Service Huduma Cohorts	Ministry HQ Development Bank A			136,000,000.00	
National Youth Service Huduma Cohorts	Ministry HQ Development Bank A			300,000,000.00	
National Youth Service Huduma Cohorts	Casual Labour - Others			430,863,000.00	
National Youth Service Huduma Cohorts	Casual Labour - Others			457,484,710.00	
sub total					1,324,347,710.00
Ndury Redline Enterprises	Minor Alterations to Buildings and Civil Works			6,683,920.00	
Ndury Redline Enterprises	Purchase of Software			33,419,600.00	
sub total					40,103,520.00
nefami	pre-feasibility, feasibility and appraisal studies	5,000,000.00			5,000,000.00
neglecks enterprises	pre-feasibility, feasibility and appraisal studies	5,000,000.00			5,000,000.00
neomatech limited	minor alterations to building and civil works	12,095,254.40			
Neomatech Limited	purchase of ICT Networking and communication Equipment		43,897,048.90		
Neomatech Limited	purchase of ICT Networking and communication Equipment		18,813,020.95		
Neomatech Limited	production and printing of trainign matwerials		3,760,000.00		
sub total					78,565,324.25
netedge computers	purchase of ICT Networking and communication equipment	8,882,600.00			8,882,600.00

New Look Construction Company Limited	Other Infrastructure and Civil Works			29,598,592.10	29,598,592.10
NewGen Enterprises	purchase of Educational Aids and Related Equipments		18,448,880.00		18,448,880.00
Newtool Mart Trading	Hire of Equipment, Plant & Machinery		18,448,880.00		
Newtool Mart Trading	other fuels(charcoal, cooking gas and wood)		3,785,600.00		
sub total					22,234,480.00
NGO Coordination Board	Capital Grants to Semi-Autonomous Government Agencies			8,937,500.00	8,937,500.00
Nirav Agencies Limited	Hire of Equipment, Plant & Machinery		13,500,000.00		13,500,000.00
Norrit Construction Company Limited	Refurbishment of Non-Residential Buildings			28,907,949.00	28,907,949.00
nyakwesi enterprises limited	Acquisition of land	12,777,952.75			12,777,952.75
Nyamdi Enterprises	purchase of ICT Networking and communication Equipment		12,903,810.00		12,903,810.00
Nyamusi General Contractors	Minor Alterations to Buildings and Civil Works			26,565,295.00	26,565,295.00
Nyochieng General Contractors	Refurbishment of Non-Residential Buildings			34,119,723.35	34,119,723.35
Obitel Communications Limited	Refurbishment of Non-Residential Buildings			8,180,784.00	8,180,784.00
Occasions and Days Limited	Other Infrastructure and Civil Works			19,264,575.00	19,264,575.00
Offlinic Brands	Contracted Professional Services			6,451,905.00	6,451,905.00
Offlinic Brands	major roads		20,000,000.00		20,000,000.00
sub total					20,834,000.00
Openfield business systems	Purchase of ICT Networking and Communication Equipment			90,737,607.00	90,737,607.00
Out of the Box Solutions	Contracted Technical Services				
babari distributors limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	18,995,000.00			
babari distributors limited	general suspense A/C	22,604,050.00			
babari distributors limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	37,990,000.00			
babari distributors limited	district suspense A/c	9,436,716.00			
sub total					89,025,766.00
Parmuco Enterprises	Foods and Rations			16,129,350.00	16,129,350.00
Parmuco Enterprises				4,000,000.00	4,000,000.00
sub total					20,129,350.00
pathway construction company	contractors retention money	4,228,424.00			
pathway construction company	contractors retention money	4,232,381.00			
pathway construction company	overhaul of other infrastructure and civil works	34,789,264.20			
sub total					43,250,069.20
Pentium Systems	Purchase of ICT Networking and Communication Equipment			5,441,500.00	5,441,500.00
Pentium Systems	Current Grants to Semi-Autonomous Government Agencies			4,641,000.00	4,641,000.00
Pentium Systems	Purchase of Computers, Printers and other IT Equipment			5,441,500.00	5,441,500.00
Pentium Systems	other infrastructure and civil works		4,100,000.00		
sub total					19,624,000.00
Peter Ogannga Mangiti	Contracted Professional Services			1,142,050.00	1,142,050.00

Peter Oganga Mangiti	Basic Salaries			4,397,837.75	
sub total					5,539,887.75
pinnie agency limited	10% Retention money	8,377,133.10			8,377,133.10
pisu and company limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	16,500,000.00			16,500,000.00
Polish contractors company Limited	Residential Buildings (Including Hostels)		5,804,100.00		5,804,100.00
Ponela Kenya Limited	Minor Alterations to Buildings and Civil Works			28,509,869.05	28,509,869.05
Priflog Limited	Minor Alterations to Buildings and Civil Works			31,708,678.20	31,708,678.20
Protus Ouma Onyango	Temporary Imprests			6,347,056.00	6,347,056.00
pyramid construction limited	non-residential buildings (offices, schools, hospitals, etc	20,430,154.00			20,430,154.00
ration merchants	foods and ration	7,519,200.00			7,519,200.00
Ready Go Limited	Other Infrastructure and Civil Works			7,740,132.00	
Ready Go Limited	Minor Alterations to Buildings and Civil Works			20,000,000.00	
sub total					27,740,132.00
Red Eagle Africa	Other Infrastructure and Civil Works			27,799,755.55	27,799,755.55
Red Giant Agencies	Contracted Professional Services			11,700,000.00	11,700,000.00
Ride on Agencies Company Limited	Travel Costs (airlines, bus, railway mileage allowances,etc)			4,437,937.00	
Ride on Agencies Company Limited	other infrastructure and civil works		7,612,000.00		
sub total					12,049,937.00
Rosecate Promotions and Supplies Limited	Purchase of Uniforms nd Clothing - Trainees			8,750,000.00	8,750,000.00
Safaricom Limited	Purchase of Software			8,029,533.05	
Safaricom Limited	Maintenance of Computers, Software and Networks			8,873,686.00	
sub total					16,903,219.05
Sai Raj Limited	Other infrastructure and civil works		14,000,000.00		14,000,000.00
Sakidom limited	Boards, Committees, Conferences and Seminars			4,008,696.40	4,008,696.40
Sambeat Investment Limited	Purchase of ICT Networking and Communication Equipment			24,771,130.00	
Sambeat Investment Limited	Other Infrastructure and Civil Works			15,000,000.00	
sub total					39,771,130.00
samcom general contractors limited	capital transfer to individuals and households	4,131,010.70			
sandhu builders and contractors	10% Retention money	3,848,475.00			
Sashiba Impex Limited	Purchase of office Furniture and Fittings			21,925,000.00	
Sashiba Impex Limited	Maintenance of Office Furniture and Equipment			1,925,000.00	
Sashiba Impex Limited	Education and Library Supplies			5,700,000.00	
sub total					29,550,000.00
shamex construction company limited	other infrastructure and civil works		6,308,800.00		6,308,800.00
sihada international limited	general suspense A/C	8,436,000.00			8,436,000.00
Silverscope Limited	Prepayments		149,141,920.00		149,141,920.00

Silverware Investments Limited	Other Fuels (Woods, Charcoal, Cooking gas etc)				9,450,000.00		9,450,000.00
Sipu International AB	Ministry HQ Development Bank A				149,141,920.30		
Sipu International AB	R/D Cheques				149,141,920.30		
Sipu International AB	Hire of Equipment, Plant & Machinery		7,970,980.00				
sub total							306,254,820.60
sivad construction limited	10% Retention money	6,913,861.35					
sivad construction limited	10% Retention money	6,913,861.35					
sivad construction limited	non-residential buildings (offices, schools, hospitals, etc	37,740,980.35					
sub total							51,568,703.05
skill man construction company limited	10% Retention money	7,619,875.30					7,619,875.30
Smart Variety Stores Limited	Purchase of Computers, Printers and other IT Equipment			14,460,000.00			14,460,000.00
sosar construction company limited	Acquisition of land	12,113,234.50					12,113,234.50
south sky agencies	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	14,997,888.00					14,997,888.00
Speed Light Enterprises	other infrastructure and civil works		29,250,000.00				29,250,000.00
Sportsman's Arms Hotel	Contracted Professional Services			4,929,800.00			4,929,800.00
Spreadeagle Limited	Gender Mainstreaming	4,452,000.00					4,452,000.00
Stanklean Commercial Limited	Refurbishment of Non-Residential Buildings		23,447,789.90				23,447,789.90
super contractors limited building & general contractors	minor alterations to building and civil works	19,392,358.00					19,392,358.00
Supplies Branch	Purchase of Educational Aids and Related Equipment			11,476,429.00			
supplies branch	other infrastructure and civil works		23,423,034.00				
supplies branch	other infrastructure and civil works		16,623,000.00				
supplies branch	other infrastructure and civil works		19,944,000.00				
supplies branch	other infrastructure and civil works		5,944,875.00				
supplies branch	major roads		155,158,300.00				
supplies branch	other infrastructure and civil works		4,059,500.00				
sub total							236,629,138.00
svægga and associates limited	pre-feasibility, feasibility and appraisal studies	35,914,180.00					35,914,180.00
tanad transporters limited	transport cost and charges (freight, loading/unloading, clearing and shipping charges	12,203,938.00					
tanad transporters limited	transport cost and charges (freight, loading/unloading, clearing and shipping charges	7,345,662.00					
tanad transporters limited	general suspense A/C	607,343.00					
tanad transporters limited	general suspense A/C	342,619.95					
tanad transporters limited	general suspense A/C	10,917,062.00					
tanad transporters limited	general suspense A/C	5,903,114.00					
tanad transporters limited	general suspense A/C	200,878.00					
tanad transporters limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	10,951,330.00					
tanad transporters limited	transport cost and charges (freight, loading/unloading, clearing and shipping charges	15,304,039.70					

tanad transporters limited	temporary imprest	7,713,990.25			
sub total					71,489,976.90
Taphes and Nitram Enterprises	R/D Cheques			4,751,205.30	4,751,205.30
Tarlykea Ventures	Contracted Professional Services			19,264,575.00	19,264,575.00
Techbiz Limited	Purchase of ICT Networking and Communication Equipment			114,987,087.90	
Techbiz Limited	Supplies and Accessories for Computers and Printers			25,990,322.20	
Techbiz Limited	Purchase of ICT Networking and Communication Equipment			29,988,833.30	
Techbiz Limited	Purchase of Software			125,953,099.85	
Techbiz Limited	Maintenance of Computers, Software and Networks			14,994,416.65	
Techbiz Limited	Purchase of Software			120,000,000.00	
Techbiz Limited	purchase of soft ware		8,938,607.00		
techbiz Limited	Supplies and accessories for computers and printers		40,000,000.00		
techbiz Limited	Purchase of computers, printers and other IT Equipments		30,000,000.00		
techbiz Limited	purchase of soft ware		168,497,289.40		
Techbiz Limited	purchase of soft ware		122,552,105.50		
Techbiz Limited	other infrastructure and civil works		4,495,000.00		
sub total					806,396,761.80
Techno Brain BPO Ites Ltd	Purchase of Software			7,072,020.00	7,072,020.00
Tesia Supermarket Limited	Foods and Rations			11,740,000.00	
Tesia Supermarket Limited	Foods and Rations			29,700,000.00	
Tesia Supermarket Limited	Foods and Rations			13,750,000.00	
sub total					55,190,000.00
Timo Chem General Supplies	Purchase of Software			13,367,840.00	13,367,840.00
Tison Limited	Foods and Ration		6,008,800.00		
Tison Limited	Foods and Ration		6,003,000.00		
Tison Limited	Foods and Ration		5,180,000.00		
Tison Limited	Foods and Ration		3,680,000.00		
Tison Limited	Foods and Ration		5,920,000.00		
Tison Limited	Foods and Ration		3,220,000.00		
Tison Limited	Foods and Ration		6,300,000.00		
Tison Limited	Foods and Ration		8,400,000.00		
Tison Limited	Foods and Ration		3,003,000.00		
Tison Limited	other infrastructure and civil works		9,400,000.00		
sub total					57,114,800.00
Tropical Technology Limited	Minor Alterations to Buildings and Civil Works			83,000,000.00	83,000,000.00
Tunasco Insaat Taahhut Turizm Ticaret Anonim Sirketi	Purchase of Uniforms and Clothing - Trainees			24,716,000.00	
Tunasco Insaat Taahhut Turizm Ticaret Anonim Sirketi	Purchase of Beddings and Linens			110,192,000.00	
Tunasco Insaat Taahhut Turizm Ticaret Anonim Sirketi	Purchase of Uniforms and Clothing - Trainees			10,513,000.00	
Tunasco insaat taahhut turizmticaret anonim sirketi	Veterinarian supplies and materials		5,544,000.00		
Tunasco insaat taahhut turizmticaret anonim sirketi	purchase of uniforms and clothings- trainees		1,500,000.00		
Tunasco insaat taahhut turizmticaret anonim sirketi	purchase of beddings and linen		24,779,400.00		
Tunasco insaat taahhut turizmticaret anonim sirketi	production and printing of trainign matwerials		500,000.00		
Tunasco insaat taahhut turizmticaret anonim sirketi	production and printing of trainign matwerials		2,596,000.00		
Tunasco insaat taahhut turizmticaret anonim sirketi	purchase of beddings and linen		20,000,000.00		
Tunasco insaat taahhut turizmticaret anonim sirketi	purchase of uniforms and clothings- trainees		50,046,600.00		
Tunasco insaat taahhut turizmticaret anonim sirketi	purchase of beddings and linen		13,343,500.00		
Tunasco insaat taahhut turizmticaret anonim sirketi	Fungisides,Insecticides and sprays		5,604,000.00		

Tunasco insaat taahhut turizmticaret anonim sirketi	purchase of uniforms and clothings- trainees		818,400.00	
Tunasco insaat taahhut turizmticaret anonim sirketi	Supplies for production		10,000,000.00	
Tunasco insaat taahhut turizmticaret anonim sirketi	production and printing of trainign matwerials		36,573,600.00	
Tunasco insaat taahhut turizmticaret anonim sirketi	contracted professional services		13,694,816.15	
sub total				330,421,316.15
turkwell construction company limited	capital transfer to individuals and households	5,437,511.65		
turkwell construction company limited	capital transfer to individuals and households	10,845,272.30		
sub total				16,282,783.95
two EMS associates limited	drought contingency	4,025,988.80		4,025,988.80
Unes Consultancy	Contracted Professional Services		13,694,816.15	
Unes Consultancy	Purchase of ICT Networking and Communication Equipment		18,259,754.85	
UNES Consultancy	contracted professional services		4,282,140.00	
sub total				36,236,711.00
unifresh exotics (K) limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	72,500,000.00		
unifresh exotics (K) limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	36,250,000.00		
unifresh exotics (K) limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	36,250,000.00		
unifresh exotics (K) limited	general suspense A/C	16,815,245.00		
unifresh exotics (K) limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	72,500,000.00		
unifresh exotics (K) limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	72,500,000.00		
unifresh exotics (K) limited	prepayment	68,875,000.00		
unifresh exotics (K) limited	temporary imprest	72,500,000.00		
unifresh exotics (K) limited	emergency relief (food, medicine, blankets, cash grant, tents & other temporary shelter etc	72,500,000.00		
sub total				520,690,245.00
unilink limited	purchase of ICT Networking and communication equipment	8,040,000.00		8,040,000.00
Utalii Hotel	Scholarships and other Educational Benefits - Secondary Education		6,041,300.00	6,041,300.00
Verve K O Limited	Purchase of Software		146,900,000.00	
Verve K O Limited	Purchase of ICT Networking and Communication Equipment		98,702,327.10	
sub total				245,602,327.10
Voyager Beach Resort	Catering Services (reception), Accomodation, Gifts, Foods and Drinks		4,840,330.00	4,840,330.00
Wais Trading Company Limited	Agricultural Materials, Supplies and Small Equipment		32,925,000.00	
Wais Trading Company Limited	Purchase of Agricultural Machinery and Equipment		15,517,000.00	
Wais Trading Company Limited	Veterinarian Supplies and Materials		11,500,000.00	
Wais Trading Company Limited	Fungicides Insecticides and Sprays		12,000,000.00	
Wais Trading Company Limited	Veterinarian Supplies and Materials		8,000,000.00	
Wais Trading Company Limited	Purchase of Safety Gear		3,420,000.00	
Wais Trading Company Limited	Contracted Technical Services		66,330.00	
Wais Trading Company Limited	Education and Library Supplies		701,000.00	
Wais Trading Company Limited	Supplies and Production		515,496.00	
Wais Trading Company Limited	Fungicides Insecticides and Sprays		8,000,000.00	
Wais Trading Company Limited	Purchase of Animals and Breeding Stock		1,700,000.00	
Wais Trading Company Limited	Purchase of Animals and Breeding Stock		2,028,000.00	
Wais Trading Company Limited	Supplies and Production		28,519,000.00	
Wais Trading Company Limited	Education and Library Supplies		760,500.00	

Wais Trading Company Limited	Agricultural Materials, Supplies and Small Equipment			3,250,000.00	
Wais Trading Company Limited	Education and Library Supplies			1,316,000.00	
Wais Trading Company Limited	Agricultural Materials, Supplies and Small Equipment			13,868,466.00	
Wais Trading Company Limited	Purchase of Musical Instruments			2,500,000.00	
sub total					146,586,792.00
wajir vegetable supplies limited	transport cost and charges (freight, loading/unloading, clearing and shipping charges)	874,926.00			
wajir vegetable supplies limited	transport cost and charges (freight, loading/unloading, clearing and shipping charges)	22,019,266.70			
wajir vegetable supplies limited	district suspense A/c	22,894,192.70			
sub total					45,788,385.40
Waluco Investment	Foods and Rations			15,625,000.00	
Waluco Investment	Foods and Rations			7,560,000.00	
Waluco Investment	Foods and Rations			6,001,400.00	
Waluco Investment	Foods and Rations			17,375,000.00	
Waluco Investment	Foods and Rations			7,862,400.00	
Waluco Investment	Foods and Rations			8,000,160.00	
Waluco Investment	Foods and Rations			4,000,140.00	
Waluco Investment	Foods and Rations			6,290,000.00	
Waluco Investment	Foods and Rations			4,500,000.00	
Waluco Investment	Other Fuels (Woods, Charcoal, Cooking gas etc)			7,400,000.00	
Waluco Investment	Foods and Rations			6,585,600.00	
Waluco Investment	Foods and Rations			177,000,000.00	
Waluco Investment	purchase of uniforms and clothings- trainees				268,199,700.00
sub total					7,111,432.60
wamunyoro investments limited	residential buildings (including hostels)	7,111,432.60			
					4,513,199.25
welldan cotractors limited	10% Retention money	4,513,199.25			
					4,069,445.60
west build general contractors limited	10% Retention money	15,363,754.70			
west build general contractors limited	10% Retention money	2,438,543.35			
west build general contractors limited	10% Retention money	2,469,434.35			
west build general contractors limited	10% Retention money	13,055,775.95			
west build general contractors limited	10% Retention money	3,577,688.25			
sub total					40,974,642.20
World Tieline Limited	Purchase of computers, printers and other IT Equipments		19,193,250.00		19,193,250.00
				5,962,750.00	
Xplore Networks Limited	Minor Alterations to Buildings and Civil Works				
Xplore Networks Limited	purchase of ICT Networking and communication Equipment		50,568,072.70		
sub total					56,530,822.70
Yuhaismo Limited	Purchase of ICT Networking and Communication Equipment		35,000,000.00		
Yuhaismo Limited	Other infrastructure and civil works		7,456,000.00		
sub total					42,456,000.00
GRAND TOTAL					12,659,846,655.80

