

9. Exhibit 000-1 Part 9\_pages 936-1058

registration the land title deeds issued earlier to the said Timothy Otina Mosi (deceased), shall be deemed to be cancelled and of no effect.

Dated the 18th August, 2023.

MR/5166786 **H. N. KHAREMWA,**  
*Land Registrar, Rachuonyo District.*

GAZETTE NOTICE No. 11014

### THE LAND REGISTRATION ACT

(No. 3 of 2012)

#### REGISTRATION OF INSTRUMENT

WHEREAS (1) Hamisi Mwalimu Masito and (2) Rehema Baimba Bwika (deceased), are registered as proprietors of that piece of land known as Kwale/Tiwi/2405, situate in the district of Kwale, and whereas the Kadhi's Court at Msambweni in Succession Cause No. E208 of 2003 has vested the property to Hidayah Hamisi Masito, and whereas sufficient evidence has been adduced to show the land title deed issued to (1) Hamisi Mwalimu Masito and (2) Rehema Baimba Bwika (deceased) has been reported missing or lost, notice is given that after the expiration of thirty (30) days from the date hereof, provided no valid objection has been received within that period, I intend to dispense with the production of the said land title deed and proceed with the registration of the said application to be registered L.R. 39 and L.R. 42, and upon such registration the land title deed issued earlier to the said (1) Hamisi Mwalimu Masito and (2) Rehema Baimba Bwika (deceased), shall be deemed to be cancelled and of no effect.

Dated the 18th August, 2023.

MR/5166757 **S. N. MOKAYA,**  
*Land Registrar, Kwale District.*

GAZETTE NOTICE No. 11015

### THE CONSTITUTION OF KENYA

#### THE INTER-GOVERNMENTAL RELATIONS ACT

(No. 2 of 2012)

#### EXTENSION

PURSUANT to the Constitution of Kenya, 2010, the Inter-Governmental Relations Act, 2012 and pursuant to paragraph 23 (2) of Gazette Notice No. 3839 of 2023, the Principal Secretary for the State Department for Devolution extends the validity period of Gazette Notice No. 3839, for a further period of six (6) months, with effect from the 23rd September, 2023.

Dated the 15th August, 2023.

**TERESIA MBAIKA,**  
*Principal Secretary,*  
*State Department for Devolution.*

GAZETTE NOTICE No. 11016

### THE SOCIETIES ACT

(Cap. 108)

#### CANCELLATION OF REGISTRATION

IN EXERCISE of the powers conferred by section 12 (1) of the Societies Act, the Registrar of Societies cancels the registration of the societies specified in the first column of the Schedule, with effect from the respective dates specified in the third column of the Schedule.

#### SCHEDULE

Name of the Society	Registration No.	Date of Cancellation
Newlife Prayer Centre and Church	38277	19th May, 2023
Goodnews International Ministries	32918	19th May, 2023
Helicopter of Christ Church	26388	19th May, 2023
Theophilus Church	39176	19th May, 2023
Kings Outreach Church	25386	19th May, 2023
Royal Park Home Owners Estate Association Langata	SOCA-7ATL97K	19th June, 2023

Dated the 3rd August, 2023.

**MARIA G. NYARIKI,**  
*Registrar of Societies.*

GAZETTE NOTICE No. 11017

### THE VETERINARY SURGEONS AND VETERINARY PARAPROFESSIONALS ACT

(No. 29 of 2011)

#### REINSTATEMENT

IN EXERCISE of the powers conferred by section 36 (1) of the Veterinary Surgeons and Veterinary Paraprofessionals Act, 2011, notice is given that the Kenya Veterinary Board has directed the reinstatement of Henry Maduma Kamagy (Dr.), Registration No. 2186 in the register of veterinary surgeons, with effect from the 17th April, 2023.

Dated the 17th April, 2023.

MR/5166733 **MARY TERESA AGUTU,**  
*Ag. Chief Executive Officer.*

GAZETTE NOTICE No. 11018

### REPUBLIC OF KENYA

#### THE NATIONAL TREASURY AND ECONOMIC PLANNING

#### STATEMENT OF ACTUAL REVENUES AND NET EXCHEQUER ISSUES AS AT 31ST JULY, 2023

Receipts	Original Estimates (KSh.)	Actual Receipts (Ksh.)
Opening Balance 01.07.2023		2,617,485,483.95
<b>Tax Revenue</b>	<b>2,495,825,165,004.86</b>	<b>155,067,280,703.20</b>
Non-Tax Revenue	75,333,897,602.09	1,869,598,917.48
<b>Domestic Borrowing (Note 1)</b>	<b>688,213,698,151.05</b>	<b>83,572,394,365.30</b>
<b>External Loans and Grants</b>	<b>870,178,136,084.00</b>	<b>43,072,021,974.05</b>
Other Domestic Financing	3,190,000,000.00	879,491,038.95
Total Revenue	4,132,740,896,842.00	284,460,786,998.98

#### RECURRENT EXCHEQUER ISSUES

Vote	Ministries/Departments/Agencies	Original Estimates (KSh.)	Exchequer Issues (KSh.)
R1011	Executive Office of the President	3,592,646,558.00	130,604,213.85
R1012	Office of the Deputy President	3,284,959,404.00	60,000,000.00

<i>Vote</i>	<i>Ministries/Departments/Agencies</i>	<i>Original Estimates (KSh.)</i>	<i>Exchequer Issues (KSh.)</i>
R1013	Office of the Prime Cabinet Secretary	1,195,570,001.00	-
R1014	State Department for Parliamentary Affairs	669,544,858.00	-
R1015	State Department for Performance and Delivery Management	478,625,141.00	-
R1016	State Department for Cabinet Affairs	903,030,596.00	-
R1017	State House	6,370,341,000.00	262,482,188.45
R1023	State Department for Correctional Services	34,667,200,000.00	-
R1024	State Department for Immigration and Citizen Services	7,996,297,341.00	-
R1025	National Police Service	104,644,431,743.00	8,736,525,368.60
R1026	State Department for Internal Security and National Administration	26,968,672,117.00	1,852,989,525.80
R1032	State Department for Devolution	1,878,120,000.00	-
R1036	State Department for the ASALs and Regional Development	9,249,690,000.00	-
R1041	Ministry of Defence	140,689,160,000.00	7,589,325,257.80
R1053	State Department for Foreign Affairs	17,696,170,000.00	94,241,290.00
R1054	State Department for Diaspora Affairs	1,314,000,000.00	10,000,000.00
R1064	State Department for Vocational and Technical Training	15,874,373,641.00	890,243,288.00
R1065	State Department for Higher Education and Research	79,337,551,601.00	-
R1066	State Department for Basic Education	125,635,955,350.00	5,023,468,712.00
R1071	The National Treasury	69,231,969,760.00	878,522,451.25
R1072	State Department for Economic Planning	4,029,300,000.00	322,560,600.00
R1082	State Department for Medical Services	43,517,520,000.00	-
R1083	State Department for Public Health and Professional Standards	11,924,600,000.00	-
R1091	State Department for Roads	1,662,500,000.00	-
R1092	State Department for Transport	2,701,630,000.00	23,946,313.00
R1093	State Department for Shipping and Maritime Affairs	764,070,000.00	12,000,000.00
R1094	State Department for Housing and Urban Development	1,204,700,000.00	-
R1095	State Department for Public Works	2,564,440,000.00	-
R1104	State Department for Irrigation	1,150,000,000.00	94,416,667.00
R1109	State Department for Water and Sanitation	3,282,000,000.00	-
R1112	State Department for Lands and Physical Planning	3,380,982,863.00	-
R1122	State Department for Information Communications, Technology and Digital Economy	2,391,300,000.00	-
R1123	State Department for Broadcasting and Telecommunications	3,888,972,277.00	-
R1132	State Department for Sports	1,376,168,939.00	-
R1134	State Department for Culture and Heritage	2,441,600,000.00	29,415,534.00
R1135	State Department for Youth Affairs and the Arts	2,797,464,614.00	-
R1152	State Department for Energy	1,887,400,000.00	25,116,255.10
R1162	State Department for Livestock Development	3,082,740,000.00	-
R1166	State Department for Blue Economy and Fisheries	2,778,580,000.00	184,008,332.30
R1169	State Department for Crop Development	7,753,300,000.00	-
R1173	State Department for Co-operatives	775,780,000.00	21,018,183.00
R1174	State Department for Trade	1,973,500,000.00	-
R1175	State Department for Industry	2,466,400,000.00	-
R1176	State Department for Micro, Small and Medium Enterprises Development	1,680,370,000.00	-
R1177	State Department for Investment Promotion	978,029,340.00	-
R1184	State Department for Labour and Skills Development	1,741,418,491.00	67,780,817.75
R1185	State Department for Social Protection and Senior Citizens Affairs	32,442,180,000.00	2,165,310,019.30
R1192	State Department for Mining	1,365,200,000.00	-
R1193	State Department for Petroleum	342,960,000.00	-
R1202	State Department for Tourism	1,087,900,000.00	-
R1203	State Department for Wildlife	4,699,020,000.00	13,275,430.45
R1212	State Department for Gender and Affirmative Action	1,204,410,000.00	-
R1213	State Department for Public Service	20,354,630,000.00	116,764,051.95
R1221	State Department for East African Community	718,373,820.00	31,402,009.60
R1252	The State Law Office	5,654,620,000.00	317,820,625.45
R1261	The Judiciary	20,437,400,000.00	1,941,625,610.00
R1271	Ethics and Anti-Corruption Commission	3,823,620,000.00	198,893,214.00
R1281	National Intelligence Service	44,301,000,000.00	2,628,674,325.00
R1291	Office of the Director of Public Prosecutions	3,585,040,000.00	195,856,897.70
R1311	Office of the Registrar of Political Parties	2,072,563,233.00	-
R1321	Witness Protection Agency	744,740,000.00	28,958,520.00
R1331	State Department for Environment and Climate Change	3,577,100,000.00	-
R1332	State Department for Forestry	5,574,000,000.00	-
R2011	Kenya National Commission on Human Rights	529,800,000.00	37,478,609.00
R2021	National Land Commission	1,642,600,000.00	76,996,596.75
R2031	Independent Electoral and Boundaries Commission	4,571,340,000.00	183,894,495.25
R2041	Parliamentary Service Commission	911,000,000.00	80,121,403.20
R2042	National Assembly	24,547,000,000.00	1,404,573,489.25
R2043	Parliamentary Joint Services	6,291,000,000.00	365,780,500.00
R2044	Senate	7,158,000,000.00	387,922,730.60
R2051	Judicial Service Commission	896,600,000.00	23,550,333.80
R2061	The Commission on Revenue Allocation	516,450,000.00	-
R2071	Public Service Commission	3,660,500,000.00	-
R2081	Salaries and Remuneration Commission	562,190,000.00	27,879,750.00
R2091	Teachers Service Commission	321,988,048,000.00	20,000,000,000.00
R2101	National Police Service Commission	1,193,460,000.00	-

<i>Vote</i>	<i>Ministries/Departments/Agencies</i>	<i>Original Estimates (KSh.)</i>	<i>Exchequer Issues (KSh.)</i>
R2111	Auditor-General	7,421,880,000.00	354,303,489.45
R2121	Office of the Controller of Budget	766,920,000.00	28,778,108.80
R2131	The Commission on Administrative Justice	767,510,000.00	-
R2141	National Gender and Equality Commission	468,900,000.00	20,791,023.40
R2151	Independent Policing Oversight Authority	1,052,700,000.00	48,875,514.35
<b>Total Recurrent Exchequer Issues</b>		<b>1,302,803,730,688.00</b>	<b>56,988,191,745.20</b>
<i>Vote</i>	<i>CFS Exchequer Issues</i>	<i>KSh.</i>	<i>KSh.</i>
CFS 050	Public Debt	1,751,074,452,792.00	161,837,064,926.10
CFS 051	Pensions and gratuities	189,089,778,297.00	20,522,370,254.15
CFS 052	Salaries, Allowances and Miscellaneous	23,532,697,914.00	5,643,429,670.20
<b>Total CFS Exchequer Issues</b>		<b>1,963,696,929,003.00</b>	<b>188,002,864,850.45</b>

**DEVELOPMENT EXCHEQUER ISSUES**

<i>Vote</i>	<i>Ministries/Departments/Agencies</i>	<i>Original Estimates (KSh.)</i>	<i>Exchequer Issues (KSh.)</i>
D1011	Executive Office of President	736,000,000.00	-
D1012	Office of the Deputy President	250,400,000.00	-
D1017	State House	928,700,000.00	-
D1023	State Department for Correctional Services	1,095,000,000.00	-
D1024	State Department for Immigration and Citizen Services	2,677,000,000.00	-
D1025	National Police Service	1,853,910,000.00	-
D1026	State Department for Internal Security and National Administration	1,179,220,000.00	-
D1032	State Department for Devolution	293,000,000.00	-
D1036	State Department for ASALs and Regional Development	5,857,500,000.00	-
D1041	Ministry of Defence	3,720,000,000.00	-
D1053	State Department for Foreign Affairs	1,871,000,000.00	-
D1064	State Department for Vocational and Technical Training	4,515,000,000.00	-
D1065	State Department for Higher Education and Research	2,861,000,000.00	-
D1066	State Department for Basic Education	18,551,022,700.00	-
D1071	The National Treasury	38,053,688,889.00	1,889,829,091.40
D1072	State Department of Economic Planning	56,022,990,000.00	-
D1082	State Department for Medical Services	40,835,056,949.00	-
D1083	State Department for Public Health and Professional Standards	5,820,340,000.00	-
D1091	State Department of Roads	88,257,000,000.00	-
D1092	State Department of Transport	6,484,136,159.00	-
D1093	State Department for Shipping and Maritime Affairs	570,000,000.00	-
D1094	State Department for Housing and Urban Development	28,343,000,000.00	-
D1095	State Department for Public Works	1,114,000,000.00	-
D1104	State Department for Irrigation	16,017,000,000.00	-
D1109	State Department for Water and Sanitation	28,174,000,000.00	-
D1112	State Department for Lands and Physical Planning	4,478,000,000.00	-
D1122	State Department for Information Communications, Technology and Digital Economy	3,479,000,000.00	-
D1123	State Department for Broadcasting and Telecommunications	626,000,000.00	-
D1132	State Department for Sports	129,200,000.00	-
D1134	State Department for Culture and Heritage	92,850,000.00	-
D1135	State Department for Youth Affairs and the Arts	831,750,000.00	-
D1152	State Department for Energy	25,513,000,000.00	-
D1162	State Department for Livestock Development	5,261,000,000.00	-
D1166	State Department for Blue Economy and Fisheries	9,005,640,000.00	-
D1169	State Department for Crop Development	28,327,403,337.00	-
D1173	State Department for Cooperatives	110,000,000.00	-
D1174	State Department for Trade	50,000,000.00	-
D1175	State Department for Industry	7,090,420,000.00	-
D1176	State Department for Micro, Small and Medium Enterprises Development	11,255,200,000.00	-
D1177	State Department for Investment Promotion	6,552,000,000.00	-
D1184	State Department for Labour and Skills Development	688,950,000.00	-
D1185	State Department for Social Protection and Senior Citizen Affairs	3,617,470,000.00	-
D1192	State Department for Mining	1,042,000,000.00	-
D1193	State Department for Petroleum	323,000,000.00	-
D1202	State Department for Tourism	147,150,000.00	-
D1203	State Department for Wildlife	1,528,000,000.00	-
D1212	State Department for Gender and Affirmative Action	3,267,830,000.00	-
D1213	State Department for Public Service	1,038,000,000.00	-
D1252	The State Law Office	192,308,250.00	-
D1261	The Judiciary Fund	1,850,000,000.00	-
D1271	Ethics and Anti-Corruption Commission	68,140,000.00	-
D1291	Office of the Director of Public Prosecutions	55,000,000.00	-
D1331	State Department for Environment and Climate Change	1,901,000,000.00	-
D1332	State Department for Forestry	2,469,000,000.00	-
D2021	National Land Commission	106,000,000.00	-
D2031	Independent Electoral and Boundaries Commission	77,000,000.00	-
D2043	Parliamentary Joint Services	2,065,000,000.00	-



<i>Vote</i>	<i>Ministries/Departments/Agencies</i>	<i>Original Estimates (KSh.)</i>	<i>Exchequer Issues (KSh.)</i>
D2071	Public Service Commission	45,300,000.00	-
D2091	Teachers Service Commission	1,139,000,000.00	-
D2111	Auditor-General	310,000,000.00	-
D2141	National Gender and Equality Commission	4,044,800.00	-
<b>Total Development Exchequer Issues</b>		<b>480,815,621,084.00</b>	<b>1,889,829,091.40</b>
<b>Total Issues to National Government</b>		<b>3,747,316,280,775.00</b>	<b>246,880,885,687.05</b>

The printed estimates and actuals for National Government exclude Appropriation in Aid (AIA).

<i>Code</i>	<i>County Governments-Equitable Share</i>	<i>Original Estimates (KSh.)</i>	<i>Total Cash Released (KSh.)</i>
4460	Baringo	6,647,771,186.00	565,060,551.00
4760	Bomet	6,977,924,070.00	593,123,546.00
4910	Bungoma	11,111,983,608.00	944,518,607.00
4960	Busia	7,475,585,295.00	635,424,750.00
4360	Elgeyo/Marakwet	4,801,453,188.00	408,123,521.00
3660	Embu	5,341,810,744.00	454,053,913.00
3310	Garissa	8,248,748,101.00	701,143,589.00
5110	Homa Bay	8,128,387,250.00	690,912,916.00
3510	Isiolo	4,899,041,209.00	416,418,503.00
4660	Kajiado	8,300,213,576.00	705,518,154.00
4810	Kakamega	12,912,646,262.00	1,097,574,932.00
4710	Kericho	6,703,129,925.00	569,766,044.00
4060	Kiambu	12,227,552,449.00	1,039,341,958.00
3110	Kilifi	12,109,200,498.00	1,029,282,042.00
3960	Kirinyaga	5,420,217,528.00	460,718,490.00
5210	Kisii	9,258,588,608.00	786,980,032.00
5060	Kisumu	8,361,797,770.00	710,752,810.00
3710	Kitui	10,829,486,936.00	920,506,390.00
3060	Kwale	8,584,103,693.00	729,648,814.00
4510	Laikipia	5,358,246,532.00	455,450,955.00
3210	Lamu	3,237,350,707.00	275,174,810.00
3760	Machakos	9,547,295,309.00	811,520,101.00
3810	Makueni	8,455,460,962.00	718,714,182.00
3410	Mandera	11,633,191,646.00	988,821,290.00
3460	Marsabit	7,560,398,412.00	642,633,865.00
3560	Meru	9,892,625,172.00	840,873,140.00
5160	Migori	8,341,446,108.00	709,022,919.00
3010	Mombasa	7,861,523,820.00	668,229,525.00
4010	Murang'a	7,473,786,703.00	635,271,870.00
5310	Nairobi City	20,072,059,115.00	1,706,125,025.00
4560	Nakuru	13,593,424,693.00	1,155,441,099.00
4410	Nandi	7,305,294,033.00	620,949,993.00
4610	Narok	9,196,276,899.00	781,683,536.00
5260	Nyamira	5,334,198,486.00	453,406,871.00
3860	Nyandarua	5,905,976,056.00	502,007,965.00
3910	Nyeri	6,485,331,051.00	551,253,139.00
4210	Samburu	5,594,312,489.00	475,516,562.00
5010	Siaya	7,263,019,462.00	617,356,654.00
3260	Taita/Taveta	5,040,427,430.00	428,436,332.00
3160	Tana River	6,790,702,542.00	577,209,716.00
3610	Tharaka - Nithi	4,378,234,821.00	372,149,960.00
4260	Trans Nzoia	7,499,822,440.00	637,484,907.00
4110	Turkana	13,143,946,933.00	1,117,235,488.00
4310	Uasin Gishu	8,426,072,635.00	716,216,174.00
4860	Vihiga	5,267,026,885.00	447,697,285.00
3360	Wajir	9,853,656,422.00	837,560,796.00
4160	West Pokot	6,573,866,408.00	558,778,644.00
<b>Total Issues Equitable Share</b>		<b>385,424,616,067.00</b>	<b>32,761,092,365.00</b>

The County Allocation of Revenue Act (CARA), 2023 provides for Equitable share allocation to Counties of KSh. 385,424,616,067.00 which will be disbursed directly by National Treasury. The County Governments Additional Allocations Bill, 2023 provides for additional allocations to County Governments in FY2023/2024 amounting to KSh. 52,051,721,533.39 to be disbursed through the respective Ministries, Departments and Agencies. The Bill is still under consideration by Parliament.

<b>Grand Total</b>	<b>4,132,740,896,842.00</b>	<b>279,641,978,052.05</b>
<b>Exchequer Balance as at 31.07.2023</b>	<b>-</b>	<b>7,436,294,430.88</b>

*Note 1:* Domestic Borrowing of KSh. 688,213,698,151.05 comprises of Net Domestic Borrowing KSh. 313,675,150,222.05 and Internal Debt Redemptions (Roll-overs) KSh. 374,538,547,929.00.

Dated the 14th August, 2023.

NJUGUNA NDUNG'U,  
Cabinet Secretary, the National Treasury and Economic Planning.



## **PRESS RELEASE**

The Commission in execution of its Statutory Mandate is currently undertaking investigations relating to alleged misappropriation of public Funds obtained through the floating of the Euro Bond. Towards this end the Commission has summoned State and Public officials in the relevant Public Institutions to provide information within their knowledge and possession that is relevant to the floating of the Euro Bond. The response by the officers so far invited has been positive and the Commission expects that the local aspects of the investigations will speedily be concluded. In this regard, the officers whose time schedules for providing information are yet to be reached are asked to adhere to the same.

The Commission's attention has also been drawn to public debate in relation to the floating of the Euro Bond and the use of the funds obtained through the process. This is therefore to call upon any person with relevant and crucial information in relation to the floating of the Euro Bond and utilization of the funds obtained to visit the Commission's Offices during office hours and provide the same. The information may also be provided through the Commission's website reporting system (anonymous).The

information obtained shall be solely used for the purposes of investigation in relation to the matter and will be treated with utmost confidentiality.

Thank You.



**Halakhe D. Waqo, ACI Arb**

**SECRETARY/CHIEF EXECUTIVE OFFICER**  
**ETHICS AND ANTI-CORRUPTION COMMISSION**

**December 4<sup>th</sup> 2015**



**ETHICS AND ANTI-CORRUPTION COMMISSION**

**REPORT OF ACTIVITIES AND FINANCIAL  
STATEMENTS FOR THE  
FINANCIAL YEAR 2018/2019**



## **Ethics and Anti-Corruption Commission**

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**ETHICS & ANTI-CORRUPTION COMMISSION**

*Published 2021*



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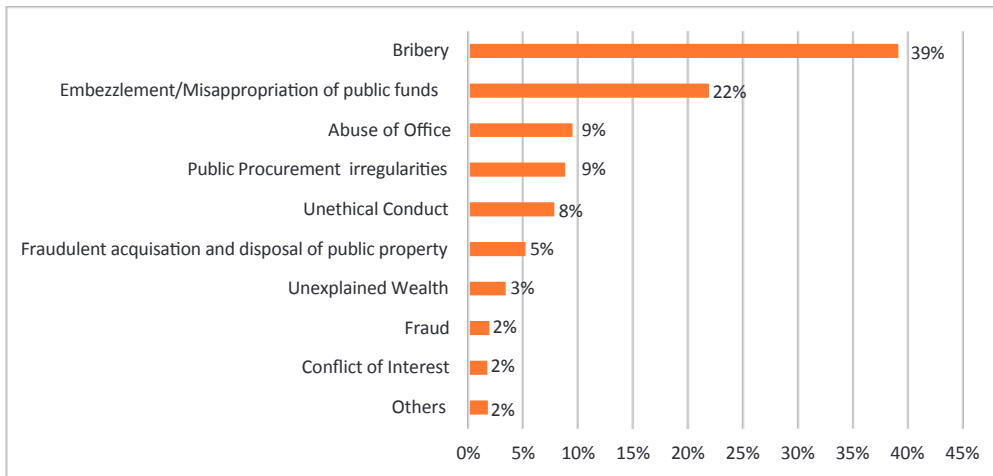
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**Figure 2.3: Nature of Reports Received**

## 2.3 Status of Investigations

This section highlights cases under investigation, investigatory applications in court and investigations completed during the reporting period.

### 2.3.1 Cases under Investigation

The Commission had a total of 1,593 cases under investigation, out of which 218 are related to ethical breaches. Some of the cases are highlighted in Table 2.2.

**Table 2.2: Highlights of Active Investigation Cases**

S/No.	Inquiry Number	Nature of Allegation	Institution	Amount Involved (KES)
1.	EACC/MSA/FI/06/2019	Allegations of procurement irregularities and inflation of cost in the award of the Kipevu Oil Terminal tender	Kenya Ports Authority (KPA)	40,000,000,000
2.	EACC/FI/INQ/32/2019	An allegation of fraud and tax evasion involving several private companies	<ul style="list-style-type: none"> <li>Cerdaline Limited</li> <li>Fryhaan Logistics and Associated Companies</li> <li>Deeds Trading International Limited</li> </ul>	28,603,310,469



S/No.	Inquiry Number	Nature of Allegation	Institution	Amount Involved (KES)
3.	EACC/FI/INQ/20/2019	An allegation that funds may have been lost in the National Social Security Fund project for the construction of the 39 storey Hazina Trade Centre as a result of project delays. The contractor had already been paid KES 2.73 billion and there was a further claim of KES 1.9 billion that was yet to be settled. Further, the Contractor sought a contentious compensation of KES 6.9 billion for project delays, an amount above the KES 6.8 billion for the cost of the entire project	National Social Security Fund (NSSF)	12,000,000,000
4.	EACC/ELD/FI/INQ/32/2018	Allegations that officials from NCPB and Ministry of Agriculture during the season 2017/2018 irregularly purchased strategic food reserve of white maize from unscrupulous and unregistered farmers against the government guidelines at various NCPB depots in the country.	National Cereals and Produce Board (NCPB)	11,300,000,000
5.	EACC/FI/INQ/17/2018	Allegations of corruption in the award of contract and implementation of government digital payments (e-Citizen) system	The National Treasury	5,600,000,000
6.	EACC/AT/INQ/25/2018	An allegation that the owners of parcel No. 7879/4 failed to pay rates to the Nairobi City County	Owners of parcel L.R. No. 7879/4	3,000,000,000
7.	EACC/AT/INQ/38/2018	Allegations of unexplained wealth against an official of Kenya Rural Roads Authority (KeRRA)	KeRRA	2,230,000,000



S/No.	Inquiry Number	Nature of Allegation	Institution	Amount Involved (KES)
8.	EACC/FI/INQ/2/2019	An allegation of procurement irregularities by the State Department of Correctional Services in the classified tender for security items	State Department of Correctional Services	2,200,000,000
9.	EACC/FI/INQ/22/2019	An allegation that Kiambu County Government flouted Integrated Financial Management Information System (IFMIS) rules in regard to payment of suppliers	Kiambu County Government	2,000,000,000
10.	EACC/MSA/FI/7/2018	Allegation of procurement irregularities in the repair and renovation of Scheme residential houses by Management Committee of Kenya Ports Authority (KPA) Pension Scheme	Kenya Ports Authority Pension Scheme (KPAPS)	1,575,889,000
11.	EACC/AT/INQ/34/2018	An allegation of unexplained wealth against an Accountant with the Kenya Revenue Authority (KRA)	KRA	1,500,000,000
12.	EACC/AT/INQ/02/2018	An allegation that National Land Commission (NLC) irregularly compensated purported owners of the land belonging to Ruaraka High School and Drive-In Primary School L.R. No. 7879/4	National Land Commission (NLC)	1,500,000,000
13.	EACC/MSA/PI/17/2018	An allegation of irregular compensation on Land LR. No. MN/VI/ 4805 owned by Miritini Free Ports Ltd	National Land Commission	1,475,486,485
14.	EACC/NKR/FI/INQ/06/2019	An allegation of embezzlement of funds in Baringo-Silali Power Project. The contractor failed to honour contractual obligations regarding an advance payment	Geothermal Development Company	1,400,000,000
15.	EACC/GSA/FI/INQ/38/2018	Allegation of procurement irregularities and misappropriation of Road Maintenance Levy Fund	County Government of Wajir	1,400,000,000



S/No.	Inquiry Number	Nature of Allegation	Institution	Amount Involved (KES)
16.	EACC/MSA/FI/13/2018	Allegations of procurement irregularities and other offences in the construction of a Pontoon and Jetty, and delivery of new ferries	Kenya Ferry Services	1,400,000,000
17.	EACC/FI/INQ/53/2018	Allegations of procurement irregularities in tender number RWC 418 for upgrading to bitumen standards and maintenance of Nyeri County Roads during the 2016/2017 Financial Year	KeRRA	1,332,567,797
18.	EACC/FI/INQ/18/2019	An allegation of procurement irregularities in the provision of raw materials for old and new generation motor vehicle number plates	Kenya Prisons Service	1,280,000,000
19.	EACC/FI/INQ/19/2019	An allegation of irregularities in the procurement of Kenya Integrated Election Management System (KIEMS) Kits and other election materials for 2017 General Elections	Independent Electoral and Boundaries Commission (IEBC)	1,252,000,000
20.	EACC/MSA/FI/07/2019	An allegation of irregular payment for the proposed construction of Lamu Police Line under Lamu Port South Sudan Ethiopia Transport Corridor (LAPSSSET)	KPA Ministry of Transport, Infrastructure, Housing and Urban Development	1,148,652,224
21.	EACC/FI/INQ/63/2018	An allegation that IEBC overpaid 68 lawyers for legal services in 2013 General election. The IEBC had in 2014 alleged that it owed the advocates KES 1 billion but a scrutiny by Auditor General showed that the lawyers were paid KES 2.140 billion	IEBC	1,140,000,000



S/No.	Inquiry Number	Nature of Allegation	Institution	Amount Involved (KES)
22.	EACC/FI/INQ/64/2018	An allegation of tax evasion and money laundering in Tatu City and its affiliate companies	Tatu City	1,000,000,000
23.	EACC/AT/INQ/01/2019	Allegations of embezzlement of public funds, fraud and abuse of office against an Accountant at County Government of Siaya	County Government of Siaya	993,791,576
24.	EACC/AT/INQ/3/2019	Allegations of bribery and abuse of office against officials of the National Land Commission in regard to compensation for L.R. No. Ngong/Ngong/15559 for the Standard Gauge Railway (SGR)- Phase 2	NLC	924,000,000
25.	EACC/FI/INQ/21/2019	Allegations of fraud, procurement irregularities and misappropriation of public funds by officers of Nairobi City County Government through inconsistent and exaggerated payments made to proxy companies	County Government of Nairobi	858,206,814
26.	EACC/NKR/FI/INQ/35/2018	An allegation of overpayment and procurement irregularities in the construction of Ewaso Nyiro Tannery and Leather Industry Project in Narok County	Ewaso Nyiro South Development Authority	800,000,000
27.	EACC/FI/INQ/67/2018	Allegations of embezzlement and misappropriation of public funds in the joint project for refurbishment of the Kenya Technical Training College (KTTC) and nine other regional technical colleges	Ministry of Education Science and Technology	748,175,030
28.	EACC/FI/INQ/57/2018	An allegation of procurement irregularities in the tender for the proposed construction of Ngong Market in Kajiado County	Ministry of Transport, Infrastructure, Urban Development and Housing	705,000,000



S/No.	Inquiry Number	Nature of Allegation	Institution	Amount Involved (KES)
29.	EACC/BGM/FI/INQ/8/2019	An allegation of procurement irregularities in the tender for construction works for Malaba Water and Sanitation Project - Sewerage Works LOT 1	Rift Valley Water Services Board (RVWSB)	600,000,000
30.	EACC/FI/INQ/3/2019	An allegation of procurement irregularities in the classified tender for supply of Standard Rifles	State Department for Correctional Services	597,000,000
31.	EACC/FI/INQ/22/2019	An allegation of procurement irregularities in the tender for construction of various roads	County Government of Kiambu	588,000,000
32.	EACC/AT/INQ/21/2018	An allegation of procurement irregularities in the tender for supply of Hydrant Pit Valves	Kenya Pipeline Corporation (KPC)	579,398,598
33.	EACC/FI/INQ/15/2019	Allegations of fraud, money laundering and embezzlement of public funds through several individual and company bank accounts	County Government of Narok	548,209,654
34.	EACC/FI/INQ/5/2019	An allegation of procurement irregularities in the classified tender for supply of submachine guns	State Department of Correctional Services	478,500,000
35.	EACC/ISL/AT/INQ/10B/2017	An allegation of irregular acquisition of land belonging to Isiolo G.K. Prison along Isiolo-Marsabit Road	<ul style="list-style-type: none"> <li>Karamo Impex and Transport Ltd</li> <li>Fresh N Nice Ltd</li> </ul>	450,000,000
36.	EACC/GSA/FI/INQ/31/2018	An allegation of embezzlement of public funds meant for construction of the Elwak-Mandera Road drainage system	County Government of Mandera	427,936,500
37.	EACC/MSA/ISD/22/2019	An allegation of misappropriation of public funds meant for the construction of Kwale County Assembly Complex	Kwale County Assembly	401,000,000



S/No.	Inquiry Number	Nature of Allegation	Institution	Amount Involved (KES)
38.	EACC/MSA/FI/8/2018	Allegations of procurement irregularities in the purchase of 5th floor Canon II building	KPAPS	371,290,000
39.	EACC/FI/INQ/6/2019	An allegation of procurement irregularities in the classified tender for supply of full-bore target rifles	State Department of Correctional Services	342,720,000
40.	EACC/ISL/FI/INQ/8/2019	An allegation of embezzlement of public funds during acquisition of fixed assets and payment of wages to temporary staff whose identity could not be established	Isiolo County Assembly	340,000,000
41.	EACC/FI/INQ/17/2019	Allegations of fraud and irregular payments to persons and companies owned or associated with County officials	County Government of Homa Bay	317,462,712
42.	EACC/BGM/FI/INQ/2/2019	An allegation of embezzlement of public funds by the Imprest holders through fraudulent surrenders	Bungoma County Assembly	300,000,000
43.	EACC/ELD/FI/INQ/02/2019	An allegation of procurement irregularities in a tender to a private company for the supply of seeds	Kenya Seed Company	300,000,000
44.	EACC/FI/INQ/41/2018	Allegations of conflict of interest, embezzlement and abuse of office by the former County Executive Committee Member for Roads in the award of contracts to companies affiliated to his associates	County Government of Nandi	297,922,749
45.	EACC/GSA/FI/INQ/28/2018	An allegation of embezzlement of public funds meant for the construction of a regional livestock market within Mandera County	County Government of Mandera	270,134,168





S/No.	Inquiry Number	Nature of Allegation	Institution	Amount Involved (KES)
46.	EACC/GSA/FI/INQ/30/2018	An allegation of embezzlement of funds set aside for the construction of an abattoir within Mandera Town	County Government of Mandera	242,127,400
47.	EACC/MSA/FI/03/2019	An allegation of fraudulent payments made to five Companies and a Legal firm for solid waste management services not rendered	County Government of Mombasa	239,310,982
48.	EACC/AT/INQ/09/2018	Allegations of irregular award of tenders and conflict of interest against a former County Chief Officer for Finance	Nyandarua County Government	159,438,201
49.	EACC/NYR/INQ/37/2018	An allegation of irregular procurement and variation for the construction of Ewaso Nyiro bridge for the cost of 128 million up from a budgeted figure of KES 35 million	County Government of Laikipia	128,000,000
50.	EACC/AT/INQ/05/2019	Allegations of irregular compensation to a private company for land reference MN/VI/3801 and subsequent payment of bribes to NLC officials	NLC	109,769,363
51.	EACC/GSA/FI/INQ/27/2018	An allegation of irregular payment in the construction of Mandera County Headquarters	County Government of Mandera	107,481,060
52.	EACC/FI/INQ/38/2018	An allegation of procurement irregularities in the tender for construction of the Governor's office. The tender was awarded to a company alleged to be associated with the Governor	County Government of Nandi	103,000,000

### 2.3.2 Investigatory Applications

During the period under review, the Commission filed applications and obtained warrants to investigate 547 Bank accounts in respect of persons or associates of persons suspected of engaging in corruption, economic crimes and related offences.



### 2.3.3 Completed Investigation on Corruption, Economic Crime and Ethical Breaches

During the period under review, the Commission completed 234 investigation files on Corruption and Economic Crime which were forwarded to the Office of the Director of Public Prosecutions (ODPP) for review. The Commission also completed 113 investigations on violations of Chapter Six of the Constitution and Leadership and Integrity Act, 2012. Some of the completed cases are highlighted in Table 2.3.

**Table 2.3: Highlights of Completed Investigation Cases**

S/No.	Inquiry Number	Nature of Allegation	Institution/ Individual	Amount Involved (KES)
1.	EACC/FI/ INQ/2/2019	Allegations of procurement irregularities in the award of tenders at the State Department for Correctional Services	State Department for Correctional Services	4,800,000,000
2.	EACC/AT/FI/ INQ/17/2014	An allegation of unexplained wealth against a senior manager at Kenya Revenue Authority	KRA	1,040,721,647
3.	EACC/MSA/FI/ INQ/20/2014	An allegation of irregular termination of contract for periodic maintenance of the Mombasa-Miritini Road	Kenya National Highway Authority (KeHNA)	341,000,000
4.	EACC/MSA/ INQ/06/2017	Allegations of conflict of interest and irregular payment against the Kenya Ports Authority Finance Manager to a private company for various contracts	KPA	214,548,340
5.	EACC/PI/ INQ/1/2019	Allegations of irregular payment for goods and services not delivered	Kenya School of Law (KSL)	201,073,710
6.	EACC/AT/ INQ/5/2019	An allegation of irregular compensation against National Land Commission officials for L.R. No. MN/VI/3801	National Land Commission	109,769,363
7.	EACC/FI/ INQ/62/2015	Allegations of irregular procurement of Audit Vault Software	Office of Auditor General	100,000,000
8.	EACC/FI/ INQ/88/2016	Allegations of abuse of office, money laundering, bribery, and conflict of interest against the former Governor and senior officials of the Nairobi City County	County Government of Nairobi City	88,000,000



S/No.	Inquiry Number	Nature of Allegation	Institution/ Individual	Amount Involved (KES)
9.	EACC/FI/ INQ/69/2013	An allegation of procurement irregularities in the renovation and construction of Kenyatta Stadium in Machakos Town	County Government of Machakos	87,000,000
10.	EACC/FI/ INQ/37/2016	An allegation of embezzlement of public funds in the tender for supply of fire-fighting equipment	National Youth Service (NYS)	75,000,000
11.	EACC/FI/ INQ/141/2017	An allegation of procurement irregularities in the tender for the renovation of Kenyatta Stadium in Kitale Town	County Government of Trans Nzoia	68,000,000
12.	EACC/KSM/FI/ INQ/01/2014	An allegation of irregular procurement in the renovation of the Governor's office, County offices and supply of generators	County Government of Busia	60,000,000
13.	EACC/FI/ INQ/97/2015	Allegations of abuse of office against the Principal of Kenya Utalii College and irregular extension of the Principal's employment contract by the Cabinet Secretary	Ministry of Tourism and Wildlife	53,465,000
14.	EACC/MLD/FI/ INQ/18/2016	Allegations of irregular payments to private companies for goods not supplied and services not rendered	County Government of Kilifi	51,569,775
15.	EACC/FI/ INQ/59/2015	An allegation of irregular payment for the supply, installation and commissioning of three auto transformers	Kenya Pipeline Company	30,000,000
16.	EACC/ISL/FI/ INQ/53/2016	Allegations of procurement irregularities in the refurbishment of Meru County Hotel	Meru County Investment and Development Corporation	20,000,000
17.	EACC/ISL/PI/ INQ/43/2015	An allegation of irregular procurement of tractors, ploughs, harrows, planters and mobile driers	Samburu County Government	8,418,964
18.	EACC/OPS/ INQ/106/2018	Allegations of bribery against the Member of County Assembly for Parklands Ward as an inducement to facilitate protection of Concord Hotel from demolition by County Government of Nairobi	Member of County Assembly of Nairobi	5,700,000



S/No.	Inquiry Number	Nature of Allegation	Institution/ Individual	Amount Involved (KES)
19.	EACC/FI/INQ/111/2017	An allegation of embezzlement of funds against Embakasi South MP and NG-CDF officials. The funds were earmarked for purchase of computers for Embakasi Girls and Emmaus School	NG-CDF Embakasi South	2,200,000
20.	EACC/KIS/EL/INQ/14/2017	An allegation of abuse of office against the Governor of the County of Nyamira during the recruitment of chief officers	County Government of Nyamira	N/A
21.	EACC/EL/INQ/57/2016	An allegation of forgery against an Assistant Director of Education, Embu East. The officer forged an academic certificate to secure a promotion	Employee of the Ministry of Education	N/A
22.	EACC/KSM/EL/INQ/11A/2017	Allegations of abuse of office and financial misappropriation with regard to house allowance	Former Vice Chancellor of Masinde Muliro University of Science and Technology	N/A

## 2.4 Proactive Investigations

The Commission undertakes proactive measures to strengthen systems in public institutions to minimise opportunities for corruption and unethical practices, and forestall possible loss of public resources. The status of proactive investigations conducted by the Commission during the reporting period is detailed in this section.

### 2.4.1 Disruption of Corruption

During the reporting period, the Commission carried out 14 proactive investigations which resulted in averting possible loss of public funds of approximately KES 14,489,000,000 as indicated in Table 2.4.



**ETHICS AND ANTI-CORRUPTION COMMISSION**

**REPORT OF ACTIVITIES  
AND FINANCIAL STATEMENTS FOR THE  
FINANCIAL YEAR 2019/2020**



## **Ethics and Anti-Corruption Commission**

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**ETHICS AND ANTI-CORRUPTION COMMISSION**

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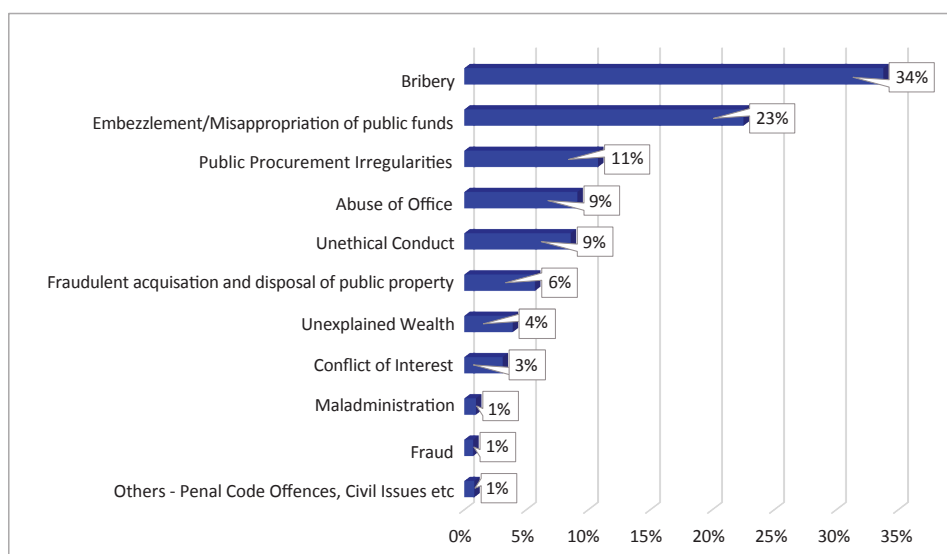


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**Figure 2.3: Nature of Reports Received**

## 2.3 Status of Investigations

This Section highlights cases under investigation, investigatory applications in court and investigations completed during the reporting period.

### 2.3.1 Cases under Investigation

The Commission had a total of 620 cases under investigation, out of which 246 related to ethical breaches. Some of the cases are highlighted in Table 2.2.

**Table 2.2: Highlight of Cases under Investigation**

S/No	Inquiry no.	Nature of Inquiry/ allegation	Institution	Amount (KES)
1.	EACC/MSA/FI/ INQ/06/2019	Inquiry into allegations of procurement irregularities in the award of tender to construct Kipevu Oil Terminal, at Kenya Ports Authority.	Kenya Ports Authority	40,000,000,000
2.	EACC/NKR/ FI/12/2018	Inquiry into allegations of irregular and fraudulent acquisition of public land belonging to KALRO by private persons.	Kenya Agricultural and Livestock Research Organization (KALRO)	8,900,000,000



S/No	Inquiry no.	Nature of Inquiry/ allegation	Institution	Amount (KES)
3.	EACC/AT/ INQ/28/2018	Inquiry into allegation of unexplained wealth against Evans Kidero, the former Governor, Nairobi City County Government	Nairobi City County	8,000,000,000
4.	EACC/AT/ INQ/25/2020	Inquiry into allegations of fraudulent procurement of pharmaceutical and non-pharmaceutical items at the Kenya Medical Supplies Agency (KEMSA) by senior officials	Kenya Medical Supply Agency (KEMSA)	7,000,000,000
5.	EACC/FI/ INQ/54/2019	Inquiry into allegations of irregular variation of a contract for supply of Medical Equipment by the Ministry of Health from a contract sum of KES 3,600,000,000 to 4,500,000,000 in a contract awarded to Philips Medical Systems Nederland BV.	Ministry of Health	4,500,000,000
6.	EACC/NKR/ INQ/FI/15/2019	Inquiry into allegations of embezzlement of funds by the Regional Manager KeRRA in Bomet County	Kenya Rural Roads Authority (KeRRA)	2,300,000,000
7.	EACC/AT/ INQ/13/2019	Inquiry in allegations of illegal and unexplained wealth against Ferdinand Ndung'u Waititu, the former Governor Kiambu County Government	Kiambu County	2,000,000,000
8.	EACC/KSI/ INQ/08/2017	Inquiry into an allegation that Joseph Rading Otieno & 6 others embezzled standing imprest amounting to KES 2 billion	County Government of Homabay	2,000,000,000
9.	EACC/FI/ INQ/52/2019	An inquiry into allegation of procurement irregularities in the award of Tender No. NCC / ED/T/193/2017-2018 for the construction of Dandora Stadium to M/s Scanjet Construction Ltd in the Financial Year 2017/2018.	County Government of Nairobi City	1,000,300,000
10.	EACC/AT/ INQ/01/2020	Inquiry into allegations of illegal and unexplained wealth against Mike Mbuvi Sonko, the Governor County of Nairobi City	County Government of Nairobi City	1,000,000,000



S/No	Inquiry no.	Nature of Inquiry/ allegation	Institution	Amount (KES)
11.	EACC/ELD/FI/ INQ/15/2020	Inquiry into allegations that Uasin Gishu County Government was in the process of purchasing a building in Eldoret owned by the National Bank of Kenya at an exaggerated cost of KES 570 million.	County Government of Uasin Gishu	570,000,000
12.	EACC/AT/ INQ/08/2019	Inquiry into allegations of illegal and unexplained wealth against Moses Kassaine Lenolkulal, the Governor County Government of Samburu	County Government of Samburu	500,000,000
13.	EACC/FI/ INQ/2/2020	Inquiry into allegation of irregular sale of land emanating from the subdivision of L.R. No. 209/6507 Matumbato Upper hill measuring approximately 3.24 acres, among other properties owned by the Kenya Railways Staff Retirement Benefit Scheme (KRSRBS).	KRSRBS	498,500,000
14.	EACC/MSA/ FI/10/2019	Inquiry into allegations of misappropriation of public funds meant for the construction of Kwale County Assembly Complex	County Assembly of Kwale	456,170,560
15.	EACC/KSI/FI/ INQ/8/2018	Inquiry into allegations of irregular award of tender for the construction of Nyamira County Assembly office block	County Assembly of Nyamira	367,000,000
16.	EACC/NYR/FI/ INQ/18/2017	Inquiry into allegation of financial impropriety in the procurement, payment and transfer of 34.5 acres of land meant for development of an Agro Marketing and Value Addition Centre	County Government of Muranga	340,000,000
17.	EACC/ISL/FI/ INQ/8/2020	Inquiry into allegations of embezzlement of public funds by Isiolo County employees through procurement irregularities and questionable imprest payments through personal bank accounts.	County Government of Isiolo	293,591,365
18.	EACC/AT/ INQ/02/2020	Inquiry into allegations of embezzlement of public funds by the CEO Garissa Municipality.	County Government of Garissa	233,500,000



S/No	Inquiry no.	Nature of Inquiry/ allegation	Institution	Amount (KES)
19.	EACC/KSM/INQ/F1/18/2015	Inquiry into allegations of irregular purchase of 32 acres of land by the County Government of Bungoma for the construction of the official residence of the Governor	Government of Bungoma	192,000,000
20.	EACC/NYR/FI/INQ/19/2017	Inquiry into allegations of procurement irregularities and financial impropriety in the construction of the Embu-Kibugu Road	County Government of Embu	180,000,000
21.	EACC/ISL/FI/INQ/6/2020	Inquiry into allegations of embezzlement of public funds by employees of County Government of Meru through irregular imprest and salary payments.	County Government of Meru	161,778,783
22.	EACC/KSM/FI/INQ/01/2020	Inquiry into allegation of irregular award of road contracts funded through the Road Maintenance Levy Fund and County Revenue Fund for 2018/2019 Financial Year	County Government of Kisumu	143,300,092
23.	EACC/AT/INQ/125/2016	Inquiry into allegation of procurement irregularities and conflict of interest in the award of a publicity tender to Top Image Media Consultant Ltd by County Government of Muranga	County Government of Muranga	140,000,000
24.	EACC/FI/INQ/26/2018	Inquiry into allegation of procurement irregularities and abuse of office in the supply and delivery of equipment and machines to National Youth Service (NYS) by M/s Greenberg Holdings	NYS	135,290,000
25.	EACC/NYR/FI/INQ/10/2019	Inquiry into allegations of conflict of interest, abuse of office and embezzlement of public funds against Officials of Ol-Kalou National Government Constituency Development Fund (NG-CDF) Committee	Ol-Kalou NG-CDF	120,000,000
26.	EACC/MLD/FI/INQ/19/2019	Inquiry into allegations of procurement irregularities during the procurement of land for construction of the Lamu County Assembly Speaker's residence	County Assembly of Lamu	119,427,000



S/No	Inquiry no.	Nature of Inquiry/ allegation	Institution	Amount (KES)
27.	EACC/FI/ INQ/42/2019	Inquiry into allegation of embezzlement of the NG-CDF funds in Gatundu South Constituency	Gatundu South Constituency NG-CDF	105,000,000
28.	EACC/MLD/FI/ INQ/1/2019	Inquiry into allegations of procurement irregularities during the construction of the Hola Multipurpose Social Hall	County Government of Tana River	100,000,000
29.	EACC/KSM/FI/ INQ/04/2020	Inquiry into allegations of procurement irregularities in the proposed construction of Kisumu Stadium Complex.	County Government of Kisumu	100,000,000
30.	EACC/KSI/FI/ INQ/3/2019	Inquiry into allegations of procurement irregularities in the acquisition of two fire engines from Stratogen Ltd.	County Government of Kisii	72,600,000
31.	EACC/FI/ INQ/43/2018	Inquiry into allegations of conflict of interest and procurement irregularities against Mr. Wilson Ayiebei, a former Procurement officer at the County Government of Nandi	County Government of Nandi	71,748,900
32.	EACC/ISL/FI/ INQ/7/2020	Inquiry into allegations of conflict of interest and embezzlement of public funds against Hon. Kawira Mwangaza, Woman Representative, Meru County.	NGAAF, Meru County	63,000,000
33.	EACC/FI/ INQ/27/2018	Inquiry into allegation of procurement irregularities and abuse of office in the supply and delivery of equipment and machines by M/S Seluman Ltd	NYS	59,250,000
34.	EACC/ISL/FI/ INQ/26 (B)/2018	Inquiry into allegations of procurement irregularities in the installation of medical oxygen plant at Isiolo County Referral Hospital by Hitmax Limited	County Government of Isiolo	52,280,856
35.	EACC/ELD/EL/ INQ/09/2020	Inquiry into allegations of irregular payment of bulk imprest to members of staff of West Pokot County Assembly on behalf of MCAs	County Assembly of West Pokot	44,429,270





S/No	Inquiry no.	Nature of Inquiry/ allegation	Institution	Amount (KES)
36.	EACC/KSM/INQ/F1/01/2013	Inquiry into allegations of misappropriation of public funds by Mr. Octavian Jumbe the Finance Manager of Lake Victoria North Water Services Board (LVNWSB)	LVNWSB	44,196,723
37.	EACC/AT/INQ/18/2020	Inquiry into allegation of illegal and unexplained wealth against Charles Muia Mutiso, the Head of the Debt Management Department at the National Treasury	National Treasury	40,000,000
38.	EACC/KSM/PI/INQ/03/2020	Inquiry into allegations of embezzlement of public funds by employees of County Government of Siaya through fictitious payments to casual employees	County Government of Siaya	37,657,500
39.	EACC/FI/INQ/47/2019	Inquiry into allegations of conflict of interest against Eng. Lukas Wahinya in award of tenders to his companies	County Government of Kiambu	30,000,000
40.	EACC/ISL/FI/INQ/26 (A)/2018	Inquiry into allegations of procurement irregularities in the award of tender No. CG/2017/2018 to Hitmax Limited for installation of medical oxygen plant at Garba Tulla Sub-County Hospital	County Government of Isiolo	27,572,882
41.	EACC/ELD/FI/INQ/16/2020	Inquiry into allegations of procurement irregularities during the construction of ECDE classes	County Government of Nandi	27,000,000
42.	EACC/NYR/FI/INQ/38/2018	Inquiry into allegations of procurement irregularities in the construction of pit latrines	County Government of Laikipia	25,000,000
43.	EACC/KSM/FI/INQ/35/2018	Inquiry into allegations of procurement irregularities in the purchase of a parcel of land for construction of the official residence of the Governor	County Government of Vihiga	23,900,000
44.	EACC/NYR/FI/INQ/02/2020	Inquiry into allegations of abuse of office and embezzlement of public funds against Anne Mumbi Waiguru, the Governor of County Government of Kirinyaga through payment of travel allowances for non-existent trips	County Government of Kirinyaga	10,634,614



S/No	Inquiry no.	Nature of Inquiry/ allegation	Institution	Amount (KES)
45.	EACC/NYR/FI/ INQ/48/2018	Inquiry into allegations of embezzlement of public funds by Nyandarua County Government officials for a purported Investors' Conference	County Government of Nyandarua	13,000,000
46.	EACC/KSM/FI/ INQ/05/2020	Inquiry into allegations of misappropriation and embezzlement of funds meant for COVID 19 pandemic mitigation activities	County Government of Vihiga	10,000,000
47.	EACC/ OPS/46/2020	Inquiry into allegations of bribery against RaKESid Ngaira, the Manager, Legal Services at Agricultural Finance Corporation (AFC)	AFC	3,500,000
48.	EACC/KSI/EL/ INQ/6/2019	Inquiry into allegations of irregular recruitment and misappropriation of public funds through payment of double salaries to Vincent Okiomo Nyagwara by County Government of Kisii and Parliamentary Service Commission (PSC)	County Government of Kisii PSC	1,462,560
49.	EACC/ OPS/198/2019	Inquiry into allegations of bribery against Mr. Moffart Teya, the Speaker of County Assembly of Nyamira	County Assembly of Nyamira	500,000
50.	EACC/KSM/EL/ INQ/08/2019	Inquiry into allegations of abuse of office and fraudulent acquisition of public funds through irregular imprest claims by Members of County Assembly	County Assembly of Siaya	N/A
51.	EACC/BGM/EL/ INQ/4/2019	Inquiry into allegations of unethical behaviour by the Mt Elgon MP, Fred Chesebe Kapondi who assaulted a member of public at a funeral	National Assembly	N/A
52.	EACC/NYR/EL/ INQ/49/2019	Inquiry into allegations of irregular employment against the Vice Chancellor, Murang'a University of Science and Technology (MUST)	MUST	N/A
53.	EACC/EL/ INQ/125/2017	Inquiry into allegations of falsification of academic certificates and failure to honor financial obligations against CEO –Water Services Trust Fund (WSTF)	WSTF	N/A

### 2.3.2 Investigatory Applications

The Commission filed applications and obtained warrants to investigate 767 bank accounts in respect of persons or associates of persons suspected of engaging in corruption, economic crimes or related offences.

### 2.3.3 Completed Investigation on Corruption, Economic Crimes and Ethical Breaches

The Commission completed 163 investigation files on corruption and economic crimes which were forwarded to the Director of Public Prosecutions (DPP) for review. The Commission also completed 86 investigations on violations of Chapter Six of the Constitution and Leadership and Integrity Act, 2012. Some of the completed cases are highlighted in Table 2.3.

**Table 2.3: Highlight of Completed Investigations**

S/No.	Inquiry no.	Nature of allegation	Institution	Amount (KES)
1.	EACC/FI/INQ/52/2017	Inquiry into allegations that forged documents relating to Purple Saturn Properties were used to facilitate fraudulent sales of land parcels No. 11288 measuring 1183 ha situated in Kiambu County	Ministry of Lands	5,000,000,000
2.	EACC/KSM/FI/INQ/48/2015	Inquiry into allegations of procurement irregularities in the construction of the Lake Basin Development Authority (LBDA) Shopping mall	LBDA	2,500,000,000
3.	EACC/FI/INQ/44/2019	Inquiry into allegations of procurement irregularities in the supply and delivery of white-shelled maize in the Financial Year 2016/2017 under the Maize Subsidy Program	Ministry of Agriculture	2,000,000,000
4.	EACC/PI/INQ/37/2019	Inquiry into allegations of breach of contract by Hongkong Offshore Oil Services Limited for the drilling of 20 geothermal wells in Baringo County	Geothermal Development Company (GDC)	1,400,000,000



S/No.	Inquiry no.	Nature of allegation	Institution	Amount (KES)
5.	EACC/AT/INQ/19/2018	Inquiry into allegations of illegal and unexplained wealth against Nicholas Owino Ochiel, a Valuer in the Ministry of Lands	Ministry of Lands	1,365,054,008
6.	EACC/AT/INQ/58/2017	Inquiry into allegations of embezzlement of public funds in the contract to supply stationery and chemicals by Era Two Thousand Enterprises Limited	State Departments of: Planning and Statistics Youth Affairs Interior and Citizen Services	1,173,234,004
7.	EACC/AT/INQ/38/2018	Inquiry into allegations of illegal and unexplained wealth against Engineer Benson Muteti, a Regional Manager at Kenya Rural Roads Authority (KeRRA)	KeRRA	1,114,353,602
8.	EACC/PI/INQ/043/2018	Inquiry into allegations of procurement irregularities in the award of tender for the construction of Ngong Market in Kajiado County	Ministry of Transport, Infrastructure, Urban Development	705,000,000
9.	EACC/FI/INQ/45/2019	Inquiry into allegations of fraudulent transactions by M/s Misort Africa Ltd at Herufi and Treasury Data Centres	National Treasury	564,932,160
10.	EACC/FI/INQ/52/2017	Inquiry into allegations of tax evasion against M/S Rift Valley Railways (K) Ltd in the years 2014 and 2015	RVR	448,120,760
11.	EACC/ISL/FI/INQ/06/2018	Inquiry into allegations of procurement irregularities of the proposed design and construction of Tharaka Nithi County Assembly chambers	County Assembly of Tharaka Nithi	369,642,688



S/No.	Inquiry no.	Nature of allegation	Institution	Amount (KES)
12.	EACC/FI/INQ/06/2020	Inquiry into allegations of conflict of interest against Simon Chelugui for being both Cabinet Secretary of the Ministry of Water and a Director at Afrety Global Logistics Ltd. The Company was awarded a tender by Rift Valley Water Works Development Agency, a parastatal under the Ministry of Water.	Ministry of Water	355,000,000
13.	EACC/AT/INQ/34/2019	Inquiry into allegations of fraudulent acquisition and disposal of parcels of land KSM/Mun/Block 7/414, 7/415, 7/417, 7/419-7/422, 7/424-7/426, 7/429- 7/440 (Katangi)	Kenya Railways Corporation (KRC)	315,000,000
14.	EACC/AT/INQ/13/2020	Inquiry into allegations of irregular allocation of parcels of land L.R. No. Kisii Municipality/Block II/112, 137, 168, 169, 170, 171, 173, 174, 175, 176, 189, 201, 212, 213, 242, 249 and 263, measuring a total of approximately 4.8743 ha	County Government of Kisii	219,800,000
15.	EACC/AT/INQ/16/2019	Inquiry into allegations of bribery against Ferdinand Waititu, the Governor of Kiambu County	County Government of Kiambu	133,399,788
16.	EACC/FI/INQ/30/2019	Inquiry into allegations of irregular allocation and transfer of Land Nairobi/Block 103/793 belonging to the County Government of Nairobi City to Stephen Gathuita Mwangi, a private developer	County Government of Nairobi City	110,000,000
17.	EACC/OPS/100/2019	Inquiry into allegations of bribery against officers from the Office of the Auditor General	Office of the Auditor General	100,000,000



S/No.	Inquiry no.	Nature of allegation	Institution	Amount (KES)
18.	EACC/GSA/FI/INQ/37/2018	Inquiry into allegations of breach of contract in the supply of sub-standard generators by M/s Funan Company Limited	National Irrigation Board (NIB)	100,000,000
19.	EACC/MSA/PI/INQ/22/2017	Inquiry into allegations of procurement irregularities in the acquisition of staff medical insurance cover for the Financial Year 2017/18	Technical University of Mombasa (TUM)	78,000,000
20.	EACC/FI/INQ/74/2017	Inquiry into allegation of fraudulent acquisition of public funds against Okoth Obado, Governor, County Government of Migori through his children and proxies between the Financial Year 2013/2014 and Financial Year 2016/2017	County Government of Migori	73,474,376
21.	EACC/FI/INQ/25/2019	Inquiry into allegations of conflict of interest against Moses Leluata, A Director of ICT at Samburu County Assembly, through M/s Sipat Limited	County Assembly of Samburu	60,204,772
22.	EACC/PI/INQ/25/2020	Inquiry into allegations of procurement irregularities in the award of tender to M/s Drescoll Ltd for the supply of fire engine equipment	County Government of Isiolo	58,560,000
23.	EACC/BGM/FI/INQ/14/2019	Inquiry into allegations of obstruction of justice against Mr Nicodemus Mulaku, the County Secretary, for failure to provide documents	County Government of Busia	56,000,000
24.	EACC/KSI/FI/INQ/01/2019	Inquiry into allegations of conflict of interest and abuse of office against officials of Homabay County Government for using their companies to claim payment for various works and services to the County Government	County Government of Homabay	37,885,000



S/No.	Inquiry no.	Nature of allegation	Institution	Amount (KES)
25.	EACC/FI/INQ/37/2018	Inquiries into an allegation of embezzlement of public funds and conflict of interest against Henry Koech Maritim, former Chief Officer Finance County Government of Nandi, through M/s Makiki Agencies, a company associated with him	County Government of Nandi	19,781,551
26.	EACC/KSM/FI/INQ/25/2015	Inquiry into allegations of procurement irregularities in the purchase of tractors and motor cycles by the County Government of Migori	County Government of Migori	15,368,216
27.	EACC/ISL/FI/INQ/38/2016	Inquiry into allegations of embezzlement of public funds and irregular employment of staff by the Secretary, County Public Service Board.	Meru County Public Service Board	8,139,401
28.	EACC/NYR/FI/INQ/24/2015	Inquiry into allegations of irregular payment of subsistence allowance to members and staff of the County Assembly on a foreign trip to Uganda	County Assembly of Muranga	6,400,000
29.	EACC/MSA/FI/INQ/08/2014	Inquiry into allegations of misappropriation of public funds in the Financial Year 2013/2014	County Assembly of Mombasa	4,200,000
30.	EACC/OPS/INQ/55/2018	Inquiry into allegations of bribery against George Karanja Wambui and Billy Arocho. The bribe was an inducement to forestall seizure of construction materials belonging to a foreign national	Kenya Revenue Authority	3,000,000
31.	EACC/AT/INQ/99/2016	Inquiry into allegations of bribery against Jimmy Mutuku Kiamba, a former Chief Officer Finance as an inducement to process payments	County Government of Nairobi City	3,000,000



S/No.	Inquiry no.	Nature of allegation	Institution	Amount (KES)
32.	KACC/AT/INQ/56/2007	Inquiry into allegations of embezzlement of public funds against Elias Tirop Tomno, Turkana South District Accountant by paying himself fraudulent imprest warrants	National Treasury	2,600,060
33.	EACC/ISL/FI/INQ/64/2015	Inquiry into allegations of embezzlement of public funds allocated for Kamweline Borehole Drilling Project	Igembe North CDF	1,850,000
34	EACC/MCKS/FI/INQ/22/2018	Inquiry into allegation of procurement irregularities against the Clerk Kitui County Assembly in the award of Tender No. CAKITUI/T/41/2018-2019 to M/s FaKEStech Computers Ltd	County Assembly of Kitui	1,332,400
35.	EACC/OPS/INQ/175/2019	Inquiry into allegations of bribery against Duncan Matundura Ondimu, an officer at the ODPP as an inducement to terminate charges of terrorism	ODPP	1,200,000
36.	EACC/KSI/FI/INQ/07/2017	Inquiry into allegation of wilful failure to comply with procurement law and abuse of office in regard to procurement of telemedicine equipment for Kendu Adventist Hospital against officials of Karachuonyo NG-CDF	Karachuonyo NG-CDF	909,398
37.	EACC/OPS/INQ/03/2019	Inquiry into allegations of bribery against Peter Njuguna and Moses Ogone, employees of Nairobi Water and Sewerage Company (NWSC) as an inducement to forbear charging the complainant with offence of illegal water connection.	NWSC	500,000





**ETHICS AND ANTI-CORRUPTION COMMISSION**

**REPORT OF ACTIVITIES  
AND FINANCIAL STATEMENTS FOR THE  
FINANCIAL YEAR 2021/2022**



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### 3.1. Cases under Investigation

During the reporting period, 457 cases were under investigation for corruption, economic crimes, bribery and unethical conduct. Some of the cases investigated are highlighted in Table 2.2.

**Table 2.2: Highlights of Cases under Investigation**

	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amounts (KES.)</b>
1.	EACC/MLD/ FI/INQ/4/2021	Inquiry into allegation of irregular payments in the acquisition of Kenya Utalii College, Coast Branch.	Tourism Fund	8,500,000,000
2.	EACC/PI/ INQ/37/2019	Inquiry into allegation of embezzlement of funds in a tender to drill geothermal wells in Baringo County awarded to Hongkong Offshore Oil Services Limited in the FY 2015/2016.	Geothermal Development Company (GDC)	5,900,000,000
3.	EACC/FI/ INQ/54/2019	Inquiry into allegation of irregular variation of a contract for the supply of medical equipment in a contract awarded to Philips Medical Systems Nederland BV in the year 2014.	Ministry of Health	4,500,000,000
4.	EACC/FI/ INQ/77/2017	Inquiry into allegation of procurement irregularities in a tender and contract for the construction of a multi-storey car park in Nairobi during the FYs 2002/03 to 2010/11.	National Hospital Insurance Fund (NHIF)	3,900,000,000
5.	EACC/FI/ INQ/11/2022	Inquiry into allegation of embezzlement of public funds in the construction of the Kenya National Examinations Council's New Mitihani House.	Kenya National Examinations Council	3,000,000,000
6.	EACC/MLD/ FI/INQ/2/2022	Inquiry into allegation of engagement of a project without prior planning in the tender for consultancy services for the construction of Ronald Ngala Utalii College.	Tourism Fund	3,000,000,000
7.	EACC/ MSA/FI/ INQ/03/2022	Inquiry into allegation of procurement irregularities in a tender for the construction of Shimoni Fishing Port in Kwale County during the FY 2021/2022.	Kenya Ports Authority (KPA)	2,600,000,000
8.	EACC/ KSM/AT/ INQ/18/2021	Inquiry into allegation of fraudulent disposal of public land LR 7545/3.	Miwani Sugar Company Ltd	2,320,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amounts (KES.)</b>
9.	EACC/FI/INQ/01/2020	Inquiry into allegation of procurement irregularities in a tender for provision of staff medical cover awarded to AAR Insurance Kenya Ltd during the FY 2017/2018.	Nairobi City County Government	1,725,488,939
10.	EACC/FI/INQ/23/2021	Inquiry into allegation of conflict of interest in payments made to companies associated to the Governor between the FY 2013/14 and 2021/22.	County Government of Mandera	1,670,000,000
11.	EACC/MSA/AT/06/2019	Inquiry into allegation of irregular alienation of a public property belonging to Nyali Primary School.	National Lands Commission	1,400,000,000
12.	EACC/MSA/FI/INQ/19/2021	Inquiry into allegation of irregular allocation of public land belonging to Kenya Airports Authority, Mombasa to East African Gas Company Limited.	National Lands Commission	1,200,000,000
13.	EACC/FI/INQ/14/2021	Inquiry into allegation of embezzlement of public funds and conflict of interest against the former Governor of Wajir County and associates between August 2016 and December 2020.	County Government of Wajir	1,162,151,297
14.	EACC/PI/INQ/16/2021	Inquiry into allegation of irregular award of tender for construction of Langata phase IV & V residential units awarded to Lemna International Inc. in the FY 2009/2010.	National Housing Corporation	1,100,000,000
15.	EACC/FI/INQ/52/2019	Inquiry into allegation of procurement irregularities in a tender for construction of Dandora Stadium awarded in the FY 2017/2018.	Nairobi City County Government	1,000,300,000
16.	EACC/FI/INQ/41/2021	Inquiry into allegation of embezzlement of funds in a scheme involving payments to ghost workers between August 2015 to February 2022.	National Museums of Kenya	566,000,000
17.	EACC/PI/INQ/6/2022	Inquiry into allegation of abuse of office against Mombasa Land registrar on the issuance of Title CR. No. 74427, LR. No. 8724/2 measuring 224.8 hectares in the FY 2019/2020.	Ministry of Lands	500,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amounts (KES.)</b>
18.	EACC/MSA/FI/INQ/16/2017	Inquiry into allegation of procurement irregularities in a tender for construction of County headquarters awarded to M/s Green County Construction in the FY 2014/2015.	County Government of Kwale	462,197,054
19.	EACC/GSA/FI/INQ/05/2021	Inquiry into allegation of procurement irregularities in the sourcing for Covid-19 items in the FY 2019/2020.	County Government of Mandera	431,000,000
20.	EACC/MCKS/FI/INQ/24/2021	Inquiry into allegation of misappropriation of Covid-19 grants during the FYs 2019/20 – 2021/22.	County Government of Kitui	420,000,000
21.	EACC/FI/INQ/16/2020	Inquiry into allegation of procurement irregularities and conflict of interest in the award of media publicity tenders in the FYs 2014/15 and 2015/16.	County Government of Murang'a	400,000,000
22.	EACC/KSI/FI/INQ/8/2018	Inquiry into allegation of procurement irregularities in a tender for construction of County Assembly office block awarded to Jetta Construction Company Ltd in the FY 2017/2018.	County Assembly of Nyamira	379,000,000
23.	EACC/MCKS/FI/INQ/17/2020	Inquiry into allegation of procurement irregularities in a tender for the Construction of County Assembly Chambers awarded to Amber Construction Company Limited.	County Assembly of Machakos	349,000,000
24.	EACC/KSI/FI/INQ/02/2020	Inquiry into allegation of conflict of interest against employees in a tender for the proposed construction of offices awarded to M/s Hartland Enterprises Limited.	County Assembly of Homa Bay	348,927,840
25.	EACC/PI/INQ/11/2021	Inquiry into allegation of procurement irregularities in a tender for the design, supply, installation, and commissioning of a Management Information System awarded to M/S Tekno Ltd during the FYs 2014/15 and 2015/16.	Geothermal Development Company	344,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amounts (KES.)</b>
26.	EACC/FI/INQ/35/2021	Inquiry into allegation of procurement irregularities in a tender for design, supply, testing, commissioning, and supervision of Security, Access Control, Communications, Audio-visual, and Pitch Lighting Systems for various stadia awarded to M/S. Auditel Kenya in the FY 2017/2018.	State Department of Sports	330,573,997
27.	EACC/PI/INQ/42/2020	Inquiry into allegation of procurement irregularities in a tender awarded to M/s Amad Construction Limited for the supply of motor vehicles in the FY 2018/2019.	County Government of Tana River	248,800,000
28.	EACC/PI/INQ/33/2020	Inquiry into allegation of procurement irregularities in the award of tender for the proposed construction of Naku'etum Peace Dam in Turkana County.	National Water Harvesting & Storage Authority	231,000,000
29.	EACC/ISL/FI/INQ/39/2019	Inquiry into allegation of procurement irregularities in a tender for the construction of outpatient unit at Chuka County Referral Hospital.	County Government of Tharaka Nithi	231,000,000
30.	EACC/NKR/INQ/PI/01/2022.	Inquiry into allegation of embezzlement of funds and conflict of interest in contracts awarded to Buffloc Investments Company Limited.	County Government of Kericho	224,774,768
31.	EACC/PI/INQ/3/2022	Inquiry into allegation of procurement irregularities in the award of tenders for the proposed design, manufacture, supply, and installation of portable water treatment facilities in the FY 2021/2022.	Kakamega County Water and Sanitation Company	216,000,000
32.	EACC/FI/INQ/1/2022	Inquiry into allegation of embezzlement of County Bursary and Development Funds between July 2017 and December 2021.	County Government of West Pokot	212,712,400
33.	EACC/FI/INQ/29/2022	Inquiry into allegation of conflict of interest against employees in tenders awarded to Hartland Enterprises Limited between FYs 2014/15 and 2021/22.	County Government of Homa Bay	205,618,338



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amounts (KES.)</b>
34.	EACC/NKR/FI/INQ/08/2021	Inquiry into allegation of misappropriation of a Mortgage Scheme Fund by the Loans Management Committee in the FYs 2018/19 and 2019/20.	County Government of Bomet	200,000,000
35.	EACC/FI/INQ/7/2021	Inquiry into allegation of irregular procurement of staff medical cover awarded to Madison Insurance Company Ltd in the FY 2020/2021.	Kenya Medical Research Institute (KEMRI)	157,000,000
36.	EACC/ISL/FI/INQ/5/2021	Inquiry into allegation of conflict of interest against a Member of County Assembly in payments made to Galcha Construction and Suppliers Ltd between the years 2018 and 2021.	County Government of Marsabit	115,000,000
37.	EACC/KSM/PI/INQ/11/2021	Inquiry into allegation of procurement irregularities in a tender for valuation of land awarded to Syalar Consortium Ltd in the FY 2020/2021.	County Government of Kisumu	115,000,000
38.	EACC/ELD/FI/INQ/3/2019	Inquiry into allegation of abuse of office in tender for construction of two students' hostels awarded to M/s Eldo-Rotsa in the FY 2016/2017.	Turkana University College	114,794,238
39.	EACC/NKR/FI/INQ/10/2021	Inquiry into allegation of procurement irregularities in a tender for rehabilitation and extension of Kipkobob Water Project in the FY 2019/2020.	County Government of Kericho	102,000,000
40.	EACC/FI/INQ/45/2021	Inquiry into allegation of conflict of interest against a county employee for payments to companies associated with him between January 2016 and July 2019.	County Government of Kiambu	101,080,315
41.	EACC/FI/INQ/43/2021	Inquiry into allegation of procurement irregularities in the award of tender for supply and installation of Bulk Fillers in the FY 2021/2022.	National Social Security Fund (NSSF)	75,600,000
42.	EACC/FI/INQ/20/2021	Inquiry into allegation of procurement irregularities in a tender for construction of the County Assembly Speaker's residence awarded to Ekoriagete Enterprises Ltd in the FYs 2016/17 and 2017/18.	Turkana County Assembly	75,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amounts (KES.)</b>
43.	EACC/PI/INQ/10/2021	Inquiry into allegation of irregular excision and allocation of land in Embakasi by officers of Nairobi City County Government.	Kenya Defense Forces	61,000,000
44.	EACC/NYR/FI/INQ/29/2016	Inquiry into allegation of procurement irregularities in a tender for carrying out civil works within Gaturi Ward and other areas awarded to Salkibiru Enterprises in the FYs 2014/15 and 2015/16.	County Government of Murangá	61,000,000
45.	EACC/MCKS/FI/INQ/26/2019	Inquiry into allegation of procurement irregularities in the supply of 10 digital and mobile X-Ray machines.	County Government of Kitui	54,000,000
46.	EACC/PI/INQ/12/2021	Inquiry into allegation of conflict of interest against a Member of Parliament in award of tenders during the FYs 2016/17 to 2020/21.	NG-CDF Embakasi North Constituency	51,000,000
47.	EACC/PI/INQ/17/2021	Inquiry into allegation of conflict of interest against a Member of County Assembly in the award of tenders in the FYs 2017/18 to 2019/20.	County Government of Nyandarua	49,958,000
48.	EACC/GSA/FI/INQ/06/2022	Inquiry into allegation of conflict of interest against the Chairman NG-CDF.	NG-CDF Wajir North Constituency	46,155,000
49.	EACC/GSA/AT/INQ/03/2021	Inquiry into allegation of unexplained wealth against a Chief Officer.	County Government of Garissa	35,000,000
50.	EACC/ELD/FI/INQ/21/2021	Inquiry into allegation of procurement irregularities in tenders awarded to Amailo Investment Company Limited and Ekeny Company Limited companies associated with county employees.	County Government of Turkana	26,655,000
51.	EACC/FI/INQ/40/2020	Inquiry into allegation of procurement irregularities in a tender for the construction of a Blood Transfusion Centre awarded to Sava Construction Company Ltd in the FY 2018/2019.	County Government of Vihiga	17,000,000
52.	EACC/FI/INQ/39/2020	Inquiry into allegation of procurement irregularities in a tender for construction and rehabilitation of Kaimosi Sewerage System awarded to Green Apple Africa in the FY 2014/2015.	County Government of Vihiga	12,600,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amounts (KES.)</b>
53.	EACC/PI/ INQ/24/2021	Inquiry into allegation of procurement irregularities in a tender for General Insurance Cover Services awarded to CIC General Insurance in the FYs 2020/21 and 2021/22.	Bomas of Kenya Limited	9,058,916
54.	EACC/PI/ INQ/5/2022	Inquiry into allegation of embezzlement of funds through irregular award of tender in the FY 2020/2021.	Bomas of Kenya Limited	8,612,985
55.	EACC/OPS/ INQ/67/2021	Inquiry into allegation of soliciting for a bribe against a legal officer who was facilitating payment of legal fees in the FY 2021/2022.	Kenya Medical Supplies Authority	1,500,000
56.	EACC/OPS/ INQ/76/2021	Inquiry into allegation of soliciting for a bribe against an engineer who was to facilitate payment of a tender.	National Irrigation Board	1,089,000
57.	EACC/ISL/FI/ INQ/12/2020	Inquiry into allegation of procurement irregularities and conflict of interest in tender for management of contract for Akaiga Irrigation Project awarded to M/s Tamata Supplies Limited in the FY 2015/2016.	National Irrigation Board & NG-CDF Tigania East Constituency	78, 000,000
58.	EACC/EL/ INQ/15/2019	Inquiry into allegation of conflict of interest against the Senator for Meru County for irregular leasing of the Senator's office in the FYs 2017/18 to 2021/22.	Parliamentary Service Commission	968,000
59.	EACC/EL/ INQ/7/2020	Inquiry into allegation of forgery of academic certificates to secure employment by the Director, Corporate Strategy, Planning and Coordination.	Micro and Small Enterprises Authority	1,138,341
60.	EACC/EL/ INQ/008/2021	Inquiry into allegation of conflict of interest in a tender for provision of legal services against the County Attorney.	Nairobi City County Government	16,553,200
61.	EACC/EL/ INQ/029/2021	Inquiry into allegation of forgery of academic certificate by the Member of Parliament, Kimilili Constituency.	Parliamentary Service Commission	N/A

### 3.2. Investigatory Applications

The Commission filed applications and obtained 570 warrants for inspecting or searching bank accounts, premises, aircraft and vehicles in respect of persons or associates suspected of engaging in corruption, economic crimes or related offences.





### 3.3. Completed Investigations on Corruption, Economic Crimes and Ethical Breaches

The Commission completed 154 investigation files on corruption and economic crimes, which were forwarded to the Director of Public Prosecutions (DPP) for review and direction. Further, 52 investigations on violations of Chapter Six of the Constitution and Leadership and Integrity Act, 2012 were completed. Some of the completed investigations are highlighted in Table 2.3.

**Table 2.3: Highlights of Completed Investigations**

	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution / Individual</b>	<b>Amount (KES.)</b>
1.	EACC/PI/INQ/67/2018	Inquiry into allegation of embezzlement of public funds in a tender for the provision of drilling services for Geothermal wells - Baringo-Silali Project awarded to Hongkong Offshore Oil Services Limited.	Geothermal Development Company	1,400,000,000
2.	EACC/MSA/FI/INQ/10/2019	Inquiry into allegation of procurement irregularities in a tender for the construction of Kwale County Assembly Complex in the FY 2016/2017.	County Assembly of Kwale	466,892,170
3.	EACC/PI/INQ/66/2018	Inquiry into allegation of irregular payments for goods not delivered to various prisons within Nairobi.	State Department for Correctional Services	460,083,000
4.	EACC/BGM/FI/INQ/3 (A)/2019	Inquiry into allegation of procurement irregularities in a tender for the annual maintenance contract for Bungoma Automated Revenue Management System awarded to Tritex Consulting Company Limited in the FYs 2016/17, 2017/18 and 2018/19.	County Government of Bungoma	380,000,000
5.	EACC/FI/INQ/31/2021	Inquiry into allegation of conflict of interest in payments made to Davinka Suppliers & General Merchants, Brycen Smart Solutions & Innovations, and Wangatech General Supplies.	State Department for Housing	286,831,340
6.	EACC/KSM/FI/INQ/23/2015	Inquiry into allegation of abuse of office by employees in respect of the proposed Agri-City Project.	County Government of Homa Bay	200,000,000
7.	EACC/MSA/FI/INQ/18/2018	Inquiry into allegation of procurement irregularities in various tenders awarded to Samnix Enterprises, Mombasa Fresh Water Supply Company, Pincho Traders, Smech Enterprises, Nyavu Traders and Aquisana Limited during the FY 2017/2018.	Kenya Ports Authority	137,000,000





	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution / Individual</b>	<b>Amount (KES.)</b>
8.	EACC/GSA/FI/INQ/26/2018	Inquiry into allegation of procurement irregularities in a tender for the construction of the Governor's residence in the FY 2013/2014.	County Government of Mandera	107,481,060
9.	EACC/MSA/EL/INQ/05/2019	Inquiry into allegation of procurement irregularities in the tender for excavation and concrete works at Mbaraki Wharf in the FY 2015/2016.	Kenya Ports Authority	84,736,220
10.	EACC/NYR/FI/INQ/10B/2019	Inquiry into allegation of procurement irregularities in tenders for the construction of roads between 2014 and 2018.	NG-CDF Ol-Kalou Constituency	55,833,650
11.	EACC/FI/INQ/13/2021	Inquiry into allegation of conflict of interest in the tender for construction of non-motorized transport facilities during the FY 2018/2019.	County Government of Machakos	45,407,649
12.	EACC/NYR/FI/INQ/47/2018	Inquiry into allegation of embezzlement of public funds by officials and former Member of Parliament for Oljoro-Orok Constituency in the FYs 2015/16 and 2016/17.	NG-CDF Oljoro-Orok Constituency	36,000,000
13.	EACC/PI/INQ/050C/2018	Inquiry into allegation of embezzlement of NG-CDF Funds meant for the construction of Kahuruko Kijabe Road.	NG-CDF Laikipia East Constituency	22,050,000
14.	EACC/KSM/INQ/FI/04/2014	Inquiry into allegation of procurement irregularities in tenders for renovation of the Governor's & the Deputy Governor's residences, and the construction of pre-fabricated offices.	County Government of Homa Bay	21,456,422
15.	EACC/MCKS/FI/INQ/15/2019	Inquiry into allegation of misappropriation of public funds meant for Takataka ni Mali Initiative.	County Government of Kajiado	20,000,000
16.	EACC/PI/INQ/050B/2020	Inquiry into allegation of embezzlement of public funds meant for the construction of Thome-Tharua Road.	NG-CDF Laikipia East Constituency	19,200,000
17.	EACC/MSA/FI/INQ/01/2017	Inquiry into allegation of irregular reallocation of public funds in making contributions to the Council of Governors in the FYs 2013/14 and 2015/16.	County Government of Kwale	16,400,000
18.	EACC/FI/INQ/38/2021	Inquiry into allegation of embezzlement of public funds against officials of the National Government Constituency Development Fund.	NG-CDF Gatundu South Constituency	15,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution / Individual</b>	<b>Amount (KES.)</b>
19.	EACC/PI/INQ/050A/2018	Inquiry into allegation of embezzlement of public funds meant for the construction of Thingithu Phase II Road.	NG-CDF Laikipia East Constituency	14,988,000
20.	EACC/NKR/FI/INQ/33/2018	Inquiry into allegation of embezzlement funds through disbursement of free day secondary education capitation to a non-existent Mundeke Secondary School in the FY 2017/2018.	Ministry of Education	14,000,000
21.	EACC/FI/INQ/12/2020	Inquiry into allegation of abuse of office and conflict of interest in payments made to Boyse Ventures Limited.	County Government of Vihiga	13,989,450
22.	EACC/NYR/FI/INQ/10A/2019	Inquiry into allegation of abuse of office and embezzlement of public funds meant for school projects.	NG-CDF Ol-Kalou Constituency	13,422,500
23.	EACC/NYR/FI/INQ/05/2020	Inquiry into allegation of conflict of interest in a tender for the proposed water works for South Ngariama awarded to Eva Trading Agencies Ltd.	County Government of Kirinyaga	12,000,000
24.	EACC/NKR/FI/INQ/03/2017	Inquiry into allegation of procurement irregularities in the award of tender for the construction of the Deputy County Commissioner's office in Mogotio Sub- County.	Ministry of Interior & Coordination of National Government	12,000,000
25.	EACC/PI/INQ/41/2020	Inquiry into allegation of procurement irregularities in a tender for construction of a dormitory at Wamwangi Secondary School within Gatundu South Constituency awarded to Finishline Construction Ltd.	Ministry of Education	12,000,000
26.	EACC/NKR/FI/INQ/36/2018	Inquiry into allegation of misappropriation of public funds in the construction of Kiratina Market in Menengai Ward awarded to Levi Contractors Limited.	County Government of Nakuru	10,899,342
27.	EACC/NYR/FI/INQ/02/2020	Inquiry into allegation of abuse of office through receipt of imprest for non-existent and non-official trips by the Governor.	County Government of Kirinyaga	10,634,614
28.	EACC/MCKS/EL/INQ/3/2019	Inquiry into allegation of conflict of interest by a County National Government Affirmative Action Fund (NGAAF) Coordinator.	NGAAF – Makeni County	10,000,000
29.	EACC/NYR/FI/INQ/07/2020	Inquiry into allegation of procurement irregularities in a tender for Riagicheru Water Project awarded to Eva Trading Agencies Ltd.	County Government of Kirinyaga	9,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution / Individual</b>	<b>Amount (KES.)</b>
30.	EACC/BGM/FI/ INQ/10/2019	Inquiry into allegation of procurement irregularities in a tender for the construction of Kuywa Junction-Siku-Likhuna Road in the FY 2018/2019.	County Government of Bungoma	8,967,400
31.	EACC/MSA/PI/ INQ/02/2019	Inquiry into allegation of procurement irregularities in a tender for supply and maintenance of two compressors awarded to Alootek Systems Limited in the FY 2017/2018.	Kenya Ports Authority	8,400,000
32.	EACC/BGM/PI/ INQ/6/2019	Inquiry into allegation of misappropriation of funds in a tender for supply of PWD Tri-Cycles awarded to APDV Contractors Limited.	County Government of Bungoma	8,000,000
33.	EACC/BGM/FI/ INQ/05/2019	Inquiry into allegation of procurement irregularities in a tender for periodic maintenance of Chebosi-Wanelopi-Kituni Road awarded to Fastec General Supplies in the FY 2018/2019.	County Government of Bungoma	5,742,870
34.	EACC/GSA/FI/ INQ/32/2017	Inquiry into allegation of misappropriation of public funds in allocation of bursaries in the FY 2013/2014.	NG-CDF - Lagdera Constituency	4,549,500
35.	EACC/NYR/FI/ INQ/06/2020	Inquiry into allegation of conflict of interest in a tender for the proposed water works for Mwea Makima Water Project awarded to Eva Trading Agencies Ltd.	County Government of Kirinyaga	4,000,000
36.	EACC/BGM/EL/ INQ/02/2021	Inquiry into allegation of embezzlement of public funds through payment of fictitious imprest to officials in the FY 2019/2020.	County Government of Bungoma	3,500,000
37.	EACC/PI/ INQ/29/2020	Inquiry into allegation of embezzlement of public funds in payments to Supply Zone Enterprises despite not having any contractual obligations in the FY 2019/2020.	National Youth Service	1,862,867
38.	EACC/EL/ INQ/34/2019	Inquiry into allegation of misappropriation of bursary funds by staff and committee members.	NG-CDF Sotik Constituency	742,000
39.	EACC/BGM/EL/ INQ/1/2018	Inquiry into allegation of fraudulent payments to Joventure Hotel for services not rendered in the FY 2017/2018.	County Assembly of Bungoma	510,000



	Inquiry Number	Nature of Allegation	Institution / Individual	Amount (KES.)
40.	EACC/OPS/INQ/198/2019	Inquiry into allegation of bribe demand to facilitate payment of a pending bill for legal services at the County Assembly.	Speaker County Assembly of Nyamira	500,000
41.	EACC/ELD/EL/INQ/22/2017	Inquiry into allegation of misappropriation of public funds through irregular payment of allowances to officials of the Assembly.	County Assembly of Nandi	N/A
42.	EACC/ISL/EL/INQ/4/2015	Inquiry into allegation of abuse of office in employment of the chief for Isiolo Central location.	Ministry of Interior & Coordination of National Government	N/A
43.	EACC/ISL/EL/INQ/21/2019	Inquiry into allegation of irregular recruitment of members to County Public Service Board.	County Government of Marsabit	N/A
44.	EACC/KIS/EL/INQ/16/2017	Inquiry into allegation of irregular recruitment of staff.	Gusii Institute of Technology	N/A
45.	EACC/ISL/EL/INQ/05/2021	Inquiry into allegation of irregular recruitment of Chief Officers in the FY 2021/2022.	County Government of Marsabit	N/A
46.	EACC/ELD/EL/INQ/06/2019	Inquiry into allegation of forgery and uttering false documents in securing employment as a CECM Infrastructure, Transport & Public Works.	County Government of Turkana	N/A

#### 4. Proactive Investigations

The Commission undertakes proactive measures to forestall possible loss of public resources. The status of proactive investigations conducted during the reporting period are detailed in this section.

##### 4.1. Disruption of Corruption

During the reporting period, the Commission carried out 25 proactive investigations, which resulted in averting possible loss of public funds of approximately KES. 4 billion as highlighted in Table 2.4.

**Table 2.4: Highlights of Cases where Loss was Averted through Disruption**

	Description	Institution	Action Taken	Value of Loss Averted (KES.)
1.	Inquiry into allegation of procurement irregularities in Tender No. TNT/049/2019-2020 for Onsite Support for IFMIS Application.	The National Treasury	Procurement process suspended	647,640,000
2.	Inquiry into allegation of procurement irregularities in Tender No. AK/OT/UMCAC/10/2020/2021/02 for the construction of Ultra-Modern County Assembly Chambers.	County Assembly of Kisumu	Payments stopped	418,356,348



ETHICS AND ANTI-CORRUPTION COMMISSION

# REPORT OF ACTIVITIES AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2022/2023



**ETHICS AND ANTI-CORRUPTION COMMISSION**

**REPORT OF ACTIVITIES  
AND FINANCIAL STATEMENTS FOR THE  
FINANCIAL YEAR 2022/2023**



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### 2.3.1 Cases Under Investigation

During the reporting period, 512 cases were under investigation for corruption, economic crimes, bribery and unethical conduct. Some of the cases investigated are highlighted in Table 2.2.

**Table 2.2: Highlights of Cases under Investigations**

	<b>Inquiry Number</b>	<b>Allegation</b>	<b>Institution</b>	<b>Amount (KES)</b>
1	EACC/FI/INQ/20/2023	Inquiry into allegations of irregular award of tenders for Ruiru II Water Project, Karimenu Water Project and Kitui Matuu Water Project.	Athi Water Works Development Agency	26,720,000,000
2	EACC/FI/INQ/31/2022	Inquiry into allegations of irregular award of contracts for the implementation of the Lake Turkana Wind Power Project and subsequent payment to M/S. Lake Turkana Wind Power Ltd between the years 2005 and 2019.	Kenya Electricity Transmission Company (KETRACO)	18,499,082,672
3	EACC/FI/INQ/5/2023	Inquiry into allegations of procurement irregularities in the tender for procurement of 37 CT Scanners awarded to M/S Megascop Healthcare (K) Ltd in the FY 2017/2018.	Ministry of Health	10,200,000,000
4	EACC/MLD/FI/INQ/4/2021	Inquiry into allegations of irregular payments in the acquisition of Kenya Utalii College, Coast Branch.	Tourism Fund	8,500,000,000
5	EACC/FI/INQ/23/2023	Inquiry into allegations of irregular disposal of Land L.R No. 209/6829, measuring 139 acres in Makongeni, Nairobi by the CEO, KRSRBS in FYs 2021/2022 and 2022/2023.	(KRSRBS)	8,000,000,000
6	EACC/FI/INQ/6/2023	Inquiry into allegations of irregular acquisition of Telkom Kenya shares from Helios Investors LLP by the Government of Kenya (GoK) in FY 2022/2023.	Telkom Kenya	6,000,000,000
7	EACC/FI/INQ/13/2023	Inquiry into allegations of procurement irregularities in Tender No. KEWI/RFP/004/2019 for consultancy services awarded to M/S Arprim Consultants Limited in the FY 2019/2020.	Kenya Water Institute (KeWI)	5,300,000,000



	Inquiry Number	Allegation	Institution	Amount (KES)
8	EACC/FI/ INQ/2/2023	Inquiry into allegations of irregular award of Tender No. KWS/USAID/RFP/ICT/48/2020-2021 for Design, Supply, Testing and Commissioning of new Revenue Collection System to PesaPass Company Ltd in FYs 2020/2021 and 2021/2022.	Kenya Wildlife Services (KWS)	5,000,000,000
9	EACC/MSA/AT/ INQ/26/2023	Inquiry into allegations of irregular extension of lease for L.R. Nos. 4637 and 28683 known as Voi Sisal without the approval of the defunct County Council of Taita Taveta.	County Government of Taita Taveta	4,100,000,000
10	EACC/FI/ INQ/19/2023	Inquiry into allegations of irregular award of Tender No. GF ATM MAL NFM 2022/2023 OIT-02 for the supply of Long Lasting Insecticidal Nets (LLINS) in FY 2022/2023.	Kenya Medical Supplies Agency	3,700,000,000
11	EACC/FI/ INQ/30/2023	Inquiry into allegations of fraudulent acquisition of NHIF funds by; Afya Bora Hospital Annex, Joy Nursing and Maternity, St. Peters Orthopedics and Surgical Speciality, Jekim Hospital Nkubu and Jekim Medical Center during the period 2019 to 2023.	National Health Insurance Fund (NHIF)	3,200,000,000
12	EACC/PI/ INQ/7/2023	Inquiry into allegations of irregular award of a contract for provision of Drilling Services to M/S Lantech (Africa) Limited in FY 2013/2014.	Geothermal Development Company (GDC)	3,000,000,000
13	EACC/MSA/PI/ INQ/05/2020	Inquiry into allegations of irregular alienation Kaya Tiwi forest land.	County Government of Kwale	2,000,000,000
14	EACC/BGM/ INQ/PI/03/2022	Inquiry into allegations of procurement irregularities in award of Tender No LVNWWDA/W-S/MOI-MTD/2022-23 for construction works for water supply and sewerage for Moi's Bridge and Matunda towns.	Lake Victoria North Water Works Development Agency	1,921,422,451
15	EACC/MSA/FI/ INQ/08/2023	Inquiry into allegations of misappropriation of public funds on the compensation of fisher men affected by the LAPSET project.	Kenya Ports Authority	1,700,000,000



	Inquiry Number	Allegation	Institution	Amount (KES)
16	EACC/NKR/FI/01/2023	Inquiry into allegations of fraudulent acquisition of public property LR. No. 528 measuring 459.7 Ha by a private individual.	Egerton University	1,600,000,000
17	EACC/PI/INQ/4/2023	Inquiry into allegations of procurement irregularities in the award of a tender to Hexing Electrical Co. Limited for the supply of single phase and three phase meters in FY 2022/2023.	Kenya Power and Lighting Company (KPLC)	1,500,000,000
18	EACC/FI/INQ/33/2023	Inquiry into allegations of irregular compensation of Persons Affected by Project during the resettlement and compensation of 1,759 squatters in FY 2022/2023.	Kenya Ports Authority (KPA)	1,400,000,000
19	EACC/MCK/S/FI/INQ/8/2020	Inquiry into allegations of irregular contract variation in Tender No. EPZA/08/2018-2019 for construction of industrial sheds infrastructure-civil works.	Export Processing Zone (EPZ)	1,200,000,000
20	EACC/ELD/AT/INQ/12/2023	Inquiry into allegations of fraudulent acquisition of public land measuring 10.40 acres with six un-surveyed parcels numbers 25 to 30 and sub divided into 18 parcels.	County Government of Uasin Gishu	1,000,000,000
21	EACC/GSA/FI/INQ/01/2022	Inquiry into allegations of embezzlement of public funds and procurement irregularities in FY 2019/2020.	County Government of Mandera	871,800,000
22	EACC/FI/INQ/34/2022	Inquiry into allegations of conflict of interest, abuse of office and procurement irregularities by a Senior Accountant at Kenya Rural Roads Authority (KeRRA) and Member of Parliament for Ikolomani Constituency in award of various tenders in public institutions between FYs 2018/19 and 2022/23.	(KeRRA), (KWS), (KURA), (KENHA) and County Governments of Siaya and Homabay	817,335,960



	<b>Inquiry Number</b>	<b>Allegation</b>	<b>Institution</b>	<b>Amount (KES)</b>
23	EACC/FI/ INQ/45/2022	Inquiry into allegations of abuse of office and unexplained wealth by Meshak Rono, Joshua Lelei, Joel Ruto and Joseph Maritim, officials of County Government of Uasin Gishu and signatories of Uasin Gishu Overseas Education Trust bank account for scholarships in Finland between the year 2019 and 2022.	County Government of Uasin Gishu/ Uasin Gishu Overseas Education Trust	800,000,000
24	EACC/MSA/AT/ INQ/27/2023	Inquiry into allegations of irregular alienation of public land reserved for Kenya Coast National Polytechnic formerly Mombasa Technical Training Institute in Shanzu - LR. No. MN/I/2932.	Kenya Coast National Polytechnic	700,000,000
25	EACC/BGM/FI/ INQ/7/2019	Inquiry into allegations of procurement irregularities during the award of tender for Malaba Water and Sanitation Project - Water Supply Works LOT 1 contract to Mactebac Contractor Limited in FY 2018/2019.	Rift Valley Water Services Board (RVWSB)	686,000,000
26	EACC/GSA/FI/ INQ/03/2023	Inquiry into allegations of procurement irregularities, fraud, tax evasion, conflict of interest and abuse of office by MCA Dandu Ward and a county employee between September 2014 and December 2022.	County Government of Mandera	514,750,002
27	EACC/KSM/FI/ INQ/05/2022	Inquiry into allegations of procurement irregularities and embezzlement of public funds in Tender No. CGS/SCM/EDU/OT/21-22/23 for Roof Works Sub-Contract and Main works for the proposed stadium between FY 2018/2019 and FY 2021/2022.	County Government of Siaya	400,000,000
28	EACC/MCKS/PI/ INQ/13/2022	Inquiry into allegations of abuse of office by county officials in harvesting and transporting sand.	County Government of Kitui	400,000,000



	Inquiry Number	Allegation	Institution	Amount (KES)
29	EACC/ISL/FI/ INQ/7/2016	Inquiry into allegations of procurement irregularities in the tender for the proposed construction of the county assembly in the FY 2013/2014.	County Assembly of Tharaka Nithi	369,642,688
30	EACC/KSI/FI/ INQ/8/2018	Inquiry into allegations of irregular procurement in the award of tender for construction of county assembly office block in FY 2017/2018.	County Assembly of Nyamira	367,000,000
31	EACC/NYR/FI/ INQ/08/2022	Inquiry into allegations of embezzlement of funds in the construction of Murang'a County Milk Processing Plant in FY 2013/14.	County Government of Muranga	300,000,000
32	EACC/ELD/FI/ INQ/7/2023	Inquiry into allegations of misappropriation of funds meant for car loans and mortgage scheme between the year 2017 and 2021.	County Assembly of Turkana	280,000,000
33	EACC/PI/ INQ/6/2023	Inquiry into allegations procurement irregularities in a tender for development of ASK Show Grounds in the FY 2012/2013 by Alice Kalya, former Chairperson ASK and Ken Kiplagat of Okoth & Kiplagat Advocates.	Agricultural Society of Kenya (ASK)	250,000,000
34	EACC/PI/ INQ/16/2023	Inquiry into allegations of corruption and money laundering of public funds against Lwanzi Ventures Limited, Zac Jabali, James Stainpatricks, Triwam Investments and Tapururu Limited in FYs 2020/2021 and 2021/2022.	County Government of Kiambu	227,959,430
35	EACC/FI/ INQ/29/2022	Inquiry into allegations conflict of interest against James Mumali Oyukah, an employee of the County Government through various tenders awarded to his company Hartland Enterprises Limited between September 2014 and February 2022.	County Government of Homa Bay	205,618,338
36	EACC/GSA/FI/ INQ/12/2023	Inquiry into allegations of conflict of interest and embezzlement of public funds by Governor Ahmed Abdullahi and his associates in the supply of food rations to communities in the FY 2022/2023.	County Government of Wajir	150,000,000



	<b>Inquiry Number</b>	<b>Allegation</b>	<b>Institution</b>	<b>Amount (KES)</b>
37	EACC/KSM/FI/ INQ/41/16	Inquiry into allegations of procurement irregularities for the award of tender for county spatial planning in FY 2015/16.	County Government of Kisumu	150,000,000
38	EACC/NKR/FI/ INQ/02/2022	Inquiry into allegations of embezzlement of public funds by KERRA officials through companies associated with the staff members between January and August 2021.	KERRA	118,677,661
39	EACC/MCKS/ AT/INQ/1/2022	Inquiry into allegations of irregular allocation of public lands Machakos Municipality Block 1/32 measuring about 4.08 Acres to private developers.	County Government of Machakos	110,000,000
40	EACC/BGM/FI/ INQ/22(A-)/2020	Inquiry into allegations of embezzlement of public funds through imprest paid to the Office of the First Lady Priscilla Ambetsa Oparanya, during international and local travels.	County Government of Kakamega	100,000,000
41	EACC/ELD/EL/ INQ/18/2020	Inquiry into allegations of abuse of office by the Vice Chancellor through payment of legal fees to M/S Gumbo & Associates from September 2015 to April 2020.	University of Eldoret	86,397,002
42	EACC/PI/ INQ/12/2022	Inquiry into allegations of irregular award of Tender No. BOK/RA/01/2021 for rehabilitation of the auditorium at the Bomas of Kenya to Eleventh Construction Limited during the FY 2020/2021.	Bomas of Kenya Limited	86,000,000
43	EACC/ISL/FI/ INQ/12/2020	Inquiry into allegations of procurement irregularities and conflict of interest in tender for management of contract for Akaiga Irrigation Project awarded to M/S Tamata Supplies Limited in the FY 2015/2016.	National Irrigation Board and NG-CDF Tigania East Constituency	78,000,000
44	EACC/MLD/FI/ INQ/13/2023	Inquiry into allegations of irregular procurement of staff medical insurance cover against the Deputy Vice Chancellor Prof Hellen Monda between FYs 2019/2020 and 2022/2023.	Pwani University	58,000,000



	Inquiry Number	Allegation	Institution	Amount (KES)
45	EACC/ISL/AT/INQ/9/2022	Inquiry into allegations of embezzlement of public funds by county officials through irregular payments to Stephen Muthomi M'Anampiu's personal account between 2018 and 2022.	County Government of Isiolo	55,090,860
46	EACC/GSA/FI/AT/10/2022	Inquiry into allegations of irregular award of tender for construction of a water pan at Shimbrey Location vide Tender No. WCG/T/393/2017-2018 to M/S Fatco Construction & Transporters Limited.	County Government of Wajir	31,907,427
47	EACC/FI/INQ/39/2022	Inquiry into allegations of abuse of office against Michael Auka Ajwang, a county employee for receiving benefits from various suppliers contracted by the county between the period 2016 to 2022.	Nairobi City County	40,847,000
48	EACC//ISL/PI/INQ/6/2020	Inquiry into allegations of embezzlement of public funds meant for the acquisition of intensive care and high dependency equipment at Isiolo County Referral Hospital in the FY 2019/2020 and 2020/2021.	County Government of Isiolo	40,000,000
49	EACC/PI/INQ/8/2023	Inquiry into allegations of irregular award of tender for acquisition of two go-downs to Purple Dot Limited during FY 2020/2021.	Anti – Counterfeit Agency	74,000,000
50	EACC/GSA/AT/INQ/03/2021	Inquiry into allegations on unexplained wealth against the Chief Officer Finance County Government of Garissa. It is alleged that the said officer bought a residential property in Pangani, Nairobi on 14th June 2021.	County Government of Garissa	35,000,000
51	EACC/BGM/PI/INQ/02/2022	Inquiry into allegations that The First Lady Busia County, Judith Ojaamong irregularly received imprest from the Busia County Government through her personal assistant Betty Achieng Owino.	County Government of Busia	22,000,000
52	EACC/BGM/EL/INQ/7/2020	Inquiry into allegations of misappropriation of public funds by Bungoma County Woman Member of Parliament to pay for personal life insurance premiums at Britam Insurance Company.	Nationa Government Affirmative Action Fund (NGAAF)	20,000,000





	Inquiry Number	Allegation	Institution	Amount (KES)
53	EACC/MCKS/FI/INQ/17/2022	Inquiry into allegations of irregular alienation of public land L.R. No. KAJIADO/PURKO/311 measuring 5.2 ha in Kumpar, Kajiado County by the Lutheran Church.	County Government of Kajiado	20,000,000
54	EACC/NYR/EL/INQ/05/2022	Inquiry into allegations of double employment against Monica Njeri an employee of Dedan Kimathi University of Technology and County Assembly Service Board of Nyeri.	County Assembly of Nyeri	11,000,000
55	EACC/KSI/FI/INQ/1/2022	Inquiry into allegations of excess payment of salary to Nyamira County Governor Amos Kimwomi Nyaribo in 2021.	County Government of Nyamira	5,647,060
56	EACC/OPS/INQ/126/2022	Inquiry into allegations of bribery against staff of National Industrial Training Authority (NITA) and National Employment Authority (NEA) for issuance of training transcripts and approvals of contracts to home care givers.	NITA/NEA	5,000,000
57	EACC/ISL/EL/INQ/4/2021	Inquiry into allegations of abuse of office against members of County Assembly Service Board of Meru in the promotion of Directors and Assistant Directors at the County Assembly without a clear scheme of service in FY 2021/2022.	County Assembly Service Board of Meru	N/A
58	EACC/KSI/EL/INQ/ 23 /2023	Inquiry into allegations of forgery of academic certificates against George Ochola the Chief Officer for Fisheries.	County Government of Migori	N/A
59	EACC/MLD/EL/INQ/6/2022	Inquiry into allegations of irregular promotions and nepotism against Prof Mondoh Hellen, the Vice Chancellor.	Pwani University	N/A
60	EACC/EL/INQ/18/2023	Inquiry into allegations of forgery of identification documents against Mr. Juma Kiprono Kandie, Director of Human Resource and Administration.	Communications Authority	N/A

### 2.3.2 Investigatory Applications

The Commission filed applications and obtained 1,185 warrants for inspecting or searching bank and mobile phone money transfer accounts, premises, vessels and vehicles in respect of persons or associates suspected of engaging in corruption, economic crimes or related offences.



### 2.3.3 Completed Investigations on Corruption, Economic Crimes and Ethical Breaches

The Commission completed 97 investigation files on corruption and economic crimes, which were forwarded to the Director of Public Prosecutions (DPP) for review and direction. Further, 61 investigations on violations of Chapter Six of the Constitution and Leadership and Integrity Act, 2012 were completed. Some of the completed investigations are highlighted in Table 2.3.

**Table 2.3: Highlights of Completed Investigations**

	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount (KES)</b>
1	EACC/FI/INQ/31/2022	Inquiry into allegations of irregular award of contracts for the implementation of the Lake Turkana Wind Power Project and subsequent payment to M/S. Lake Turkana Wind Power Ltd between the years 2005 and 2019.	Kenya Electricity Transmission Company (KETRACO)	18,499,082,672
2	EACC/ELD/FI/INQ/22/2020	Inquiry into allegations of procurement irregularities and inflation of price in the acquisition of land and premises by Turkana University from Mt. Kenya University during FY 2015/2016 and 2016/2017.	Masinde Muliro University of Science and Technology (MMUST)	1,150,000,000
3	EACC/FI/INQ/3/2021	Inquiry into allegations of procurement irregularities and tax evasion against directors of KIRI Consult Ltd and Itech Engineering Ltd in tender issued for consultancy for road construction by Kenya Roads Board (KRB) awarded between 2016 and 2020.	Kenya Roads Board (KRB)	565,462,198
4	EACC/FI/INQ/41/2021	Inquiry into allegations of embezzlement of funds in a scheme involving payments to ghost workers between August 2015 to February 2022.	National Museums of Kenya (NMK)	491,405,413
5	EACC/MSA/FI/INQ/16/2017	Inquiry into allegations of procurement irregularities in the Tender No. CGK/064/2014/2015 for construction of Kwale County Headquarters in the FY 2014/2015.	County Government of Kwale	462,197,055



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount (KES)</b>
6	EACC/KSI/FI/ INQ/8/2018	Inquiry into allegations of procurement irregularities in a tender for construction of County Assembly office block awarded to Jetta Construction Company Ltd in the FY 2017/2018.	County Assembly of Nyamira	379,000,000
7	EACC/PI/ INQ/11/2021	Inquiry into allegations of procurement irregularities in Tender No. GDC/ICT/RT/010/2014-2015 for design, supply and commissioning of an information management system to Tekno International Limited during FY 2014/2015.	Geothermal Development Company	344,523,712
8	EACC/GSA/FI/ INQ/27/2018	Inquiry into allegations of irregular payment to a contractor for incomplete construction works of the County Headquarters in the F/Y 2013/2014.	County Government of Mandera	107,481,060
9	EACC/MCKS/FI/ INQ/04/2016	Inquiry into allegations of irregular award of Tender No. GMC/68/2015-2016 for desilting of Maruba Dam to Waki Clearing and Forwarding Agents Limited.	County Government of Machakos	89,001,000
10	EACC/MCKS/ INQ/FI/2/2019	Inquiry into allegations of irregular payment to Lokaki Investment Limited in a Tender No. CGOKTI/127/2017-2018 for supply and delivery and commissioning of a CT scan and its accessories.	County Government of Kitui	80,000,000
11	EACC/MCKS/FI/ INQ/26/2019	Inquiry into allegations of procurement irregularities in the supply of 10 digital and mobile X-Ray machines.	County Government of Kitui	56,000,000
12	EACC/MSA/FI/ INQ/04/2021-A	Inquiry into allegations of conflict of interest Vincent Chirimo Mbitto, a county staff for trading with the County through Chilogola Holdings and Rome Investments Company Limited that he owns between FY 2017/18 and 2020/21.	County Government of Kwale	22,850,891



	Inquiry Number	Nature of Allegation	Institution	Amount (KES)
13	EACC/MCKS/FI/ INQ/10/2018	Inquiry into allegations of embezzlement of public funds through irregular imprest payment to county officials in the FY 2018/2019.	County Government of Machakos	14,800,000
14	EACC/MSA/FI/ INQ/04/2020	Inquiry into allegations of embezzlement of public funds through irregular imprest payment for fictitious events to Mr. Geoffrey Kimonge Mbogho, a county government employee between the years 2016 and 2017.	County Government of Taita Taveta	12,458,990
15	EACC/EL/ INQ/026/2022	Inquiry into allegations of forgery of a degree certificate by Mrs. Farhiya Muse Abdullahi to gain employment as a Deputy Director.	County Government of Garissa	7,151,703
16	EACC/NYR/FI/ INQ/18/2021	Inquiry into allegations of conflict of interest and irregular procurement against the Deputy Governor in the award of Tender No CGK/TR&PW/OT/007/2017-2018 for spot improvement of Gatuto-Karii Market Road awarded to Kanja General Merchants Limited.	County Government of Kirinyaga	7,084,294
17	EACC/MLD/FI/ INQ/03/2018	Inquiry into allegations of irregular procurement in Tender No TRCG/030/2016-2017 for fencing the KWS compound and staff quarters in Tana River County to Al-Karim General Construction Company Limited.	Kenya Wildlife Service (KWS)	5,976,181
18	EACC/OPS/ INQ/111/2020	Inquiry into allegations of bribery and impersonation against John Obura Dimo, an auctioneer contracted by KRA for presenting himself as a KRA staff to the Managing Director Jenga Mabati Mills Ltd.	Keysian Auctioneers	2,000,000
19	EACC/BGM/PI/ INQ/1/2019	Inquiry into allegations of irregular procurement in Tender No TPS/TN/1/2018 for the construction of a dormitory in Toroso Primary School by CDF officials during FY 2017/18.	CDF - Mt. Elgon Constituency	3,500,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount (KES)</b>
20	EACC/ MSA/OPS/ INQ/11/2021	Inquiry into allegations of bribery against Philip Muigai Nduati, Boniface Aggrey Ouma and Isaac Wanaloba Kenyari for offering of a financial advantage to a DCI officer investigating allegations of tax evasion at the Port of Mombasa.	Various Merchants	1,700,000
21	EACC/OPS/ INQ/67/2021	Inquiry into allegations of soliciting for a bribe against a legal officer who was facilitating payment of legal fees in the FY 2021/2022.	Kenya Medical Supplies Authority (KEMSA)	1,500,000
22	EACC/ NYR/OPS/ INQ/12/2019	Inquiry into allegations of bribery against Stephen Wameyo Okello, George Gaguchia Kimani and Duncan Oringo Bwire, KRA Officers who requested for a bribe from proprietors of Mwea Medical Centre as an inducement to reduce a tax debt.	Kenya Revenue Authority (KRA)	1,000,000
23	EACC/EL/ INQ/23/2021	Inquiry into allegations of forgery of a diploma certificate against Juma Mwadama Zinje the Assistant Inspector II in Sustainable Agriculture & Rural Development from Baraka Agricultural College to gain employment.	Kenya Plant Health Inspectorate Services	N/A
24	EACC/EL/ INQ/29/2021	Inquiry into allegations of forgery of academic certificate by the Member of Parliament, Kimilili Constituency.	Parliamentary Service Commission	N/A
25	EACC/EL/ INQ/31/2018	Inquiry into allegations of forgery of academic, disability and tax exemption certificates by Mr. David Mogire Nyabuti.	KENGEN	N/A
26	EACC/EL/ INQ/57/2018	Inquiry into allegations of failure to renounce dual citizenship against Sofia Sheikh Adan, Woman Representative Marsabit County upon election as a state officer.	Parliamentary Service Commission	N/A
27	EACC/EL/ISL/ INQ/11/2017	Investigations into allegations of irregular employment of Samburu County Assembly staff by the County Assembly Service Board	County Assembly of Samburu	N/A



	Inquiry Number	Nature of Allegation	Institution	Amount (KES)
28	EACC/MCKS/EL/INQ/03/2018	Inquiry into allegations of irregular recruitment of officers to Manifesto Implementation Unit during FY 2017/2018.	County Public Service Board of Kitui	N/A
29	EACC/MSA/EL/INQ/01/2020	Inquiry into allegations of conflict of interest and procurement irregularities in Tender No. KPA/114/2016-17/ADM for provision of house keeping services.	Kenya Ports Authority	N/A
30	EACC/NKR/EL/INQ/8/2019	Inquiry into allegations of irregular recruitment and forgery of academic certificates to secure employment.	County Public Service Board of Bomet	N/A
31	EACC/EL/INQ/5/2020	Inquiry into allegations of forgery of academic certificates against Fayza Sadick Hilowle, the Deputy Chief Protocol Officer to gain employment.	County Government of Garissa	6,119,402
32	EACC/EL/INQ/15/2020	Inquiry into allegations of forgery of academic certificates against Mohammed Aden Karbat, the Director Social Services to gain employment.	County Government of Garissa	6,640,991

## 2.4 Proactive Investigations

The Commission undertakes proactive measures to forestall possible loss of public resources. The status of proactive investigations conducted during the reporting period are detailed in this section.

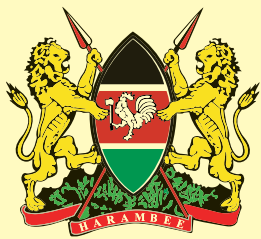
### 2.4.1 Disruption of Corruption

During the reporting period, the Commission carried out 16 proactive investigations which resulted in averting possible loss of public funds of approximately KES 4.74 Billion as indicated in Table 2.4.

**Table 2.4: Highlights of Cases where Loss was Averted through Disruption**

	Description	Institution	Action Taken	Value of Loss Averted (KES)
1	Inquiry into allegations of embezzlement of funds by Senior Officials through payment of salaries to 105 ghost workers between years 2016 to 2022.	National Museums of Kenya	Payments stopped	2,500,000,000
2	Inquiry into allegations of irregular compensation to fishermen whose economic livelihood was affected by the establishment of Lamu Port.	Kenya Ports Authority	Payments stopped	1,760,424,000





REPUBLIC OF KENYA

# THE NATIONAL TREASURY

## PRESS RELEASE

### THE US\$ 2 BILLION SOVEREIGN BOND (JUNE 2014) AND THE TAP SALE OF US\$750 MILLION (DECEMBER 2014)

The Government of Kenya issued a Sovereign Bond in June, 2014 for purposes of general budget support including funding of infrastructure and for the repayment of the Syndicated Loan amounting to US\$ 600 million plus accrued interest of US\$ 4.6 million. The contract documents for the Syndicated Loan required that the loan be repaid within seven days of receipt of the proceeds from the Sovereign Bond. This was also explicitly stated in the Sovereign Bond prospectus.

As is the normal Government practice, the National Treasury instructed the Central Bank of Kenya to open an offshore collection account to receive the proceeds of the Sovereign Bond before transferring the net proceeds to the Consolidated Fund in line with the provisions of Sections 50 (7) (d) and 28 of the Public Finance Management Act, 2012 as well as Section 45 (d) of the Central Bank of Kenya Act.

In view of the above, the National Treasury further instructed the Central Bank of Kenya to pay the US\$ 600 million for the principal amount and US\$ 4.6 million for the accrued interest of the Syndicated Loan.

However, concerns have been raised in the media that the National Treasury did not fully account for the proceeds received from the Sovereign Bond issued in June, 2014 and the Tap Sales issued in December, 2014. In addition, the media have also raised concerns on whether there was an impact of the Sovereign Bond on certain macro-economic indicators such as Interest Rate, Exchange Rate, Foreign Exchange Reserves and Inflation Rate.

It is against this background that the National Treasury has deemed it necessary to set the record straight to the general public by issuing this press release as follows:

**Movement of the Proceeds of the Sovereign Bond (US\$ 2,000,000,000.00) as well as the Tap Sales (US\$ 750,000,000.00) amounting to US\$ 2,750,000,000.00**

MOVEMENT IN SOVEREIGN BOND ACCOUNTS:				
		US\$	Ex-Rate	KShs
1	Proceeds from Sovereign Bond	2,000,000,000.00	87.00	174,000,000,000.00
	Less Commissions deducted at source	(947,127.03)	87.00	(82,400,051.61)
2	Net proceeds received in offshore A/C	1,999,052,872.97		173,917,599,948.39
	Less Transfer to Exchequer A/C on 30.06.2014 for infrastructure projects in FY2013/2014	(395,439,262.50)	87.62	(34,648,388,180.25)
	Add Exchange gain on translation of closing balance			1,239,412,781.24
3	Balance in Off-shore account as at 30th June 2014	1,603,613,610.47	87.62	140,508,624,549.38
	Less Payment of syndicated loan on 02.07.2014	(604,560,737.50)	88.00	(53,201,344,900.00)
	Less Bank charges and Interest:			
	(i) Account settlement charges	(156,394.64)	88.00	(13,762,728.32)
	(ii) Interest receipt	169,415.65	88.00	14,908,577.20
	(iii) Federal Interest withheld	(47,436.38)	88.00	(4,174,401.62)
	Add Exchange gain on translation of closing balance before transfer			1,158,833,323.80
4	Balance transferred to Sovereign Bond Account at CBK on 08/09/2014	999,018,457.60	88.55	88,463,084,420.45
	Less Payments from the S/Bond account at CBK A/C No. 1000212764:			
	(i) Amount transferred to Exchequer A/C on 15.09.2014			(25,000,000,000.00)
	(ii) Amount transferred to Exchequer A/C on 19.09.2014			(25,000,000,000.00)
	(iii) Amount transferred to Exchequer A/C on 30.10.2014			(15,000,000,000.00)
5	Total payments from S/Bond account at CBK:			(65,000,000,000.00)
6	Balance in Sovereign Bond Account at CBK as at 31st October 2014			23,463,084,420.45
	Add Proceeds from the tap sale:			
7	(i) Face Value of the proceeds	750,000,000.00	90.51	67,882,499,999.98
	(ii) Premium on issue of tap sale	65,684,271.00	90.51	5,945,083,368.21
	(iii) Less Commissions and transaction expenses deducted at source	(247,339.00)	90.51	(22,386,652.89)
8	Net proceeds transferred to S/Bond account at CBK 17.12.2014	815,436,932.00	90.51	73,805,196,715.30
9	Balance in Sovereign Bond Account at CBK as at 31st December 2014			97,268,281,135.75
	Less transfers to Exchequer Account:			
	(i) Amount transferred to Exchequer A/C on 21.01.2015			(25,000,000,000.00)
	(ii) Amount transferred to Exchequer A/C on 17.03.2015			(25,000,000,000.00)
10	Balance in Sovereign Bond Account at CBK as at 31st March 2015			47,268,281,135.75
	Less transfers to Exchequer Account:			
	(i) Amount transferred to Exchequer A/C on 02.06.2015			(30,000,000,000.00)
	(ii) Amount transferred to Exchequer A/C on 30.06.2015			(17,268,281,135.75)
12	Balance in Sovereign Bond Account at CBK as at 30th June 2015			1017

Source: National Treasury

The Auditor General, which is a Constitutional Independent Office has confirmed this position in the Audit Report for financial Year 2013/14 and stated clearly that he did not “qualify my audit opinion on the basis of this matter due to the fact that the balance of actual net proceeds from the Sovereign Bond is correctly reflected in the Off-Shore Account and in the Central Bank of Kenya Special Account.”

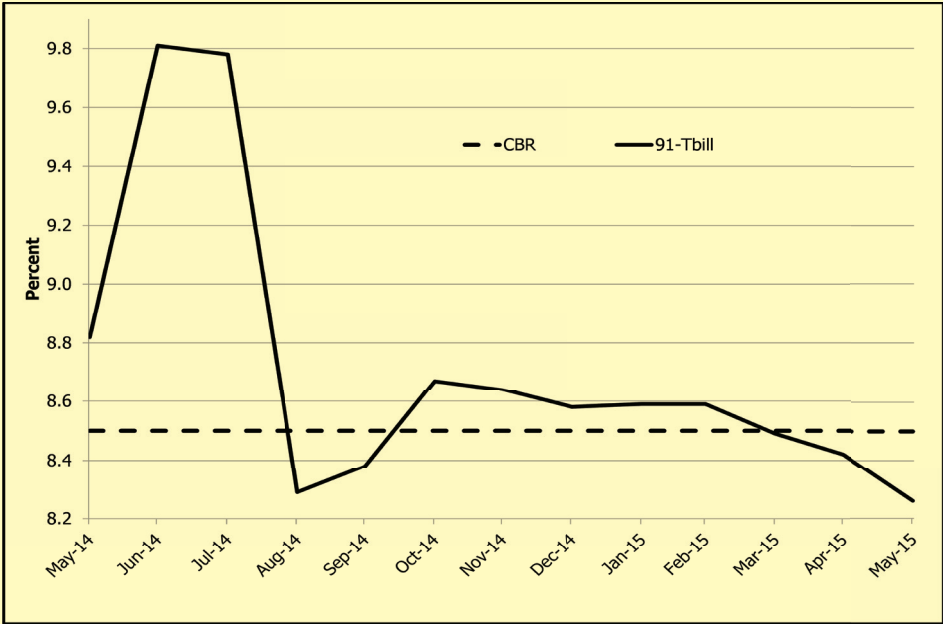
**b. Impact of the Sovereign Bond on Domestic Macro-Economic Indicators such as Interest Rate, Exchange Rate, Foreign Exchange Reserves and Inflation Rate.**

There was a marked impact on specific macro-economic indicators following issuance of the Sovereign bond in 2014, domestic liquidity improved as Government reduced its demand for resources from the domestic debt market. In summary, the impact of specific macro-economic indicators was as shown in the subsequent Charts:

**Central Bank Rate (CBR) and 91-Day Treasury Bill Rate (percent)**

There was a strong impact on short term interest rates that declined and remained within a stable range in the period June 2014 to May 2015. The 91-day Treasury bill rate that largely reflects the Government’s borrowing declined from an average of 9.8 percent in June 2014 to 8.3 percent in June 2015.

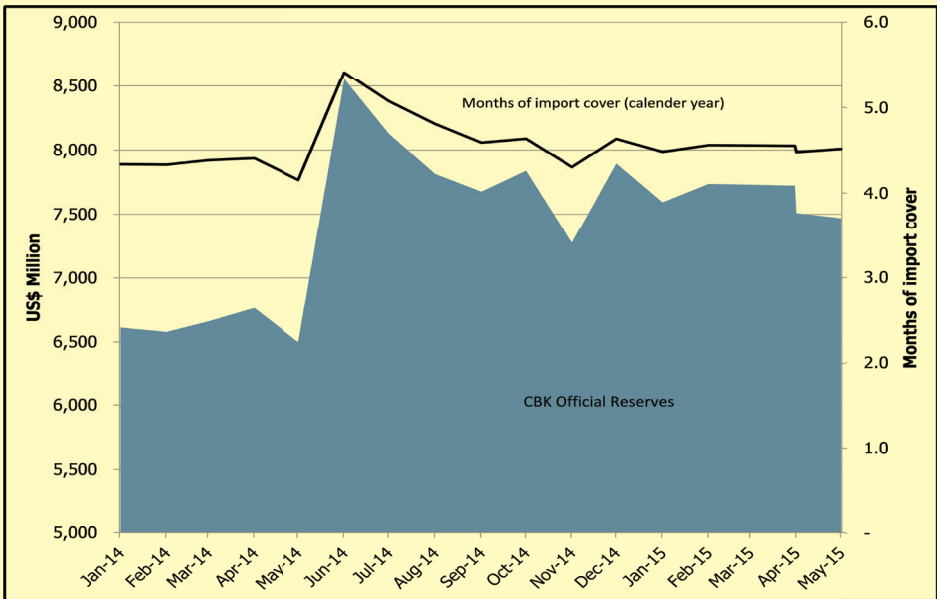
**Chart 1: CBR and 91-Day Treasury Bill Rate (percent)**



**Foreign Exchange Reserves**

There was a significant increase in the foreign exchange reserves of the Central Bank of Kenya from US\$ 6,498 million (4.3 months of import cover) to US\$ 8,555 million (5.7 months of import cover) in June 2014.

**Chart 2: Foreign Exchange Reserves, US\$ Million**



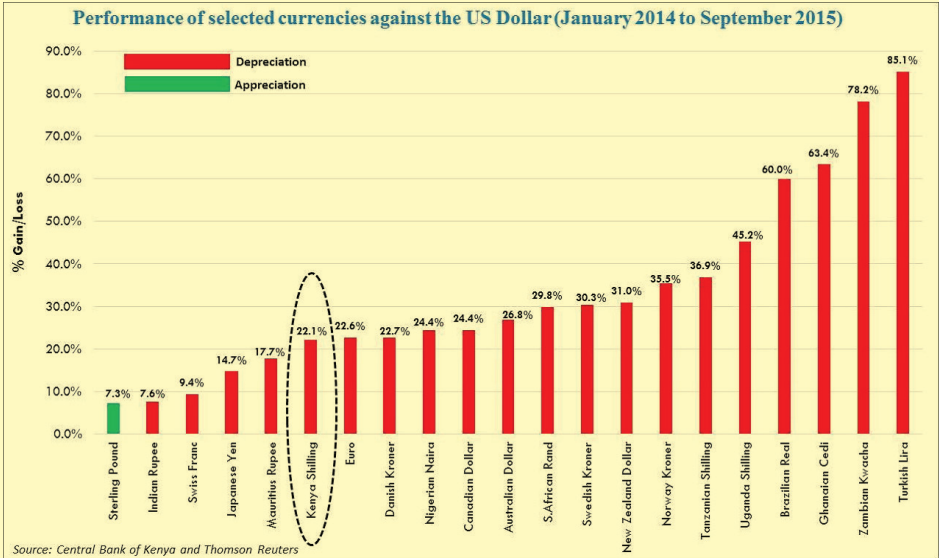
Source: CBK

**Performance of Selected Currencies against the US Dollar**

The Kenya Shilling exchange rate depreciated less than many other currencies. In the period January 2014 to September 2015, the Kenya shilling depreciated by only 22.1 percent compared with 36.9 percent for

Tanzania Shilling, 45.2 percent for the Uganda Shilling, 29.8 percent for the South African Rand and 85.1 percent for the Turkish Lira.

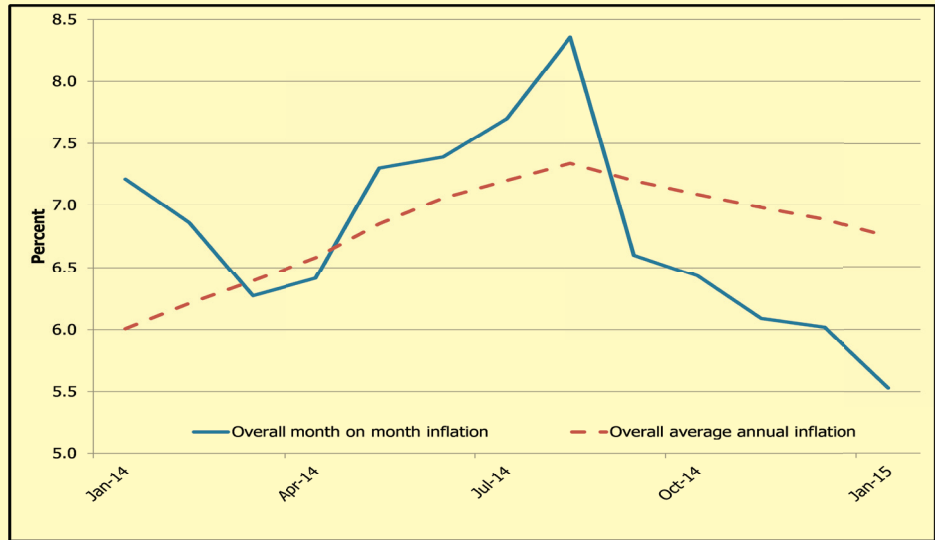
**Chart 3: Performance of Selected Currencies against the US Dollar**



**Inflation Rate, (Percent)**

Inflation in the period June 2014 to date has remained low, stable and within target. Overall month on month inflation declined from 8.36 percent in August 2014 to 5.5 percent in January 2015.

**Chart 4: Inflation Rate, (Percent)**



Source: Kenya National Bureau of Statistics and CBK

**C. Conclusion.**

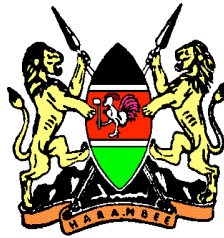
As clearly demonstrated from the above table, the proceeds of the Sovereign Bond issued in June, 2014 and the Tap Sales issued in December, 2014 were fully accounted for and were transferred to the CBK, from where the authority to withdrawal funds was sought and provided by the Controller of Budget. The Auditor General has confirmed that all funds have been accounted for. In addition, it is clear that the purpose for which the Sovereign Bond and the Tap Sales issued were met, namely, to achieve lower interest rates, a build-up of international reserves, a strengthening of the Kenya Shilling and lower inflation. Therefore, the recent weakening of the Kenya Shilling followed by higher interest rates has nothing to do with the Sovereign Bond and has everything to do with external factors such as the strong US Dollar, against virtually all other currencies.

HENRY K. ROTICH  
CABINET SECRETARY/THE NATIONAL TREASURY

Wednesday, October 28, 2015



# REPUBLIC OF KENYA



## THE NATIONAL TREASURY

### PRESS RELEASE

#### **SOVEREIGN BOND (EUROBOND): QUESTIONS AND ANSWERS**

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There has been several concerns raised through the media relating to the issuance of the Sovereign Bond (*popularly known as the Euro Bond*) and the subsequent use of the proceeds of the Eurobond. In this regard, the National Treasury believes in the rule of law and therefore as guided by Article 35 of the Constitution, we would like to clarify the most frequently raised concerns through the media. It is also important to note that the National Treasury issued a press release on the 30<sup>th</sup> and 31<sup>st</sup> October, 2015 as a public disclosure to the general public on the use of the proceeds of the Eurobond. The same information was also shared with the Public Accounts Committee of the National Assembly on 2<sup>nd</sup> November, 2015. In this regards, the National Treasury would like to clarify the most frequently raised issues as follows:-

#### **1. What was the purpose of the Sovereign Bond?**

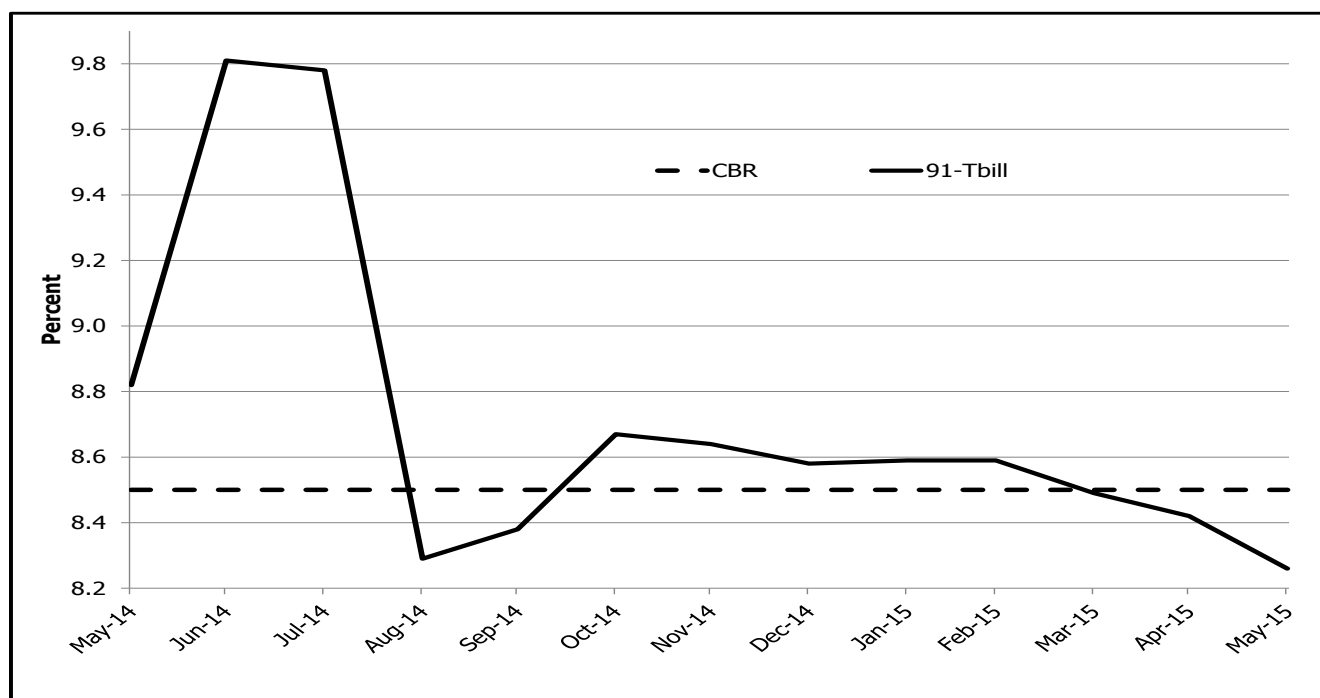
The prospectus for the Sovereign Bond clearly stated that the purpose of the Bond issuance was for general budget support including funding of infrastructure and the repayment of the Syndicated Loan amounting to US\$ 600 million which was incurred in 2011 /12 and was to mature in August, 2014. However, since the contract documents for the Syndicated Loan required that the loan be repaid within ten days of receipt of the proceeds from the Sovereign Bond, the Syndicated loan was actually paid on 2<sup>nd</sup> July, 2014.

The issuance of the bond was intended to achieve macro-economic stability namely: lower interest rates, a build-up of international reserves, stability of the Kenya Shilling and reduction of inflationary pressures. In addition, the bond was also meant to diversify our sources of funding of Government programmes and projects and provide a benchmark for pricing private sector borrowing from the international markets. Other countries in Africa classified as Kenya's peers, that issued sovereign bonds to fund their expenditures included Ghana, Zambia, Gabon, Cameroon and Angola. The macroeconomic objectives were achieved as shown in the charts below:-

**Central Bank Rate (CBR) and 91-Day Treasury Bill Rate (percent)**

There was a strong impact on short term interest rates that declined and remained within a stable range in the period June 2014 to May 2015. The 91-day Treasury bill rate that largely reflects the Government's borrowing declined from an average of 9.8 percent in June 2014 to 8.3 percent in May 2015.

**Chart 1: CBR and 91-Day Treasury Bill Rate (percent)**

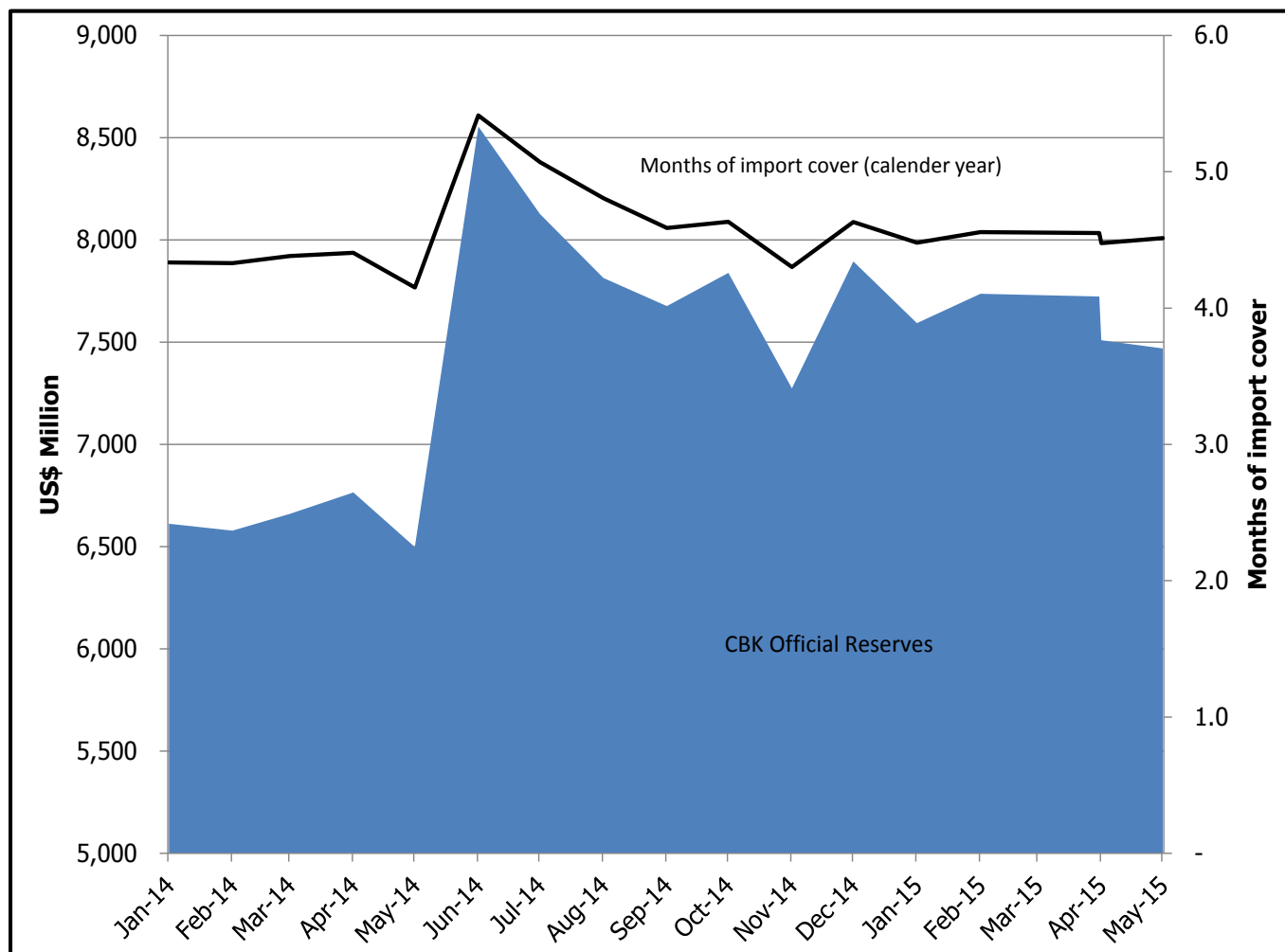


**Source: Central Bank of Kenya (CBK)**

**Foreign Exchange Reserves**

There was a significant increase in the foreign exchange reserves of the Central Bank of Kenya from US\$ 6,498 million (4.3 months of import cover) to US\$ 8,555 million (5.7 months of import cover) in June 2014.

**Chart 2: Foreign Exchange Reserves, US\$ Million**

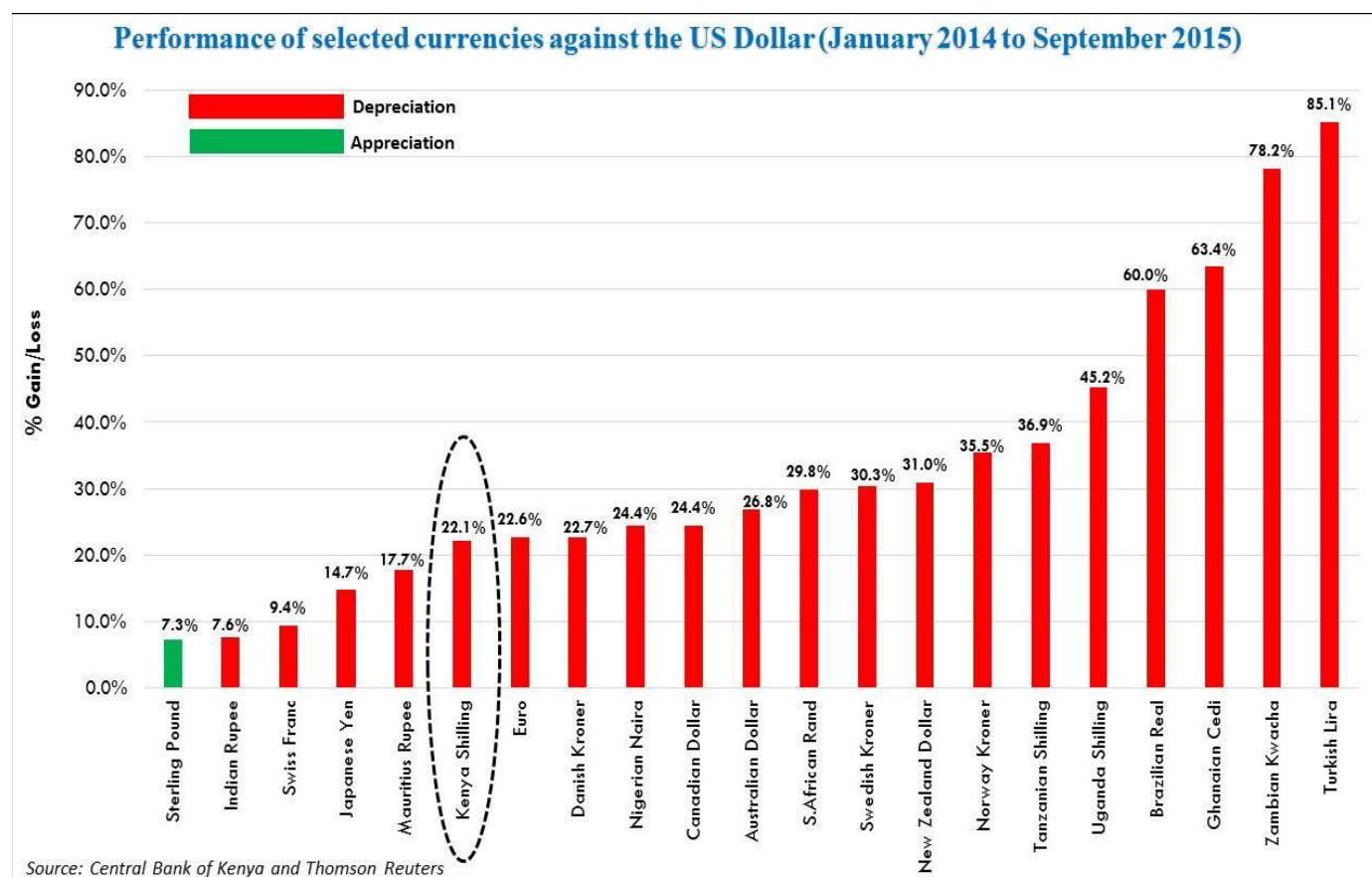


Source: CBK

## Performance of Selected Currencies against the US Dollar

The Kenya Shilling exchange rate depreciated less than many other currencies. In the period January 2014 to September 2015, the Kenya shilling depreciated by only 22.1 percent compared with 36.9 percent for the Tanzania Shilling, 45.2 percent for the Uganda Shilling, 29.8 percent for the South African Rand and 85.1 percent for the Turkish Lira

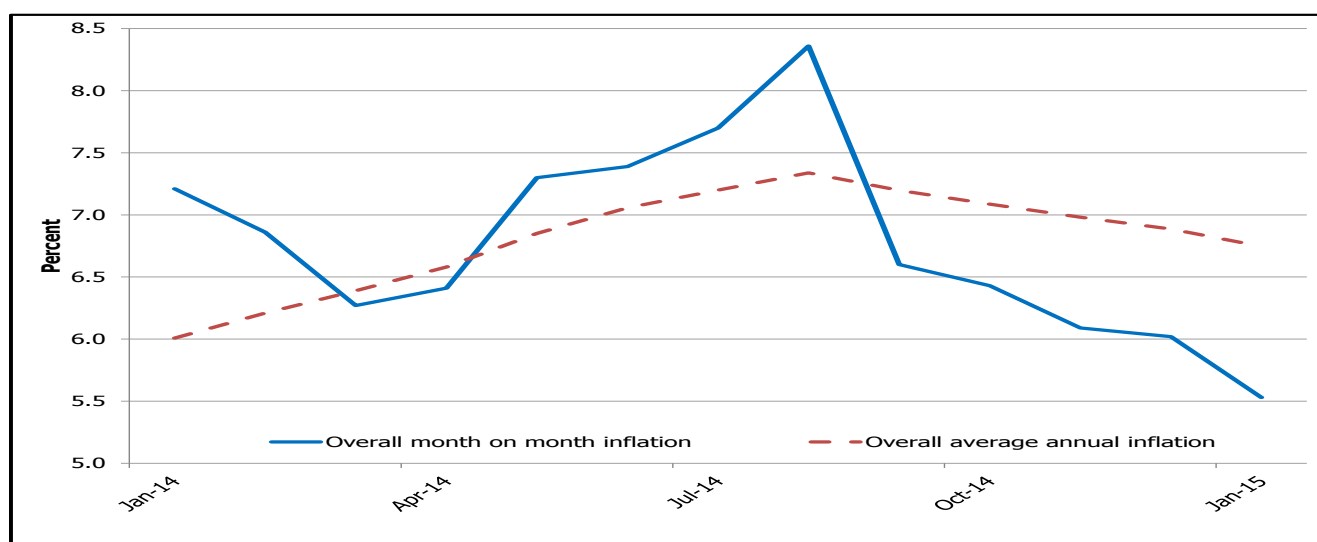
**Chart 3: Performance of Selected Currencies against the US Dollar**



## Inflation Rate, (Percent)

Inflation in the period June 2014 to date has remained low, stable and within target. Overall month on month inflation declined from 8.36 percent in August 2014 to 5.5 percent in January 2015.

**Chart 4: Inflation Rate, (Percent)**



**Source: Kenya National Bureau of Statistics and CBK**

It is important to note that the Sovereign Bond and the Tap Sales were within the budget framework approved by Parliament for the FY 2013/14 and FY 2014/15.

### **2. How much was raised when the Sovereign Bond was issued?**

The Proceeds from the Sovereign Bond issued in June was US\$ 2,000,000,000.00 from which commissions and legal fees were deducted to arrive at US\$ 1,999,052,872.97 which amounts was acknowledged in the Central Bank of Kenya Account held with JP Morgan Chase Bank, New York on 27.06.2014. The Bank Statement from JP Morgan Chase Bank in New York confirms these facts. The Bank Statement and a confirmation in writing have been provided to Public Accounts Committee of the National Assembly and the Senate's Finance Committee.

### **3. Did the Government of Kenya raise any other Sovereign Bond during the Financial Year 2014/15?**

Yes, the Government went back for an additional US\$ 750 million (popularly known as the Tap Sales). This was because the International financial markets responded very positively by reflecting strong investor confidence in how the Kenya economy was being managed. As a result our Sovereign Bond was trading at a premium with interest rates down from 6.9% to 5.9% for the 10 year Bond and 5.9% to 5% for the five year Bond. It is for this reason that we went back for a Tap Sale to take advantage of the lower interest rates. However, the Net Proceeds from the Tap Sales were US \$:815,684,271.00 and therefore the Tap Sales were sold at a premium of US\$ 65,684,271.00. The proceeds

from the Tap Sales were credited into Central Bank of Kenya account held with Citibank, New York on 17.12.2014. The Central Bank of Kenya has confirmed this in writing and provided Bank Statements for the Citibank, New York Bank Account which documents have been shared with the Public Accounts Committee of the National Assembly and the Senate Finance Committee.

**4. *Why did the National Government open bank accounts with JP Morgan Chase Bank in New York and the Citibank in New York for Sovereign Bond and the Tap Sales respectively?***

It is a standard international practice when issuing a Bond in the international financial markets to open foreign designated currency bank accounts to facilitate receipt of proceeds of the Sovereign Bond. In this respect, the National Treasury in line with Section 45 (d) of the Central Bank of Kenya Act and Section 28 of the Public Finance Management Act, 2012 instructed the Central Bank of Kenya as the banker of Government to open a receiving account for the proceeds of the sovereign bond and the Tap.

**5. *What are the interest rates on the Sovereign Bond?***

The interest rate on the five year bond is 5.875 percent and 6.875 percent for ten year tenor. These interest rates compare favourably with Kenyan peers who have issued sovereign bonds. Indeed other countries that have issued sovereign bonds at higher coupon rates than Kenya include Ghana (10.75% p.a.), Zambia (8.97% p.a.), Gabon (6.95% p.a.), Cameroon (9.5% p.a.) and Angola (9.5% p.a.).

**6. *Does the Sovereign Bond make our Debt unsustainable?***

No. Before issuing the sovereign bond, due consideration was made on its impact on debt sustainability. Debt Sustainability Analysis (DSA) conducted jointly by the IMF, World Bank and the National Treasury before and after the sovereign bond issuance has established that Kenya remains at low risk of external debt distress. As a result of the Sovereign Bond issuance the net present value of the public and publicly guaranteed external debt is 20 percent of GDP at end 2014 and is projected to rise to 22 percent of GDP in 2016-17, well below the 50 percent indicative threshold (*See IMF Country Report No. 15/269, September, 2015*)

**7. *Was there any interest earned (income) from the Net Proceeds of the Sovereign Bond.?***

Yes, the Government of Kenya earned US\$ 169,415.65 in interest income from the Net Proceeds of the Sovereign Bond. The National Treasury disclosed all the interest earned to both the Public Accounts Committee of the National Assembly and also published this information in the newspapers to inform the public.

**8. Were there Commissions, Bank Charges, Federal Taxes withheld or other related expenses deducted at source?**

Yes there were Commissions, Federal Interest withheld and Account settlement charges deducted at source. The Commission, Federal Interest Withheld and Account Settlement Charges are as follows:-

i. Commissions deducted for the issuance of the Sovereign Bond	US\$	947,127.03
ii. Commissions & Transaction expenses for the Tap Sales	US\$	247,339.00
iii. Federal Interest Withheld for the Sovereign Bond	US\$	47,436.38
<b>Total</b>	<b>US\$</b>	<b>1,241,902.41</b>

**9. Did all the Net Proceeds of the Sovereign Bond and Tap Sales come into the Consolidated Fund?**

Yes, all the net proceed of the Sovereign Bond and the Tap Sales were paid into the Consolidated Fund after netting out the commissions, bank charges, taxes, Syndicated Loan of US \$ 604,560,737.50 including interest thereof. The net proceeds of the Syndicated Loan and the Tap Sales were paid into the Consolidated Fund as follows:-

Item Description	Amount US\$	Exchange Rate	Amount Kshs.
Transfer to CF (Exchequer A/C) in FY 2013/14	395,439,262.50	87.62	34,648,388,180.25
Transfer to Sovereign Bond Account At CBK	999,018,457.60	88.55	88,463,084,420.48
Transfer of Tap Sales to Sovereign Bond Account at CBK	815,436,932.00	90.51	73,805,196,715.32
<b>(a). Total net proceeds</b>			<b>196,916,669,316.05</b>
<b>Add back: Commissions, Bank Charges and other Expenses:</b>			
Syndicated loan repayment	604,560,737.50	88.00	53,201,344,900.00
Commissions deducted at source	947,127.03	87.00	82,400,051.61
Account Settlement Charges	156,394.64	88.00	13,762,728.32
Federal Interest withheld	47,436.38	88.00	4,174,401.62
Commissions deducted at source	247,339.00	90.51	22,386,652.89
<b>(b). Total Commissions, Bank Charges, Taxes &amp; Other Expenses</b>			<b>53,324,068,734.44</b>
<b>(c) Total (a) + (b)</b>			<b>250,240,738,050.49</b>

It is important to note that the net proceeds from the Sovereign Bond and Tap Sales were received first in the Sovereign Bond Account at the Central Bank of Kenya and then transferred to the National Exchequer Account as and when resources were required to finance development projects. The Transfers into the Consolidated Fund (National Exchequer Account) were as follows:

i.	30.06.2014:	Transfer to CF (Exchequer A/C) in FY2013/2014	Kshs.	34,648,388,180.25
ii.	15.09.2014:	Transfer to CF (Exchequer A/C) in FY2014/15	Kshs.	25,000,000,000.00
iii.	19.09.2014:	Transfer to CF (Exchequer A/C) in FY2014/15	Kshs.	25,000,000,000.00
iv.	30.10.2014:	Transfer to CF (Exchequer A/C) in FY2014/15	Kshs.	15,000,000,000.00
v.	21.01.2015:	Transfer to CF (Exchequer A/C) in FY2014/15	Kshs.	25,000,000,000.00
vi.	17.03.2015	Transfer to CF (Exchequer A/C) in FY2014/15	Kshs.	25,000,000,000.00
vii.	02.06.2015	Transfer to CF (Exchequer A/C) in FY2014/15	Kshs.	30,000,000,000.00
viii.	30.06.2015	Transfer to CF (Exchequer A/C) in FY2014/15	Kshs.	17,268,281,135.75
<b>TOTAL</b>				<b>Kshs. 196,916,669,316.00</b>

Indeed the transfers from the CBK account into the National Exchequer Account of Kshs. 196,916,669,316.00 (**See attached annexure marked OCOB “3”**) were confirmed by the Controller of Budget to be the same and OCOB provided the same information to the Public Accounts Committee of the National Assembly on 02.11.2015.

**10. Did the Auditor General confirm that the Net Proceeds were received in total in the Consolidated Fund?**

Yes, the Auditor General has confirmed that all the Net Proceeds from the Sovereign Bond and the Tap Sales were received into the Consolidated Fund. The Office of the Auditor General confirmed the same position to Public Accounts Committee of the National Assembly when he appeared before the Committee. Further, all the proceeds from the Sovereign Bond were accounted for and this position was confirmed by the Auditor General who in his report for 2013/14 Fiscal Year noted that he did not:-

***“qualify my audit opinion on the basis of this matter due to the fact that the balance of actual net proceeds from the Sovereign Bond is correctly reflected in the Off-Shore Account and in the Central Bank of Kenya Special Account”.***

**11. Where were the net proceeds of the sovereign bond used for?**

The National Treasury issued exchequer releases to fund the development budget in various Ministries / Departments/ Agencies as per the Table II below:-



**Table II: Exchequer releases to Ministries/Departments/Agencies (MDAs)**

IFMIS CODE	MINISTRY/DEPARTMENT/AGENCY	APPROVED BUDGET (NET OF AIA)	DISBURSEMENTS DURING THE YEAR	OF WHICH FUNDED FROM SOVEREIGN BOND PROCEEDS:-
		KSHS	KSHS	KSHS
	<b>FINANCIAL YEAR 2013/2014</b>			
D 101	The Presidency	1,529,520,000	1,480,000,000	-
D 102	Ministry of Interior and coordination of national Government	6,349,426,570	6,077,718,540	-
D 103	Ministry of Devolution and planning	44,512,327,303	42,893,437,790	-
D 105	Ministry of Foreign Affairs	291,513,852	251,010,000	-
D 106	Ministry of Education, science and Technology	16,024,960,483	6,571,399,275	-
D 107	The National Treasury	14,175,645,013	10,045,120,105	-
D 108	Ministry of Health	14,430,468,458	13,871,441,931	-
D 109	Ministry of Transport and infrastructure	63,153,111,186	45,711,186,315	14,999,999,997
D 110	Ministry of Environment, Water and Natural Resources	21,254,891,354	20,314,861,449	3,889,947,997
D 111	Ministry of Lands Housing and Urban Development	13,768,721,761	8,227,728,295	-
D 112	Ministry of Information, communication and Technology	4,505,371,354	4,474,799,453	-
D 113	Ministry of Sports Culture and Services	905,441,610	865,000,000	-
D 114	Ministry of labour , Social Security and Services	7,171,748,863	5,114,201,090	-
D 115	Ministry of Energy and Petroleum	26,439,020,314	22,900,986,031	2,950,000,000
D 116	Ministry of Agriculture livestock and Fisheries	28,672,035,899	25,440,256,865	3,170,087,236
D 117	Ministry of Industrialization and Enterprise Development	3,245,969,403	3,218,742,000	-
D 118	Ministry of East African Affairs Commerce and Tourism	1,335,152,966	1,317,000,000	-
D 119	Ministry of Mining	712,911,000	543,150,000	-
D 120	Office of The Attorney General and Department of Justice	358,308,300	324,412,300	-
D 119	The Judiciary	2,696,297,500	1,686,156,260	-
D 124	Directorate of Public Prosecution	87,000,000	46,000,000	-
D 203	Independent Electoral & Boundaries Comm.	63,200,000	63,000,000	-
D 204	Parliamentary Service Commission	2,705,000,000	2,186,000,000	-

D 207	Public Service Commission	207,000,000	207,000,000	-
D 211	Auditor General	525,000,000	525,000,000	-
	<b>TOTAL FOR FY2013/2014</b>	<b>275,120,043,189</b>	<b>224,355,607,699</b>	<b>25,010,035,230</b>
	<b>FINANCIAL YEAR 2014/2015</b>			
D 101	The Presidency	1,236,500,000	782,570,000	-
D105	Ministry of Foreign Affairs	1,625,700,000	1,067,603,000	-
D107	The National Treasury	29,441,957,325	18,823,330,317	-
D108	Ministry of Health	17,487,964,921	10,493,170,608	-
D111	Ministry of Lands Housing and Urban Development	21,197,280,970	14,062,123,310	9,166,979,198
D112	Ministry of Information, communication and Technology	5,487,933,793	4,133,702,010	2,930,750,004
D113	Ministry of Sports Culture and Arts	1,533,000,000	1,282,810,000	1,282,554,471
D114	Ministry of labour , Social Security and Services	11,682,523,636	10,678,728,230	-
D115	Ministry of Energy and Petroleum	31,700,481,457	24,819,254,060	18,122,919,478
D117	Ministry of Industrialization and Enterprise Development	5,438,511,480	2,729,007,700	2,721,791,894
D119	Ministry of Mining	1,150,000,000	889,820,000	-
D120	Office of The Attorney General and Department of Justice	199,532,140	121,650,000	-
D121	The Judiciary	3,093,000,000	1,230,379,860	-
D124	Directorate of Public Prosecution	67,000,000	65,000,000	-
D133	State Department for Interior	8,630,071,100	4,606,000,000	-
D134	State Department for Coordination of National Govt	597,116,200	597,116,200	-
D135	State Department for Planning	54,822,052,611	45,375,586,144	44,574,971,739
D136	State Department for Devolution	5,542,069,000	3,646,051,225	-
D139	State Department for Education	7,846,926,916	6,222,314,390	6,206,656,817
D140	State Department for Science & Technology	10,175,499,313	9,841,050,000	8,973,287,012
D143	State Department of Infrastructure	66,281,130,647	53,132,867,822	49,370,530,142

D144	State Department of Transport	8,661,749,353	6,202,207,585	-
D145	State Department for Environment & Natural Resources	6,771,904,554	5,718,741,195	-
D146	State Department for Water & Regional Authorities	19,081,127,277	15,442,540,046	11,170,613,958
D152	State Department for Agriculture	23,377,655,184	19,420,015,132	11,038,465,942
D153	State Department for Livestock	3,380,197,238	3,030,750,386	2,498,512,940
D154	State Department for Fisheries	2,104,599,009	2,003,597,010	1,241,209,330
D157	State Department for Commerce & Tourism	2,888,131,811	2,608,500,000	2,607,391,160
D 202	National Land Commission	442,000,000	145,000,000	-
D 203	Independent Electoral & Boundaries Comm.	74,280,000	74,280,000	-
D204	Parliamentary Service Commission	4,075,000,000	921,442,000	-
D207	Public Service Commission	168,000,000	153,630,000	-
D211	Auditor General	405,000,000	-	-
	<b>TOTAL FOR FY2014/2015</b>	<b>356,665,895,935</b>	<b>270,320,838,230</b>	<b>171,906,634,086</b>
	<b>TOTAL FOR FY2013/2014 AND FY2014/2015</b>	<b>631,785,939,124</b>	<b>494,676,445,929</b>	<b>196,916,669,316</b>

**12. Did the National Treasury pay the Syndicated Loan in line with the Provisions of the Constitution and Public Finance Management Act, 2012?**

Yes, the payment of the Syndicated Loan from the Account held with the JP Morgan Chase Bank in New York was in line with the provisions of the Constitution and the Public Finance Management Act, 2012. In this regard, Article 206 of the Constitution and Section 17 (2) of the Public Finance Management Act, 2012 should not be read in isolation but with other relevant provisions, especially Section 50 (7) (d) of the Public Finance Management Act 2012 and Section 45 (d) of the Central Bank of Kenya Act. It is important to note that the Public Finance Management Act, 2012 was amended in 2014 to facilitate netting off pre-negotiated expenses and other obligations relating to the issuance of the Sovereign Bond. It is within this legal framework that the National Treasury paid an amount of Kshs.53.2 billion to settle the Syndicate Loan.

***Other Issues raised relating to Sovereign Bond (Eurobond).***

In addition to the above clarifications provided, Hon. Raila Odinga has requested the National Treasury to publish and publicize the following information pursuant to Article 35 of the Constitution. The specific issues raised by Hon. Raila Odinga and their responses are as follows:-

- 13. *Into which bank did every respective Manager of the Eurobond credit the proceeds thereof to the account of the National Treasury, what are the account numbers and descriptions, including name, into which these credits were made?***

***Response:***

***(a). Sovereign Bond:***

The net proceeds of the Sovereign Bond (Eurobond) were credited to:-

- a. Bank: ***JP Morgan Chase Bank, New York***
- b. Account Name: ***GOK/CBK Sovereign Bond***
- c. Account No: ***603149985***
- d. Swift BIC Code: ***CHASUS33***
- e. Account Description: ***US Dollar Account for the Government of Kenya***

***(b). Sovereign Bond Tap Sales:***

The net proceeds of the Sovereign Bond Tap Sales were credited to:-

- Bank: ***Citibank, New York***
- Account Name: ***GOK/CBK Sovereign Bond Tap Sales***
- Account No: ***36341018***
- Swift BIC Code: ***CITIUS33***
- Account Description: ***US Dollar Account for the Government of Kenya***

14. **Who were the signatories of each offshore account operated by the National Treasury and /or its agents, and into which the proceeds of the Sovereign Bond (Eurobond) were credited? Under whose authority or law were the accounts opened and managed?**

### **Responses**

The GOK/CBK Sovereign Bond Bank Account held with JP Morgan Chase Bank, New York was opened and managed by the National Treasury in conjunction with the Central Bank of Kenya pursuant to Section 28 of the Public Finance Management Act, 2012 and Section 45 (d) of the Central Bank of Kenya. The GOK/CBK Sovereign Bond Account held with JP Morgan Chase Bank, New York was operated by the National Treasury in conjunction with the Central Bank of Kenya (CBK) as the Government fiscal agent. In this respect, the National Treasury designated two signatories to the account with respect to the GOK/CBK Sovereign Bond Account and the Sovereign Bond Tap Sales. The National Treasury signatories were:

- 1) Accountant General
- 2) Deputy Accountant General

These signatories would issue instructions to CBK to trigger release of funds from the off-shore account to the Special Deposit Account held at the CBK denominated in Kenya Shillings, then to the National Exchequer. These are the same signatories to the National Exchequer Account.

- ,
15. ***How many transactions were carried out through each of the offshore accounts aforesaid from the date of opening the account to the date of answering this inquiry? What were the dates, details of beneficiaries and amounts of the transactions?***

The detailed transactions relating to both the Sovereign Bond (Euro Bond) and the Tap Sales are clearly shown in annexure II on the movement of the proceeds of the Sovereign Bond. As indicated in annexure I and II, the proceeds were applied as follows:-

- a. Repayment of the Syndicated Loan;
- b. Expenses relating to the issuance of the Sovereign Bond and the tap Sales; and
- c. The balance was transferred to the Consolidated Fund.

**16. What are the details of the expenditure of the proceeds of the Eurobond that were credited to the Consolidated Fund? How much of the proceeds were used for general budgetary purposes and how much was used for infrastructural projects?**

The proceeds were used in line with Section 15 of the Public Finance Management Act, 2012 which provides that national government borrowing shall be used only for the purpose of financing development expenditure and not recurrent expenditure. In this respect and as indicated earlier, the proceeds of the Sovereign bond and the Tap Sales were used to fund part of the development budget for the financial years 2013/14 and 2014/15 as shown in Table II above on exchequer releases to selected Ministries/Departments/Agencies (MDAs).

**17. In respect of such proceeds as were used for general budgetary purposes, details of the appropriation of such sums in the financial year 2014/2015. In respect of such proceeds as were used to fund infrastructural projects, the name of various projects to which these sums were expended and details of appropriation of the said sums to each of these projects.**

All expenditures by Ministries/Departments/ Agencies are approved by Parliament through an Appropriation Act. The development budget for the mentioned MDA's in Table II above, where Sovereign Bond proceeds were applied were approved by Parliament in the respective Appropriations Acts for financial years 2013/14 and 2014/15. It is important to note that the development budget for the financial year 2013/14 and 2014/15 was appropriated by Parliament at the program level as provided for under Section 12 of the Second Schedule of the Public Finance Management Act, 2012 and therefore information on the specific development projects implemented by the fourteen MDA's that were funded from the proceeds of the Sovereign Bond is available in the specific MDA's. This information is being collated for posting in National Treasury Website [www.treasury.go.ke](http://www.treasury.go.ke) as well as publication and publishing.

**18. Is there any Kshs. 140 Billion missing from the net proceeds of the Eurobond?**

No. There is no missing Ksh. 140 billion. All the proceeds of the sovereign bond and the tap have been accounted for fully and this has been confirmed independently by the Controller of Budget. This allegation is because of a misinterpretation of the relevant Annex Table 2 (See Annexure II: Annex Table 2) of the Budget Review and Outlook Paper (BROP) and the Budget Policy Statement (BPS). These are the two key policy documents which are required to be submitted to Parliament under the Public Finance Management Act, 2012.

The correct interpretation of the two tables in the BROP and BPS is that out of the total Ksh. 250 billion of the sovereign bond, Ksh. 35 billion (shown as commercial financing) was utilized in fiscal year 2013/14 and the remaining amount of Ksh. 140.5 billion from the initial sovereign bond and the Ksh. 75 billion from the tap sales were used in FY 2014/15. It is clear therefore that the total of these amounts (35+140+75) is the total amount of the bond proceeds. Therefore, there is no missing Ksh. 141 billion (See annexure I and II: Movement of the proceeds of the Sovereign Bond, and the Controller of Budgets reconciliation table). The figures are summarized in the table below which is an extract of the Budget Review and Outlook Paper and the Budget Policy Statement:-

<b>Item Description</b>	<b>FY 2013/14 (Kshs. billions)</b>	<b>FY 2014/15 (Kshs. billions)</b>	<b>Total (Kshs. Billions)</b>
*Commercial Financing	35.40	75.00	<b>110.40</b>
Sovereign Bond Proceeds	0.00	140.5	<b>140.50</b>
<b>Total</b>	<b>35.40</b>	<b>215.5</b>	<b>250.90</b>

*\* Please note that all commercial financing in FY 2013/14 and 2014/15 were in respect to Sovereign Bond proceeds.*

## 19. Conclusion.

As clearly demonstrated from the above, the proceeds of the Sovereign Bond issued in June, 2014 and the Tap Sales issued in December, 2014 were fully accounted for and were transferred to the CBK, from where the authority to withdrawal funds was sought and provided by the Controller of Budget. The Auditor General has confirmed that all funds have been accounted for. In addition, it is clear that the purpose for which the Sovereign Bond and the Tap Sales were issued were met, namely, to diversify our external sources of funding government programmes/ projects; to achieve lower interest rates; build-up of international reserves; stabilize the Kenya Shilling and inflation. Finally, the attached table summarizes the above transactions.

Thursday, December 03, 2015

**Movement of the Proceeds of the Sovereign Bond (US\$ 2,000,000,000.00) as well as the Tap Sales (US\$ 750,000,000.00) amounting to US\$ 2,750,000,000.00**

MOVEMENT IN SOVEREIGN BOND ACCOUNTS:				
		US\$	Ex-Rate	KShs
1	Proceeds from Sovereign Bond	2,000,000,000.00	87.00	174,000,000,000.00
	Less Commissions deducted at source	(947,127.03)	87.00	(82,400,051.61)
2	Net proceeds received in offshore A/C	1,999,052,872.97		173,917,599,948.39
	Less Transfer to Exchequer A/C on 30.06.2014 for infrastructure projects in FY2013/2014	(395,439,262.50)	87.62	(34,648,388,180.25)
	Add Exchange gain on translation of closing balance			1,239,412,781.24
3	Balance in Off-shore account as at 30th June 2014	1,603,613,610.47	87.62	140,508,624,549.38
	Less Payment of syndicated loan on 02.07.2014	(604,560,737.50)	88.00	(53,201,344,900.00)
	Less Bank charges and Interest:			
	(i) Account settlement charges	(156,394.64)	88.00	(13,762,728.32)
	(ii) Interest receipt	169,415.65	88.00	14,908,577.20
	(iii) Federal Interest withheld	(47,436.38)	88.00	(4,174,401.62)
	Add Exchange gain on translation of closing balance before transfer			1,158,833,323.80
4	Balance transferred to Sovereign Bond Account at CBK on 08/09/2014	999,018,457.60	88.55	88,463,084,420.45
	Less Payments from the S/Bond account at CBK A/C No. 1000212764:			
	(i) Amount transferred to Exchequer A/C on 15.09.2014			(25,000,000,000.00)
	(ii) Amount transferred to Exchequer A/C on 19.09.2014			(25,000,000,000.00)
	(iii) Amount transferred to Exchequer A/C on 30.10.2014			(15,000,000,000.00)
5	Total payments from S/Bond account at CBK:			(65,000,000,000.00)
6	Balance in Sovereign Bond Account at CBK as at 31st October 2014			23,463,084,420.45
	Add Proceeds from the tap sale:			
7	(i) Face Value of the proceeds	750,000,000.00	90.51	67,882,499,999.98
	(ii) Premium on issue of tap sale	65,684,271.00	90.51	5,945,083,368.21
	(iii) Less Commissions and transaction expenses deducted at source	(247,339.00)	90.51	(22,386,652.89)
8	Net proceeds transferred to S/Bond account at CBK 17.12.2014	815,436,932.00	90.51	73,805,196,715.30
9	Balance in Sovereign Bond Account at CBK as at 31st December 2014			97,268,281,135.75
				-
	Less transfers to Exchequer Account:			
	(i) Amount transferred to Exchequer A/C on 21.01.2015			(25,000,000,000.00)
	(ii) Amount transferred to Exchequer A/C on 17.03.2015			(25,000,000,000.00)
10	Balance in Sovereign Bond Account at CBK as at 31st March 2015			47,268,281,135.75
11	Less transfers to Exchequer Account:			
	(i) Amount transferred to Exchequer A/C on 02.06.2015			(30,000,000,000.00)
	(ii) Amount transferred to Exchequer A/C on 30.06.2015			(17,268,281,135.75)
12	Balance in Sovereign Bond Account at CBK as at 30th June 2015			-

**Source: National Treasury**



## Annexure II: Annex Table 2: Government Operations (in billions of Kenya Shillings)

	2012/13	2013/14	2014/15			2015/16			2016/17			2017/18			2018/19
	Act.	Act.	Budget	Rev.	Prel.	BROP14	Budget	Rev.	BROP14	BPS'15	BROP15	BROP14	BPS'15	BROP15	BROP15
<b>TOTAL REVENUE</b>	<b>847.2</b>	<b>974.4</b>	<b>1,180.5</b>	<b>1,128.8</b>	<b>1,106.4</b>	<b>1,352.2</b>	<b>1,358.0</b>	<b>1,363.7</b>	<b>1,558.9</b>	<b>1,594.6</b>	<b>1,560.4</b>	<b>1,752.9</b>	<b>1,845.3</b>	<b>1,791.5</b>	<b>2,051.8</b>
Ordinary Revenue	779.4	919.0	1,086.4	1,028.9	1,031.2	1,249.9	1,254.9	1,250.9	1,447.8	1,490.2	1,444.9	1,632.6	1,730.2	1,663.5	1,913.9
Income tax	373.4	449.6	541.9	509.9	508.6	626.5	623.2	608.8	738.5	753.7	713.5	833.7	883.2	830.5	965.9
Import duty (net)	57.6	67.6	77.7	72.9	74.0	90.6	82.2	84.6	102.6	92.9	96.2	115.7	98.5	109.2	124.1
Excise duty	85.5	102.0	119.8	113.1	115.9	125.0	142.1	145.3	141.3	162.0	170.5	159.0	185.1	193.7	220.0
Value Added Tax	184.6	232.6	267.1	259.3	259.7	319.5	310.3	314.9	368.2	378.4	361.4	414.4	449.7	414.4	474.3
Investment income	15.3	10.2	17.4	16.4	13.5	18.2	23.4	22.4	18.1	20.0	23.9	20.5	21.8	25.5	27.2
Other	63.0	57.0	62.5	57.3	59.6	69.9	73.7	74.9	79.1	83.2	79.4	89.3	92.1	90.2	102.4
Railway Development Levy	0.0	19.7	22.9	22.9	18.4	26.1	25.7	24.0	29.6	28.8	27.3	33.4	32.2	31.0	35.2
Ministerial and Departmental fees (AiA)	49.7	35.7	71.2	77.0	56.7	76.2	77.5	88.7	81.4	75.6	88.2	86.9	82.9	97.0	102.7
<b>EXPENDITURE AND NET LENDING</b>	<b>1,107.3</b>	<b>1,300.6</b>	<b>1,597.6</b>	<b>1,860.5</b>	<b>1,640.3</b>	<b>1,800.5</b>	<b>1,998.5</b>	<b>2,014.8</b>	<b>1,987.6</b>	<b>1,987.6</b>	<b>2,102.4</b>	<b>2,216.4</b>	<b>2,233.9</b>	<b>2,323.6</b>	<b>2,526.9</b>
Recurrent expenditure	808.3	787.9	871.3	940.2	897.0	916.7	1,015.0	1,017.5	990.0	1,039.4	1,112.0	1,136.7	1,226.8	1,199.9	1,264.8
Interest payments	121.2	134.8	147.4	165.2	172.9	158.1	185.3	189.9	182.6	182.6	190.3	201.3	206.3	161.9	153.8
Domestic interest	110.2	119.2	122.9	136.2	139.6	133.6	154.8	154.8	145.6	145.6	145.8	160.1	155.1	110.7	110.7
Foreign interest	11.1	15.6	24.5	29.0	33.3	24.4	30.5	35.1	37.1	37.1	44.5	41.2	51.2	51.2	43.1
Wages and benefits /1	274.4	281.2	303.3	298.0	293.1	317.1	315.4	333.5	356.7	360.8	360.8	400.9	396.9	396.9	436.6
Contribution to civil service pension fund	0.0	0.0	9.5	0.0	0.0	10.9	6.0	4.8	13.8	14.8	14.8	19.3	17.7	17.7	18.8
Civil service Reform	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.5	1.5	1.0	1.0	1.0	0.0
Pensions etc	27.0	30.2	36.6	39.4	38.2	40.2	43.4	43.4	44.2	66.2	52.1	48.7	84.1	84.1	96.7
Other	294.4	248.0	282.7	338.6	293.9	299.3	351.3	332.4	296.0	282.3	375.3	363.4	371.5	411.9	425.0
Defense and NSIS	91.2	93.8	90.7	97.9	97.8	90.1	112.5	112.5	95.7	131.2	117.2	102.1	149.3	126.4	134.0
Development and Net lending	298.9	319.3	492.0	686.1	509.0	633.4	717.6	728.1	729.8	654.5	705.6	793.2	683.4	796.8	901.8
Domestically financed	201.8	198.5	298.7	320.0	266.0	347.3	360.0	370.6	398.7	365.7	401.8	459.3	435.0	533.4	619.1
Domestically financed Ministerial		191.0	266.3	281.7	241.5	265.8	324.0	325.0	323.5	327.3	352.3	352.7	392.7	478.2	557.7
Foreign financed	94.7	118.6	187.8	366.6	240.4	277.9	349.5	349.3	321.9	280.4	280.4	331.5	240.4	240.4	256.4
Net lending	2.4	2.2	2.1	2.1	2.1	2.2	2.2	2.2	2.3	2.4	17.4	2.4	2.6	17.6	17.7
Contingencies	0.0	0.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
County Allocation	0.0	193.4	229.3	229.3	229.3	245.5	260.9	264.2	262.9	288.8	279.9	281.5	318.7	321.9	355.3
Of which: sharable		190.0	226.7	226.7	226.7	245.5	258.0	259.8		284.9	275.0		314.5	316.7	349.6
Conditional Level Five Hospitals		3.4	1.9	1.9	1.9		2.1	3.6		2.3	4.0		2.5	4.4	4.8
County Health Facilities - DANIDA		16.6	0.7	0.7	0.7	0.7	0.8	0.8	0.0	0.7	0.8	0.0	0.7	0.8	0.8
Equalization Fund for Marginal areas	0.0	0.0	3.4	3.4	0.4	6.0	6.0	6.0	6.9	6.0	6.0	7.7	5.5	5.5	8.7
<b>Fiscal Balance (commitment basis excl. grants)</b>	<b>-260.0</b>	<b>-326.2</b>	<b>-417.0</b>	<b>-732.0</b>	<b>-533.9</b>	<b>-448.4</b>	<b>-640.5</b>	<b>-651.1</b>	<b>-428.8</b>	<b>-458.0</b>	<b>-542.0</b>	<b>-463.5</b>	<b>-406.1</b>	<b>-532.1</b>	<b>-475.1</b>
Adjustment to cash basis	-0.2	0.0	0.0	0.0	16.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Project grants	15.1	21.7	51.4	58.0	22.28	57.4	65.8	65.6	64.2	52.5	52.5	71.8	57.5	57.5	65.5
Debt Swap		0.5	0.5	0.5	0.53	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Programme grants	5.8	4.7	6.1	6.1	3.84	6.1	6.4	6.4	6.1	6.1	6.1	6.1	6.1	6.1	6.1
County Health Facilities - DANIDA			0.7	0.7	0.7	0.7	0.8	0.8	0.7	0.7	0.8	0.7	0.7	0.8	0.8
<b>Fiscal Balance (cash basis incl. grants)</b>	<b>-239.3</b>	<b>-299.2</b>	<b>-358.3</b>	<b>-666.7</b>	<b>-489.6</b>	<b>-383.7</b>	<b>-567.0</b>	<b>-577.7</b>	<b>-357.3</b>	<b>-398.2</b>	<b>-482.1</b>	<b>-384.4</b>	<b>-341.2</b>	<b>-467.1</b>	<b>-402.1</b>
<b>Fiscal Balance (cash basis incl. grants) Excl. SGR</b>				<b>-543.2</b>	<b>-366.1</b>	<b>-339.8</b>	<b>-448.7</b>	<b>-459.5</b>	<b>-299.2</b>	<b>-309.9</b>	<b>-393.8</b>	<b>-357.8</b>	<b>-321.5</b>	<b>-447.4</b>	<b>-402.1</b>
Statistical discrepancy	-6.8	10.2	0.3	0.0	-19.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>FINANCING</b>	<b>232.5</b>	<b>309.4</b>	<b>358.6</b>	<b>666.7</b>	<b>470.5</b>	<b>383.7</b>	<b>567.0</b>	<b>577.7</b>	<b>357.3</b>	<b>398.2</b>	<b>482.1</b>	<b>384.4</b>	<b>341.2</b>	<b>467.1</b>	<b>402.1</b>
Net Foreign Financing <sup>1</sup>	62.7	106.4	165.8	301.3	216.4	241.0	340.5	340.5	193.6	219.7	239.9	212.1	171.9	191.2	153.3
Project loans	79.6	96.9	141.8	302.6	218.2	220.6	283.7	283.7	199.2	227.9	227.9	224.8	182.8	182.8	190.8
Programme loans	0.0	0.0	0.0	5.4	3.5	0.0	8.2	8.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial Financing	6.6	35.4	51.5	75.3	75.0	51.7	71.8	71.8	52.2	52.2	52.2	52.7	52.7	52.7	53.2
Export Credit-Commercial Financing							11.5	11.5			0.0				
Repayments due	-24.0	-25.8	-27.5	-81.9	-80.2	-31.2	-34.7	-34.7	-57.8	-60.4	-40.2	-65.5	-63.7	-44.3	-90.8
Rescheduling Debt swap	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0	0.5	0.5	0.0	0.5	0.5	0.0	0.0
NBK Rights Issue		0.0	0.0	0.0	0.0	0.0	5.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic Loan Repayments (Receipts)		1.3	2.0	2.1	3.0	2.0	2.2	2.3	2.0	2.4	2.4	2.0	2.6	2.5	2.5
Sovereign Bond Proceeds			0.0	141.4	140.5						0.0				
Net Domestic Borrowing	169.8	201.7	190.8	214.5	110.6	140.7	219.2	229.9	161.6	176.1	239.8	170.3	166.7	273.4	246.3
Financing gap	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Memo Items</b>															
External Debt	962.3	1,138.5	1,158.8	1,354.0	1,423.5	1,459.0	1,533.5	1,669.2	1,658.1	1,571.4	1,686.4	1,873.8	1,729.6	1,840.5	2,018.0
Domestic Debt (gross)	1,097.0	1,284.3	1,443.5	1,498.9	1,420.4	1,527.2	1,667.2	1,650.3	1,689.4	1,787.5	1,834.2	1,867.9	1,954.2	2,107.6	2,353.9
Domestic Debt (net)	945.1	1,078.8	1,282.1	1,232.6	1,178.2	1,333.7	1,473.8	1,408.0	1,495.9	1,594.0	1,591.9	1,674.4	1,760.7	1,865.4	2,111.6
Primary budget balance	-118.1	-164.4	-210.9	-501.5	-316.6	-225.6	-381.6	-387.8	-174.6	-215.6	-291.8	-183.0	-134.9	-305.2	-248.3
Nominal GDP	4,496.0	5,044.2	5,633.2	5,727.3	5,697.5	6,290.4	6,520.5	6,457.9	7,113.1	7,430.2	7,327.6	8,029.7	8,448.2	8,290.8	9,362.7
Source: The National Treasury															
Notes: BPS = Budget Policy Statement; BROP = Budget Review & Outlook Paper; SGR = Standard Gauge Railway															
<sup>1</sup> /1 Wages and benefits: For teachers and civil servants includes the police															



REPUBLIC OF KENYA  
OFFICE OF THE CONTROLLER OF BUDGET

**Reconciliation of the sovereign loan Proceeds and  
Expenditure as at June 30, 2015**

Details	Amount (in Kshs)	Amount (in Kshs)
First Issue -June 2014	174,000,000,000.00	
Second Issue-Dec 2014	73,827,583,368.19	
Interest	14,908,577.20	
Exchange gain (30/06/2015)	1,239,412,781.24	
Exchange gain (08/09/2014)	1,158,833,323.81	250,240,738,050.44

**Transfers to Exchequer Account:**

Cash book date	Bank statement date	Amount (Kshs)
3/7/2014	3/7/2014	34,648,388,180.25
9/15/2014	9/15/2014	25,000,000,000.00
19/09/2014	19/09/2014	25,000,000,000.00
30/09/2014	30/09/2014	15,000,000,000.00
21/01/2015	21/01/2015	25,000,000,000.00
17/03/2015	17/03/2015	25,000,000,000.00
2/6/2015	2/6/2015	30,000,000,000.00
6/30/2015	1/7/2015	17,268,281,135.75
		196,916,669,316.00

Balance	53,324,068,734.44
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**Less Payments:**

Syndicated loan repayment	53,201,344,900.00	
Commission deducted at source	82,400,051.61	
Account settlement charges	13,762,728.32	
Federal Interest withheld	4,174,401.62	
Commission deducted at source	22,386,652.89	53,324,068,734.44

Balance	-
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# REPUBLIC OF KENYA



## THE NATIONAL TREASURY

### PRESS RELEASE

#### **RESPONSE TO ALLEGATIONS THAT KSH 140 BILLION OF THE EUROBOND MONEY IS MISSING**

Our attention has been drawn to press reports and articles alleging that Ksh 140 billion of the Eurobond money is missing. The accusation was that the National Treasury had deliberately and misleadingly reduced net domestic borrowing from Ksh 251.1 billion to Ksh. 110.6 billion.

The basis of the false accusation is that in the Budget Review and Outlook Paper (BROP) (September 2015), the National Treasury presented two tables (see pages 7 and 34) in the same document (BROP) which showed different numbers for net domestic borrowing for the same year as per the table below:

	FY2014/15	
	BROP TABLE 4	BROP ANNEX TABLE 2
	COLUMN A	COLUMN B
Deficit Financing	470.5	470.5
Net Foreign Financing	216.4	216.4
Eurobond	0	140.5
Domestic loan Repayment receipts	3	3
Domestic Borrowing	251.1	110.6

It is alleged that the Column B above, showing Ksh 110.6 billion is deliberately understating domestic borrowing which should be Ksh 251.1 billion. Apparently, this is also the source of the claim by some political leaders that Ksh 140 billion is missing.

What the National Treasury has done in moving from Column A to Column B is to disaggregate the figure of Ksh 251.1 billion into Ksh. 140.5 billion for the Eurobond (as these were now Government deposits in the Consolidated Fund) and Ksh. 110.6 billion of actual domestic borrowing mainly Treasury bills and bonds for that financial year. The disaggregation was for purposes of transparency in order to show separately the use of the Eurobond proceeds. This treatment is also in the earlier Budget Policy Statement 2015 that was submitted to Parliament in February 2015 and was therefore not a new way of presenting the Eurobond proceeds. Indeed the IMF's most recent report treats the Eurobond deposits as part of domestic financing, exactly how it is treated in the BROP (see page 27 of the IMF report on Kenya September 2015—[www.imf.org](http://www.imf.org)).

Below we can demonstrate using official statistics from the Central Bank of Kenya that the figure of Ksh 251.1 billion does indeed include the proceeds of the Eurobond.

### **WHAT CONSTITUTES DOMESTIC BORROWING?**

We wish to inform Kenyans that the Government's net domestic borrowing by standard fiscal statistics comprises of **Treasury bills and bonds; the overdraft at the Central Bank; and Government deposits**. Since the Eurobond proceeds had been received and were now Government deposits with the CBK, they were correctly treated as part of net domestic borrowing for FY2014/15.

To demonstrate that Ksh 140.5 billion of Eurobond money is not missing, one needs to **UNPACK** the components of net domestic financing of Ksh 251.1 billion to see what is inside there. This is done using data from the Central Bank of Kenya as follows:

## Net Domestic Financing for the Financial Year 2014/2015

Net Domestic Financing (Ksh Billions)			
	30-Jun-14	30-Jun-15	Change in the Year
	1	2	(2-1)
<b>A. Government Securities &amp; Others (1+2+3)</b>	<b>1226.3</b>	<b>1352.5</b>	<b>126.2</b>
<b>1. Treasury Bills (excluding Repo Bills)</b>	<b>278.9</b>	<b>293.5</b>	<b>14.6</b>
Banking institutions	164.5	199.0	34.6
Others	114.5	94.5	-20.0
<b>2. Treasury Bonds</b>	<b>879.3</b>	<b>994.4</b>	<b>115.1</b>
Banking institutions	422.8	493.8	71.1
Others	456.6	500.6	44.0
<b>3. Other Domestic Financing</b>	<b>68.1</b>	<b>64.5</b>	<b>-3.6</b>
<b>B. Government Deposits excl. Sovereign Bond Proceeds 1/</b>	<b>125.8</b>	<b>141.3</b>	<b>-15.5</b>
<b>C. Net Domestic Borrowing EXCLUDING Sovereign Bond (A+B)</b>	<b>1100.6</b>	<b>1211.2</b>	<b>110.6</b>
<b>D. Sovereign Bond Proceeds 1/</b>	<b>140.5</b>	<b>0.0</b>	<b>140.5</b>
<b>E. Net Domestic Borrowing INCLUDING Sovereign Bond (C+D)</b>	<b>960.1</b>	<b>1211.2</b>	<b>251.1</b>

1/ Note that an increase in deposits indicates reduced financing while a reduction denotes increased financing.

As shown in the Table above, Treasury bills, Treasury bonds, and the overdraft increased in the FY 2014/15 by Ksh 126.2 billion (line A). Including other Government deposits of Ksh. 15.5 billion (line B), the net domestic borrowing **WITHOUT** the Eurobond amounts to Ksh 110.6 billion (line C). This is the figure we have shown in the BROP Annex Table 2. Clearly, if we now add the Eurobond of Ksh 140.5 billion to the other domestic borrowing of Ksh 110.6 billion we get a total of Ksh. 251.1 billion.

It is, therefore, a gross mistake for some commentators to show Ksh 141.1 billion Eurobond separately while still retaining domestic borrowing at Ksh 251.1 billion (see Column A in Table below). If treated this way, the financing figures would add up to Ksh 611.7 billion compared with the correct deficit of Ksh. 470.5 billion (see Column A in Table below). The high figure reflects the double counting of the Eurobond proceeds—once by showing it in a separate line on its own and secondly by including it again in the figure of Ksh 251.1 billion.

	FY2014/15	FY2014/15
	Treasury	COLUMN A
Deficit	470.5	611.7
Net Foreign Financing	216.4	216.5
Eurobond	140.5	141.1
Domestic Loan Repayment receipts	3	3
Domestic Borrowing	110.6	251.1

This clearly demonstrates that the National Treasury is correct in its accounting and that there is no missing Ksh 140 billion. The National Treasury is vigilant in accounting for public resources entrusted to it by Kenyans and abides by the Constitution and the Public Finance Management Act, 2012.

Further, as Kenyans may recall, in February 2015, the IMF Board approved a program for Kenya designed to cushion the economy against external shocks. Under this program, strict reporting of all Governments accounts are done and with the regular IMF missions to review this programme, it would not be possible to hide figures as alleged in the newspaper reports since the reviews would have detected this.

### **Conclusion**

To our dear Kenyans, investors and friends of Kenya, the National Treasury has in this brief demonstrated how the Ksh 140.5 billion Eurobond proceeds were correctly accounted for in the Government books. The report by a commentator in one of the Newspapers last Saturday December 5, misled Kenyans on what he called “Correct Accounting” by adding an extra Ksh 140 billion to official figures! This is absolutely wrong. We call upon these commentators and others, to apologize to Kenyans for misleading them into believing that Ksh 140 billion disappeared from Government accounts or that the Treasury cooked figures.

Finally we urge those who want to find out the truth to visit the Treasury website ([www.Treasury.go.ke](http://www.Treasury.go.ke)) to see authenticated documents showing the bank statements of JP Morgan Chase bank (New York) and Citibank (New York), and SWIFT messages showing the transfer of all Eurobond proceeds to the CBK.

We shall remain truthful and accountable to Kenyans on this and other matters of public finances as per the provisions of the Constitution and the Public Finance Management Act, 2012. We assure the public, investors and all friends of Kenya that there was no Ksh 140.5 billion lost from the Eurobond proceeds. We would like to strongly assure our foreign investors that no money went missing and that the money they lent to Kenya was indeed used for the purposes it was intended for.

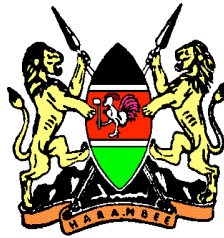
**HENRY K. ROTICH**

**CABINET SECRETARY/THE NATIONAL TREASURY**

**11<sup>th</sup> December 2015**



# REPUBLIC OF KENYA



## THE NATIONAL TREASURY

### PRESS RELEASE

#### **RE: RESPONSE TO THE HON. RAILA ODINGA'S STATEMENT ON KENYA'S EUROBOND DATED 14<sup>TH</sup> JANUARY, 2016:**

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Over the last three months the issue of the Eurobond has been in the public domain. During that time, the National Treasury has consistently and comprehensively responded to the issue through the media and posted the relevant documents on its website. Further, the National Treasury has also presented the same information to Parliament. Anybody who is sensible and well intentioned will be able to see that the claims that are now being made by the Former Prime Minister Hon. Raila Odinga are absolutely false and misleading.

As Kenyans will recall, the Director of Public Prosecution (DPP), directed the Ethics and Anti-Corruption Commission (EACC) and the Director of Criminal Investigation (DCI) to investigate the matter and forward their findings to the DPP's Office. These independent institutions have carried out their investigations and forwarded their report to the DPP. The DPP has summarized the findings of the EACC and DCI as follows:

- a. no government official was found culpable;
- b. recommended that the file be closed; and
- c. recommended that the Auditor General carry out a special audit in Ministries/ Departments and Agencies to verify how the proceeds of the Eurobond were applied.

It is also important to note that Parliament has also recommended that the Auditor General carries out a special audit in Ministries / Departments / Agencies and indeed the Auditor General has commenced the special audit.

Despite these ongoing processes, Hon. Raila Odinga has persistently been making allegation that the proceeds of the Eurobond were stolen or unaccounted for. However, when asked to provide any evidence which could assist the investigative arms of Government, he has failed consistently. In addition, when Hon. Raila Odinga was asked again today in a public forum, he failed to provide any evidence. It is vital for the Kenyan people to note that Hon. Raila Odinga has relied on outright lies, and subversion of the truth for political gain and at the expense of the Kenyan

economy. Clearly, these statements are meant to hurt the Kenyan Economy through sabotage by keeping away investors. The Kenyan people must hold him to account for lost opportunities now and in the future.

For purposes of the general public information, we shall again clarify some of the key issues raised in his statement as follows:

**1. *The allegation that US\$ 999 million (Kshs. 88.5 billion) is missing***

**Response:**

The standard procedure for this transaction is for the Government to sell the dollars received to CBK which it retains as its own international reserves and simultaneously credits the Government Account at the CBK with the equivalent in Kenya Shillings.

In this particular case the Kenya Shillings Equivalent of **Kshs. 88.46 billion** (US\$ 999 Million) was credited in the CBK Sovereign Bond Account No.1000212764 at the Central Bank of Kenya on the 8<sup>th</sup> September, 2014. At the same time, the CBK's international reserves were increased by the equivalent in dollars of US\$ 999 million at the CBK Account held with the Federal Reserve Bank in New York. This clearly demonstrates that there were no funds lost because the CBK forex reserves increased and the Government received its money.

The SWIFT transfer documents and the bank statements from the JP Morgan Chase bank and Citibank relating to these transactions were shared with Parliament, Auditor General, investigators and the media as well as posted in the National Treasury website and no information was redacted. As indicated earlier it is evident to well-meaning Kenyans that the money was received at the CBK.

**2. *The mystery of 7 letters purporting to direct the Central Bank of Kenya to make non-existent transfers to the Consolidated Fund.***

**Response:**

It is ridiculous to purport that the letters referred to above are not authentic and that the transfer instructions are not genuine. These were the transfer instructions to the CBK to move the funds from the Sovereign Bond Account to the National Exchequer Account. We have shared the letters that transferred these funds to the National Exchequer Account with the Auditor General, the Controller of Budget, the Ethics and Anti-Corruption Commission and the Director of Criminal Investigations who have confirmed that the funds were received into the National Exchequer Account from the Sovereign Bond Account at the CBK, from where the Controller of Budget authorized the withdrawals. We also have posted them onto the National Treasury website [www.treasury.go.ke](http://www.treasury.go.ke) for general public consumption.



3. We wish to re-emphasize that all proceeds of the Eurobond were received and properly accounted for. The National Treasury respects the rule of law and has complied fully with the provisions of the Constitution and the Public Finance Management Act, 2012 during the Eurobond transactions.

**Conclusion.**

4. There is nothing new that the Hon. Raila Odinga has said. All the information is already in the public domain. Indeed the officers mentioned were in the course of ordinary government business and he has presented no evidence of misconduct on their part. He is engaged in the malicious destruction of the reputations of the public officers. Equally, *in* this day and age, it is shameful that someone can cast aspersions on independent, reputable and highly-regulated institutions such as the Federal Reserve Bank of New York, JP Morgan Chase Bank, New York, Citibank New York without a shred of evidence.

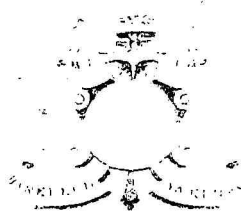
Thank you

**HENRY ROTICH, EGH  
CABINET SECRETARY / NATIONAL TREASURY**

**Dated: 14<sup>th</sup> January, 2016**



BANKI  
KUU YA  
KENYA



CENTRAL  
BANK OF  
KENYA

Haile Selassie Avenue  
P.O. Box 60000-00200 Nairobi, Kenya  
Telephone: 2860000. Fax: 340192

November 2<sup>nd</sup>, 2015

The Cabinet Secretary  
National Treasury  
P.O. Box 30007-00100  
NAIROBI

ACCOUNTANT GENERAL / TREASURY

CTC [Signature]

Attn: B.M. Ndungu

Dear Sir,

**BANK STATEMENT FOR SOVEREIGN BOND PROCEEDS ACCOUNT  
NO. 603149985 & THE SOVEREIGN BOND TAP SALES ACCOUNT –  
NO.36341018**

We refer to your letter Ref. AG/CONF.17/01/1 Vol. 1/82 dated 28<sup>th</sup> October, 2015 on the subject.

As requested, the certified true copies of the documents are attached for your necessary action.

Yours faithfully,

**John K. Birech**  
**Ag. Director, Financial Markets**

**Moses Muthui**  
**Authorised Signatory**  
**Financial Markets**

BANK		JPMORGAN CHASE BANK, NEW YORK		(Number 1)		
ACCOUNT NO.		603149985				
Date	Particulars	Curr	Amount	Cummulative Balance (U)	Amount in Kes	Comment
26-Jun-14	Euro Bond Receipts	USD	277,235,000.00	277,235,000.00	-	
26-Jun-14	Euro Bond Receipts	USD	846,721,763.00	1,123,956,763.00	-	
26-Jun-14	Euro Bond Receipts	USD	875,041,000.00	1,998,997,763.00	-	
30-Jun-14	Interest Payment	USD	76,541.62	1,999,074,304.62	-	
30-Jun-14	Fed Interest Withheld	USD	(21,431.65)	1,999,052,872.97	-	
3-Jul-14	Syndicated Loan	USD	(604,560,737.50)	1,394,492,135.47	-	PA No. 105848
3-Jul-14	To Exchangeur	USD				
15-Jul-14	A/c No. '01-040-0001	USD	(395,439,262.50)	999,052,872.97	34,648,388,180.25	PA No. 105847 @ 87.62
30-Jul-14	Account charges	USD	(50,019.77)	999,002,853.20	-	
30-Jul-14	Interest Payment	USD	169,415.65	999,172,268.85	-	
15-Aug-14	Fed Interest Withheld	USD	(47,436.38)	999,124,832.47	-	
8-Sep-14	Account charges	USD	(106,374.87)	999,018,457.60	-	
	Transfer to Proceeds from Sovereign Bond Account No. 1000212764	USD	(999,018,457.60)	-	88,463,084,420.45	PA no. 105526 @ 88.25

FINANCIAL MARKETS  
CENTRAL BANK OF KENYA

30<sup>TH</sup> October, 2015

ACCOUNTANT GENERAL / TREASUR.

M. H. Muthu

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## GOK/CBK SOVEREIGN BOND TAP PROCEEDS (Number 2)

BANK		CITIBANK, NEW YORK					
ACCOUNT NO.		36341018					
Date	Particulars	Curr	Amount	Cummulative Balance (U)	Amount in Kes	Comment	
3-Dec-14	Euro Bond Receipts	USD	194,402,198.00	194,402,198.00	-		
3-Dec-14	Euro Bond Receipts	USD	238,483,308.00	432,885,506.00	-		
3-Dec-14	Euro Bond Receipts	USD	382,551,426.00	815,436,932.00	-		
17-Dec-14	Transfer to Proceeds from Sovereign Bond Account No. 1000212764	USD	(815,436,932.00)	-	73,805,196,715.30	Rate 90.51	

FINANCIAL MARKETS  
CENTRAL BANK OF KENYA

30<sup>TH</sup> October, 2015

ACCOUNTANT GENERAL / TREASURY

M. N. Muthy

*[Signature]*

*[Signature]*

Adinakar Hareel  
*[Signature]*

BANKI  
KUU YA  
KENYA

CENTRAL  
BANK OF  
KENYA

Haile Selassie Avenue  
P. O. Box 60000 - 00200 Nairobi, Kenya  
Telephone: 2860000, Fax: 340192

27<sup>th</sup> June, 2014

The Accountant General  
National Treasury  
P.O. Box 30007-00100  
NAIROBI.

ACCOUNTANT GENERAL / TREASURY

Dear Sir


US DOLLAR ACCOUNT FOR GOVERNMENT OF KENYA SOVEREIGN  
BOND

We refer to our previous correspondence with your office on the above subject and in particular our letter dated 19<sup>th</sup> June, 2014 (copy attached) for ease of reference.

The proceeds of the Sovereign bond have since been received in the account held with J.P. Morgan Chase Bank, New York and Central Bank of Kenya has reflected the same in its books. We attach a SWIFT account statement from JP Morgan Chase Bank reflecting the credits for your records.

We also wish to confirm receipt of the mandates to the account.

Yours faithfully

  
John K. Birech  
Assistant Director  
External Payments & Reserves  
Management.

  
M. M. Muthui  
Authorised Signatory  
External Payments & Reserves  
Management.

14-17:25:15

RECEIVED-0519-039754

6

----- Instance Type and Transmission -----

Original received from SWIFT

Priority : Normal

Message Output Reference : 1724 140626CBKEKENXAXXX4976489212

Correspondent Input Reference : 1024 140626CILASUS33JXXX0391500013

----- Message Header -----

Swift Output : FIN 940 Customer Statement Message

Sender : CHASUS33XXX  
JPMORGAN CHASE BANK, N.A.  
NEW YORK, NY US

Receiver : CBKEKENXXXX  
CENTRAL BANK OF KENYA  
NAIROBI KE

M/R : DDA06260930009

----- Message Text -----

20: Transaction Reference Number

MT940/062414/001

25: Account Identification

000000603149985

28C: Statement Number/Sequence Number

00006/00001

60F: First Opening Balance

Debit/Credit : Credit

Date : 23 June 2014

Currency : USD (US DOLLAR)

Amount : #0.00#

61: Statement Line

Value	Ent F	Code	Reference	Amount	Ma
140624	D	NTRF	NONREF	#875,041,000.00#	C
			0085700174FE		

ACCOUNTANT GENERAL / TREASURY

CTC 

8: Information to Account Owner

FROM JP MORGAN SECURITIES LTD LONDON UNITED KINGDOM EC40LP VIA B  
OOK TIME RECVD 09 30 AM FAVOR REPUBLIC OF KENYA, NATIONAL TREASUR  
Y DETAILS ISIN US491798AM18/US500MM 5.875 2019 /ISIN US491798AM4  
3 /US1500MM5.875 2024 BK INFO DOM KENYANAT KENYA

61: Statement Line

Value	Ent F	Code	Reference	Amount	Ma
140624	D	NTRF	O/B CITIBANK NYC	#846,721,763.00#	C
			5004900175FC		

86: Information to Account Owner

FROM CITIBANK N.A. NEW YORK NY 10043-0001 VIA PSN/SSN 037262/218  
61 TIME RECVD 10 06 AM B/O 8378061 CITIGB2L B/O CITIBANK N.A. LON  
DON UNITED KINGDOM WC2R 1HB BK INFO GOK CBK SOVEREIGN BOND

61: Statement Line

Value	Ent F	Code	Reference	Amount	Ma
140624	D	NTRF	O/B CITIBANK NYC	#277,235,000.00#	C
			5321100175FC		

86: Information to Account Owner

FROM CITIBANK N.A. NEW YORK NY 10043-0001 VIA PSN/SSN 037238/2178  
25 TIME RECVD 09 32 AM B/O 8378061 CITIGB2L B/O CITIBANK N.A. LON

26/06/14-17:25:15

RECEIVED-0519-039754

DON UNITED KINGDOM WC2R HUB BK INFO GOK CHK SOVEREIGN BOND  
62F: Closing Balance (Booked Funds)

Debit/Credit : Credit

Date : 24 June 2014

Currency : BSD (US DOLLAR)

Amount : #1,998,997,763.00#

64: Closing Avail Bal (Avail Funds)

Debit/Credit : Credit

Date : 24 June 2014

Currency : USD (US DOLLAR)

Amount : #1,998,997,763.00#

86: Information to Account Owner

CHECK SUBTOTAL 0USD0.00

DBT SUM 0USD0.00 DBT LIMIT USD0,

CDT SUM 3USD1998997763.00 CDT LIMIT USD0,

----- Message Trailer -----

{CHK:B55270C88435}

ACCOUNTANT GENERAL / TREASUR

CTC 

BANKI  
KUU YA  
KENYA



CENTRAL  
BANK OF  
KENYA

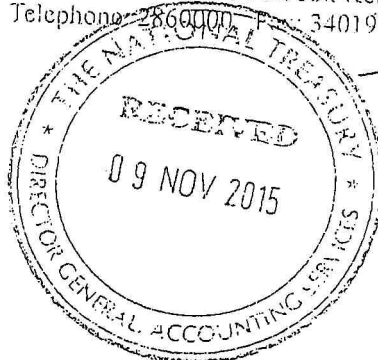
November 9<sup>th</sup>, 2015

The Cabinet Secretary  
National Treasury  
P.O. Box 30007-00100  
NAIROBI

Attn Mr. B.M. Ndungu

Dear Sir,

Haile Selassie Avenue  
P.O. Box 60000-00200 Nairobi, Kenya  
Telephone: 2860000 Fax: 340192



ACCOUNTANT GENERAL / TREASURY

CTG  
*[Signature]*

SOVEREIGN BOND PROCEEDS ACCOUNT NO. 603149985 AND SOVEREIGN  
BOND TAP PROCEEDS ACCOUNT NO. 36341018 INTEREST EARNED/WITHELD  
AND BANK CHARGES

We acknowledge receipt of your letter Ref. AG.CONF/17/1/VOL.1/93 dated 6<sup>th</sup>  
November 2015 in response to ours dated 5<sup>th</sup> November, 2015 on the subject.

As requested by the National Treasury, the Central Bank of Kenya (CBK) wrote to JP  
Morgan Chase New York, where the sovereign bond account was held, asking them  
to provide the details on the interest earned (interest rates period and base amount),  
withholding tax rate applicable for the amounts withheld as Fed interest and account  
analysis settlement charges debited for the sovereign bond account.

On the sovereign bond tap proceeds account number 36341018, the Central Bank  
of Kenya wishes to advise as follows:-

- The account was opened with CITI bank New York on 27<sup>th</sup> November, 2014.
- On 3<sup>rd</sup> December, 2014 the account was credited with a total USD 815,436,932.00 in three different transactions as per the attached account statement. This is the amount that was eventually transferred to the Kenya shilling account advised by the National Treasury.

You will therefore note that there were no charges or interest earned on the tap  
proceeds. On a different note and just to clarify, the Eurobond Tap proceeds  
amounted to USD 815m and not USD 750m as referred to in other correspondences.



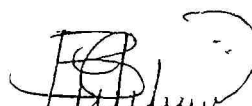
We have attached a copy of SWIFT message to JP Morgan Chase and account statement from CITI bank N.Y for your perusal and records. The CBK will follow up on the request to JP Morgan and keep the National Treasury updated.

Yours faithfully,




John K. Birech  
Ag. Director  
Financial Markets

ACCOUNTANT GENERAL / TREASUR



Moses M. Muthui  
Authorized Signatory  
Financial Markets

 *Attachments*

TAF

Message Details - OCITRUS33KXX9501074



Header | Sender/Receiver | Text | History | Instances | Other

Reference Number

Location

Order/Sequence Number

Balance

: Credit

: 03 December 2014

: USD (US DOLLAR)

#0.00#

Code Reference

Amount

Ma

6910 3406423884

#194,402,198.00#

C

S0643370F7F001

6910 FAX OF 14/12/02

#238,483,308.00#

C

F014337011DF01

B/O JP MORGAN SECURITIES LTD

6910 3406423885

#382,551,426.00#

C

S0643370F89101

Balance (Booked Funds)

: Credit

: 03 December 2014

: USD (US DOLLAR)

#815,436,932.00#

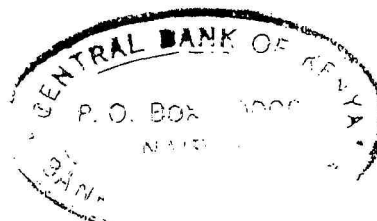
Balance (Avail Funds)

: Credit

: 03 December 2014

: USD (US DOLLAR)

#815,436,932.00#



☒ Display expanded text

Results 1 - 4 of 4

Run Date: 29/10/2015 Run Time: 14:45:17  
 CENTRAL BANK OF KENYA  
 BANKI KUU YA KENYA  
 P.O.BOX 60000-0200  
 NAIROBI

STATEMENT OF ACCOUNT  
 ACCOUNT NUMBER : 1000222476

PAGE NO : 1

STATEMENT PERIOD: From 01/07/2014 To

ACCOUNT TITLE : CON/CBK SOVEREIGN TAP(USD)  
 30/09/2015

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
OPENING BAL:					
			0.00		
1	05/12/2014	FT143395C0VM	SVRCN BOND -382,551,426.00	0.00	Balance
2	05/12/2014	FT14339P8T5H	SVRCN BOND -238,483,308.00	0.00	-382551426
3	05/12/2014	FT14339WTDND	SVRCN BOND -194,402,198.00	0.00	-621034734
4	19/12/2014	FT14333N48M1		0.00	-815436932
				0.00	0

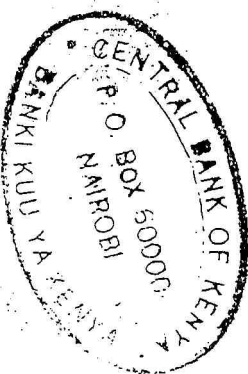
END OF ACCOUNT STATEMENT

CLOSING BALANCE : 0

Favourites

TAM.E.STMT.OF.ACCT.EPRM		More Options	Find
Account	equals	1000222476	
Statement From	greater than	20140701	
Statement To	equals	20150930	
TAM.E.STMT.OF.ACCT.EPRM			

ACCOUNTANT GENERAL / TREASURER



Message Details - ICHASUS33XXX199FM15310NW7MD

Header Sender/Receiver | Text | History | Instances | Other |

Sender

Institution: CBKEKENXXXX

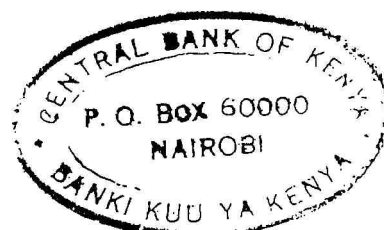
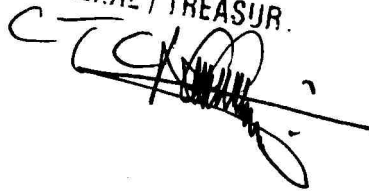
CENTRAL BANK OF KENYA  
NAIROBI  
NAIROBI  
KE  
KENYA

Receiver

Institution: CHASUS33XXX

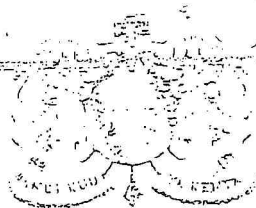
JPMORGAN CHASE BANK, N.A.  
NEW YORK, NY 10004  
NEW YORK, NY  
US  
UNITED STATES OF AMERICA

ACCOUNTANT GENERAL / TREASUR.



FO/14/GPA/1A

BANKI  
KUU YA  
KENYA



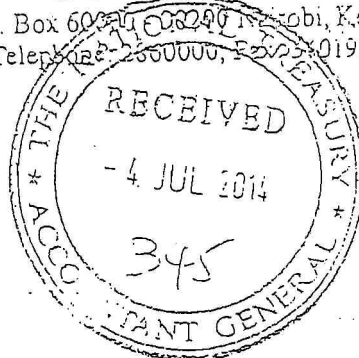
CENTRAL  
BANK OF  
KENYA

Haile Selassie Avenue

P. O. Box 60000, Nairobi, Kenya  
Telephone: 2550000, Fax: 2550192

4<sup>th</sup> July, 2014

The Accountant General  
Ministry of Finance  
P.O Box 30007  
NAIROBI



Dear Sir,

Ref: Credit of KES 34,648,388,180.25

We confirm that your a/c No.1000003987 was on 03/07/2014 credited with KES 34,648,388,180.25 (equivalent to USD 395,439,262.50) as advised under PA Number 105847 dated 30/6/2014.

We attach a copy of PA and voucher for ease of reference.

Yours faithfully,

John K. Birech  
Assistant Director  
External Payments &  
Reserves Management

G.N. Wainyana (Mrs.)  
Authorised Signatory

ACCOUNTANT GENERAL / TREASURY

Results 1 - 1 of 1

DATE : 03 JUL 2014  
TRANSACTION : FT/14184/3R1M0  
CUSTOMER : 100133

ACCOUNTANT GENERAL - TREASURY  
TREASURY  
HARAMBEE AVENUE  
NAIROBI  
00100  
KENYA

-----  
CREDIT ADVICE  
-----

WE HAVE TODAY RECEIVED THE FOLLOWING ACCOUNT TRANSFER INSTRUCTION FOR  
VALUE 03 JULY 2014

BY ORDER OF : MINISTRY OF FINANCES

CREDIT REFERENCE : PA 105847

WE HAVE CREDITED YOUR KES ACCOUNT NO 1000003987 AS FOLLOWS:

TRANSFER AMOUNT USD 395,439,262.50

AT EXCHANGE RATE 87.62

EQUIVALENT AMOUNT KES 34648388180.25

AMOUNT CREDITED KES 34648388180.25

IF YOU HAVE ANY QUERIES REGARDING THE ABOVE DETAILS PLEASE CONTACT  
US AS SOON AS POSSIBLE QUOTING OUR TRANSACTION NUMBER.

ACCOUNTANT GENERAL / TREASURY

CTC  


4: Transaction Reference Number

8502FT142512ZHF

2A: Value Date, Currency Code, Amt

Date : 08 September 2014

Currency : USD (US DOLLAR)

Amount : #999,018,457.60#

53B: Sender's Correspondent -Location

/603149985

57A: Account With Institution - FI BIC

FRNYUS33

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, NY US

72: Sender to Receiver Information

//REC/BEING TRANSFER OF SOVEREIGN

//BOND/EURO BOND PROCEEDS

☒ Display expanded text

Block 4:

20: Transaction Reference Number

ST09080603149985

25: Account Identification

000000603149985

28C: Statement Number/Sequence Number

00052/00001

60F: First Opening Balance

Debit/Credit : Credit

Date : 05 September 2014

Currency : USD (US DOLLAR)

Amount : #999,018,457.60H

61: Statement Line

Value Entr F Code Reference Amount Ma

140908 D S200 8502FT142512ZHF #999,018,457.60H LC

R-857200251FS

ACCOUNTANT GENERAL / TREASURY

CTC

Results 1 - 12 of 12

Run Date: 09/09/2014 Run Time: 14:36:14

CENTRAL BANK OF KENYA

BANKI KUU YA KENYA

P.O. BOX 60000-0200

NAIROBI

STATEMENT PERIOD: From 01/06/2014

To

ACCOUNT TITLE : GOVERNOR SOVEREIGN BOND(USD)  
08/09/2014

ACCOUNT NUMBER : 1000207078

# STATEMENT OF ACCOUNT

NO. DATE REFERENCE NO DETAILS

## OPENING BAL :

0.00

Value Date Reference No Details

Debit

Credit

Balance

1	26/06/2014	FT14177FTC6X	EURO BOND	-277,235,000.00	0.00	-277,235,000
2	26/06/2014	FT14177KQ038	EURO BOND	-846,721,763.00	0.00	-1,123,956,763
3	26/06/2014	FT14177R6FBQ	EURO BOND	-875,041,000.00	0.00	-1,998,997,763
4	03/07/2014	FT14184TSLWZ	PA 105848	0.00	604,560,737.50	-1,394,437,025.5
5	04/07/2014	FT141853PKUY	PA 105847	0.00	395,439,262.50	-998,997,763
6	08/09/2014	FT14251XG5LM	ANALYSIS CHARGE	0.00	106,374.87	-998,891,388.13
7	08/09/2014	FT14251LGJLM	ANALYSIS CHARGE	0.00	50,019.77	-998,841,368.36
8	08/09/2014	FT14251HGSP3	INTEREST	-76,541.62	0.00	-998,917,909.98
9	08/09/2014	FT14251H5CY3	FED INT. WITHHELD	0.00	21,431.65	-998,896,478.33
10	08/09/2014	FT142510FDT5	INTEREST	-169,415.65	0.00	-999,065,893.98
11	08/09/2014	FT142511Y24W	FED INT. WITHHELD	0.00	47,436.38	-999,018,457.6
12	08/09/2014	FT142512ZHFH	PA 105526	0.00	999,018,457.60	-

CLOSING BALANCE : 0

END OF ACCOUNT STATEMENT

ACCOUNTANT GENERAL / TREASURER