

**Recover Looted Billions, Urge Lawyers**  
**The Nation**  
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All the money stolen in the multi-billion Goldenberg scandal should be recovered and the thieves punished, lawyers have recommended.

Those involved should also be barred from holding public office, the Law Society of Kenya (LSK) said yesterday.

The lawyers' body told the Goldenberg inquiry that officials who served at the Treasury and at the Central Bank of Kenya (CBK) and who are culprits should be held personally responsible for the wrongs that happened under their watch.

They want retired President Daniel Moi and senior political figures of the Goldenberg days held accountable for the early 1990s scandal that nearly brought the Kenyan economy to its knees.

Mr Moi was named alongside former intelligence chief James Kanyotu and Mr Moi's personal assistant Joshua Kulei and a string of civil servants who worked at the Treasury and Central Bank.

But even as the LSK made a case, lawyer Mutula Kilonzo for Mr Moi told the commission that there was no law that empowered the former President to interfere with the running of the affairs at the Treasury or the Central Bank.

"Nowhere does the law grant any president the powers to interfere with the running of the Treasury and the Central Bank. Those who drag in Mr Moi's name should be prepared to carry their own cross," he said.

Lawyer Njoroge Regeru for Mr Kanyotu said: "My lords will not find a piece of paper in all the thousands before you that will link Mr Kanyotu to this scandal. Kamlesh Pattni is the culpable man."

They were named at the second last day of the long-closed Goldenberg inquiry, which is scheduled to officially close proceedings today.

The commission was appointed by President Kibaki on February 24, 2003, to investigate suspect gold and diamond jewellery and various banking transactions involving the Goldenberg International and other companies associated with businessman Kamlesh Pattni.

It has sat for 296 sessions spread through two years and listened to 102 witnesses, piecing together the details of what is believed to be Kenya's worst financial scandal.

Yesterday was the day for lawyers to make their oral submissions, a last opportunity given to them to state their clients' cases before a report on the matter is compiled.

LSK lawyer at the inquiry, Mr Harun Ndubi, turned the heat on former Central Bank governor Eric Kotut, during whose watch billions of the public money were fraudulently siphoned from the institution.

Lawyer Githu Muigai, who represents former Treasury permanent secretary Wilfred Koinange, had earlier told the commission that Mr Kotut had lied to the commission when he testified last year.

While Treasury PS in 1993, Dr Koinange wrote three letters between April 19 and July 1, which authorised the release of Sh5.8 billion from public coffers and which ended up in Goldenberg accounts, he said.

The former PS had stated in his testimony that the money was moved with the full knowledge of Mr Kotut but the latter stated that he knew nothing about it.

Lawyer Okoth Oriema for Mr Kotut told the commission that the Goldenberg scandal was executed by unscrupulous businessmen who took advantage of loopholes at CBK.

Mr Oriema said that his client ordered an audit of banks implicated in the Goldenberg affair and suspended bank officials whose departments were tainted by Goldenberg.

Also pointing accusing fingers at Mr Kotut was lawyer Evans Monari who represents former CBK deputy governor Eliphaz Riungu.

Mr Monari said: "I urge my lord commissioners to find three people who worked for the Central Bank guilty. These are Mr Eric Kotut, Mr Eric Kotut and Mr Eric Kotut."

Other former civil servants named by LSK's Mr Ndubi are former commissioner for Mines and Geology, Mr Collins Owayo and Mr Arthur Ndegwa, a senior officer at the Mines Department, who tested and cleared the Goldenberg's purported exports.

Mr Ndubi said civil servants who suffered at the hands of Goldenberg perpetrators should be compensated.

Central Bank lawyer Agnes Murgor urged the commission to recover about Sh30 billion believed to have been looted by Goldenberg and associated companies from public coffers, together with interest.

Lawyer Pheroze Nowrojee for Cabinet minister George Saitoti, who served in the Finance portfolio at the time, said that the minister only acted according to the law and advise from the technical experts at the Treasury.

Although the Local Manufacturers Export Compensation Act granted for 20 per cent compensation on exports, the minister granted an extra 15 per cent at the time.

Lawyer Mohammed Nyaoga for former Treasury PS Charles Mbindyo said that of the Sh255 million that was paid out in ex-gratia, it was Sh180 million that was paid out during his tenure.

"This was actually a smokescreen for what was to come. My client acted professionally and in good faith," said Mr Nyaoga.

Lawyer Saadia Effendy who represents MP Nicholas Biwott, and his companies HZ Ltd and Yaya Towers Ltd denied that her clients were involved in the Goldenberg scandal.

Ms Effendy said that the transactions between the companies she represents and the Deposit Protection Fund in the early 1990s did not fall within the mandate of the Goldenberg commission to investigate.

Other lawyers who submitted include Mr Juma Kiplenge representing Mr Philip Moi, Moses Makhandia (Ms Jennifer Moi) Ms Violet Baraza (Soin Development) Mr Ben Munyasia for (Rtd General Jackson Mulinge), Mr Albert Mumma (Kenya Commercial Bank) Mr Felix Nyauchi (Mr Muzahim Salim Mohammed) Mr Njoroge Regeru (Delphis Bank), Mr Kanji Damji Pattni and Mr Cecil Miller (Deposit Protection Fund).

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