

US\$1 Billion loot is traced to three top citizens
The Nation (Kenya)
04.29.2004

Nairobi - More than Sh78 billion - about \$ 1 billion - hidden overseas by top officials of President Moi's regime have been traced to three prominent people.

It is the latest twist in the worldwide search for Kenyan taxpayer's money stashed overseas, which is being tracked by an international investigation company, Kroll Associates.

According to sources familiar with the investigation, the tangled web of billions of shillings worth of assets and money transferred by influential people in the previous government has led to eight countries.

Finance minister David Mwiraria, Justice Minister Kiraitu Murungi and corruption czar John Githongo are in Britain arranging for the freezing of assets traced to the Kenyan looters.

Kroll investigators have established that an individual based in Geneva who handled most funds from Kenyan personalities was the same person who had been used by the family of former dictator Sani Abacha to siphon riches out of Nigeria.

Mr Githongo told the Nation: "These were very sophisticated operations and not a simple matter of transferring money from Kenya. These people had experts advising them and the transactions were done very cleverly."

Much of the money was used to buy real estate in the United States and Australia while some was moved to Switzerland, South Africa, Jersey, the Netherlands, Luxembourg, Italy and the Gulf States. It has previously been estimated that the total of illegal funds could be from Sh225 billion to Sh300 billion, equivalent to a third of Kenya's annual output.

Assets that had been identified included expensive homes in European capitals, shares in two London hotels and cash generated partly through foreign exchange transactions at leading international banks.

Sources said that as more information has been uncovered, some personalities have co-operated with investigators and offered direction on where loot had been hidden. Mr Murungi said some of the money could be traced to people in the present government and investigations would not spare them.

Said Mr Githongo: "Some of the tentacles of the case go back into the present government. Our asset recovery is going well. We have now reached a stage where we have engaged international lawyers and we will soon be freezing assets that have been identified."

The three government officials are understood to have held talks with a firm of top London lawyers on legal action to recover the riches hidden abroad. The first step will be to freeze the assets of the account holders.

Previously investigations had spotlighted transactions which went through Citibank and Union Bancaire Privee' in Switzerland and Equatorial Bank in London.

Kroll agents were also seeking information from ABN Amro, Barclays the former ANZ Grindlays, Indosuez Sogem Aval, Middle East Bank, Standard Chartered and some other local Kenyan Banks.

Kroll Inc specialises in big companies and governments over risk and corruption. On the controversy concerning the passports issuing equipment, which rocked Parliament on Tuesday, Mr Githongo said investigations he initiated before leaving Kenya were going on smoothly.

He said he was aware the Public Accounts Committee was looking into the matter, but inquiries by other security agencies were also proceeding.

"I'm talking to the CID director twice a day on this matter and my office will have a complete picture of what exactly went on very soon, " he told the Nation.
"I'd received documents before I left and investigations were launched immediately."