REPUBLIC OF KENYA
MINISTRY OF INTERIOR AND COORDINATION OF NATIONAL GOVERNMENT

Roles of Supreme Audit institutions bodies in the prevention of and fight against corruption.

Supreme Audit Institutions (SAIs) oversee the management of public finances. Traditionally, the role of SAIs has been seen as promoting public sector transparency and accountability within a wider climate of good governance. However, it is important to note that some SAIs have taken a more active role in combating corruption.

The supreme Audit Institutions has achieved the following successes:-

- Ensuring Good governance and promoting integrity.
- Promoting sound financial Management systems
- Raising awareness to the auditees and to the general public on the risks of corruption
- Deterrence and prevention of corruption in public institutions
- Detection of fraudulent financial reporting
- Promoting transparency, openness, efficiency and effectiveness in use of public resources

I. Ensuring Good governance

Good governance lies at the heart of the mandate of Supreme Audit Institutions (SAIs) to hold public agencies to account for the way in which they use public resources and for
recommending improvements. The key role played by SAIs in good governance is increasingly recognized by global institutions including the UN who see the International Organization of Supreme Audit Institutions (INTOSAI) as a key partner in helping achieve the UN Sustainable Development Goals which were approved in October 2015.

II. Promoting sound financial management systems

Supreme audit intuitions contribute to the prevention of corruption by promoting sound public financial management systems based on reliable reporting and robust control mechanisms, which contribute to support transparency and accountability in the public sector.

III. Raising awareness to auditees and general public on the risks of corruption

Audit institutions play a significant role in raising public awareness of corruption risks by making audit reports public in a timely manner, as well as producing analytical reports and sharing these widely with the local media.

By contributing to a system of financial checks and balances, auditors provides the public with information on acceptable standards of financial management, thereby promoting a stronger framework to support financial integrity and the predictability of government operations. As such, SAIs can play an important role in raising awareness to the risks of corruption and promoting good governance and standards of financial integrity.

IV. Deterrent and discourage public officials from engaging in fraudulent or corrupt behavior.

The disclosure of wrongdoing through the publication of audit reports have a deterrent effect and discourage public officials from engaging in fraudulent or corrupt behavior.
V. Detection of fraudulent financial reporting

While the primary responsibility for the detection of corruption lies with institutions such as the police or anti-corruption agencies, the public expects auditors to play a key role in uncovering malpractice. Indeed, auditors are experts in detecting fraudulent financial reporting which can conceal corrupt activities.

VI. Prevention of Corruption

- Auditors review and evaluate the effectiveness of internal controls of public resources in various institutions in order to promote the effectiveness, efficiency, transparency, economy and accountability in order to realize value for money.
- Through reliable reporting and robust control mechanisms on public financial management systems audit goes a long way in promoting transparency and accountability in the public sector.

VII. Challenges faced by Auditors

- Inadequate budgetary allocation – where budgetary allocations for the activities of the audit is inadequate, continuous fight against corruption and fraud is seriously undermined.
- Lack of implementation of audit recommendations – if auditees don’t implement audit recommendations, then corruption and fraud continue unabated.
- Limited financial resources to conduct audits.
- Shortage of human resources to undertake comprehensive and timely audits.
- Inadequate ICT capacity and capability, inadequate expertise to deal with emerging audits.
- The legal framework, which prohibits sharing of reports with other law enforcement agencies on a timely basis
- Covid-19 and other pandemics – Covid-19 has affected the work of auditors.
• Opportunity for corruption by public officials – Public officials engaging in corrupt activities due to access to public resources.
• Peer pressure – Public officials engaging in corruption to be at par with other people in private sector.
• Rationalization and poor perception.

VIII. Legal Framework in the fight against Corruption
Kenya has made significant strides by instituting legislation criminalizing corruption, these include:

a) **Anti-Corruption and Economic Crimes Act 2003** and **Penal Code** criminalize corruption, active and passive bribery, bribing of foreign officials, money laundering, abuse of office, extortion, conflict of interest, bid rigging and bribery involving agents.

b) **Bribery Act of 2016** criminalizes primarily private sector bribery, broadly defined as “offering, promising, or giving a financial or other advantage to another person”, which may include facilitation payments. The Act imposes a duty on public and private entities to have appropriate anti-bribery procedures in place.

c) **Public Officers Ethics Act 2003** sets rules for transparency and accountability, as well as gifts and hospitality. Every public officer is required to declare their income, assets and liabilities every two-years.

d) **Public Procurement and Disposal Act** prohibits corruption in public procurement.

e) **Finance Act 2006** provides for measures against tax fraud and guidelines on tax administration; it also provides sanctions on corrupt practices.

f) **Witness protection act, 2006** provides for protection of whistle-blowers and forbids any disciplinary action to be taken against any private or public employee who assists an investigation or discloses information for such an investigation

g) **Proceeds of crime & anti money laundering act, 2009** provides for the offence of money laundering and introduces measures for combating the offence, provides
for the identification, tracing, freezing, seizure and confiscation of the proceeds of crime.

h) **Leadership and integrity act, 2012** provides for high standards of integrity and ethical conduct for State and Public Officers.

i) **Public Service Commission’s Act** has a Code of Regulations for civil servants that requires meritocratic recruitment and promotion of public officials.

j) **Access to Information Act 2016** provides a framework to facilitate access to information held by private bodies and promote routine and systematic information disclosure by both public service and private service.

The Kenyan Government, while strengthening its mechanisms for crime detection and prosecution, has also empowered its citizens in addressing and reporting corruption issues.

Kenya has also ratified;

a) **African Union Convention on Preventing and Combating Corruption**, which addresses corruption in the public and private sectors. It represents a consensus on what African countries should do in the areas of prevention, criminalization, international cooperation and asset recovery, and,

b) **United Nations Convention against Corruption (UNCAC)**, which introduces a comprehensive set of standards, measures and rules that all countries can apply in order to strengthen their legal and regulatory regimes to fight corruption.

**IX. Institutional Framework**

Kenya had shown great commitment by strengthening its institutions to fight corruption. The country has already established a *multi-agency framework* that brings together relevant law enforcement agencies in its fight against corruption. The multi-agency framework on corruption in Kenya includes;

1. Asset Recovery Agency
2. Directorate of Criminal Investigations.
3. Ethics and Anti-Corruption Commission,
4. Central Bank of Kenya,
5. Witness protection agency
6. Financial Reporting Centre,
7. National intelligence service
8. Kenya Revenue Authority,
9. Directorate of Public Prosecution, and,

The government through the multi-agency and multidisciplinary approach also seeks to introduce into the education curricula of the country studies on leadership, ethics and integrity for all its citizens. Accordingly, all new civil servants will receive education on corruption and economic crimes while being inducted into service. The government is also working on the ratification of UNCAC through the International Anti-Corruption Academy (IACA) to pave way for advanced training of anti-corruption officers, judicial officials as well as prosecutors to effectively deal with the vice of corruption.

X. Technical Assistance

Corruption is a multi-dimensional problem which must be addressed using cross-cutting approaches of strong inter-agency collaboration and linkages and technical assistance. For this to be achieved there is need to strengthen the institutions involved in preventing and combating corruption in the country.

Some of the priority areas in this realm include:

i. Prevention, detection, investigation, punishment and control of corruption including evidence gathering and investigative methods;

ii. Capacity building for development and planning of strategic anti-corruption policy;

iii. Training on preparation of mutual legal assistance;
iv. Evaluation and strengthening of institutions, public service management, public financial management, public procurement and the private;

v. Preventing and combating transfer of proceeds of corruption and economic crime;

vi. Detection and freezing of the transfer of proceeds of corruption and economic crime;

vii. Surveillance of the movements of the proceeds of corruption and economic crime;

viii. Appropriate and efficient legal and administrative mechanisms and methods for facilitating the return of proceeds of corruption and economic crime;

ix. Methods for protecting victims and witnesses who cooperate with judicial authorities,

x. Training in national and international regulations and languages.