



Enhed:
TILSKUD

Dato:
25-06-2025

Sagsnummer:
23/00440/ 2706663

23/00440

C-sag:
C1964

Suspicion of irregularities in relation to Water Sector Trust Fund's activities in Kenya

Reference is made to the previous report dated 9 January 2025 regarding suspicions of various misconduct within Water Sector Trust Fund (WSTF) in Kenya. DKK 70 million has been granted for the period 2021-2026, of which DKK 64 million has been disbursed.

Since the last report, the allegations of nepotism, kickbacks during procurement, misuse of assets, and irregularities related to daily subsistence allowances were audited by PricewaterhouseCoopers (PwC) under the financial year 23/24 audit. The instruction came from Kenya's Office of the Auditor General (OAG) following a meeting with the Danish Embassy. The audit had no material findings to confirm the allegations and the opinion was thus without qualifications (unqualified). However, the Auditor General requested PwC to do a special audit focusing on compliance and internal controls of WSTF to investigate the allegations further. The special audit is currently being finalized by PwC.

The Embassy is planning to engage an International Finance and MEAL Advisor to be based at WSTF's offices to support the close oversight of Danish funds utilization at WSTF and at subgrantees level.

A new report will be forwarded when there are further developments in the case.