



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

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**Enhed:**  
TILSKUD

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Reference is made to the previous report dated 25 June 2025 regarding suspicions of irregularities within Water Sector Trust Fund (WSTF) in Kenya. DKK 70,000,000 has been granted for the period 2021-2026, of which DKK 69,014,389 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 investigated by PricewaterhouseCoopers (PwC) for the financial year 23/24. The instruction came from Kenya's Office of the Auditor General (OAG) following a meeting with the Danish Embassy in Nairobi. The audit had no material findings to confirm the allegations, and the auditor's opinion was unqualified. However, the Auditor General requested that PwC should do a special audit focusing on compliance and internal controls of WSTF. The special audit was done in May 2025 and concluded that there were no material findings to support the allegations.

PwC has further conducted the current audit for the financial year 24/25. The audit did not conclude any material findings and, again, did the audit report state an unqualified opinion.

To further strengthen the financial management capacity and mitigate irregularities in WSTF, an international finance and MEAL adviser, financed by the Danish grant, will be deployed.

The Ministry of Foreign Affairs thus regards the case as closed without loss of Danish funds.