

Sasnet ordered to pay couple Sh5.6 m

BY BENSON WAMBUGU

The High Court has ordered a pyramid scheme, Sasnet Investment Co-operative Society, to refund a couple Sh5.6 million which they invested in the firm before its collapse.

Commercial Court Judge Lady Justice Martha Koome said she was satisfied that Edward Mwaniki and Hellen Nyambura invested their money in the pyramid scheme to earn a profit but ended up losing everything.

The investors had deposited Sh2 million with the co-operative, having been convinced by the company directors that it would earn a Sh3.6 million profit in one year.

Later the couple said they were shocked to see an advertisement in local dailies notifying members of the scheme that Sasnet had suspended its operations.

Further enquiries

Mr Mwaniki and his wife said further enquiries confirmed their fears as the firm had collapsed with hundreds of millions belonging to the investors.

On its part Sasnet denied having entered into an agreement with the couple or receiving Sh2 million as alleged.

The firm challenged the jurisdiction of the court, saying the dispute should have been handled by the Co-operative Tribunal or an arbitrator.

The Judge said the plaintiffs had established their claim and ordered Sasnet to pay the investors Sh5.6 million together with interest at court rates.

Earlier in February, a judge allowed some investors who lost millions in Sasnet pyramid scheme to sell assets belonging to one of the firm's directors.

Sheila Akinyi, Christine Wairimu and Pauline Ng'ang'a, were told they could sell two Nairobi apartments belonging to Michael Chege.

Welfare association

They had sued the companies Sasnet Ltd, Sasnet Investment Co-operative Society and its directors Mr Chege and Mr Sammy Gitau, claiming more than Sh7 million from one of the schemes.

In yet another case, more than 150,000 investors of the collapsed schemes lost out after a court rejected a suit they had filed against the government.

The investors through the Pyramid Victims Welfare Association wanted the court to compel Prime Minister Raila Odinga to enforce recommendations of a taskforce on the schemes released in June last year.



CDF projects like schools have stalled due to land ownership tussles.

State to revoke more illegal title deeds in land reforms

BY JIM ONYANGO

Thousands of illegally acquired title deeds will be revoked this week as the government moves to resolve land disputes said to be holding up development projects across the country.

Targeted will be those issued on public land, according to Deputy Lands Commissioner Peter Kahuho who said the move was a follow-up to the revocation of other titles through a Kenya Gazette notice on April 1.

The Constituency Development Fund said yesterday some of its projects had stalled owing to legal hurdles regarding land ownership.

Dispute over the ownership of land is slowing down the building of development projects in the constituencies, the CDF said as it also emerged that the Ministry of Lands will this week revoke thousands of illegally acquired land titles.

Some projects have been abandoned or stalled as a result of the disputes over the land earmarked by the CDF committees for building schools, health centres and water projects resulting in misuse or wastage of public funds already injected into the projects.

The CDF board says money allocated to some of the projects has since been re-allocated because some public utility land had been illegally acquired by private developers.

The revelations of the difficulty in accessing public land for development projects in six densely populated constituencies including Embakasi in Nairobi comes at a time when the Ministry of Lands is taking stern measures to revoke titles deeds for land that was set aside for public purposes but was allocated illegally to private developers.

"We will cancel even more titles," Mr Kahuho said last week. The last batch of titles that were recently revoked by the Ministry of Lands were published

Land

- Illegally acquired title deeds will be revoked this week.
- Move aimed at resolving land disputes said to be holding up development projects across the country.
- CDF says disputes over the ownership of land, slowing down building of development projects in the constituencies.
- Some projects have been abandoned or stalled as a result of the disputes over

in a special issue of the Kenya Gazette on April 1. The ministry has also embarked on the second phase of buying back idle land in towns and rural areas, especially that which the government allocated influential people in murky deals shortly after independence in 1963. The government has allocated Sh1.5 billion to the scheme intended at creating a land bank which investors and project developers can tap into as the country steps up the drive to attract capital to major towns in the Rift Valley, Western and Nyanza provinces.

Land sellers

The CDF board has named several projects which were stopped because of disputes between land sellers and CDF committees. Among the projects that have stalled because of land problems is a Sh5 million hospital project in Embakasi constituency. The money has since been relocated for the expansion of dining halls and classrooms for three schools in the constituency. Some projects have also stalled in Kisauni, Starehe, Kamukunji, Makadara and Gichugu constituencies over land disputes.

An independent audit report released last week by the National Taxpayers' Association (NTA) says that about Sh500 million intended for

building hospitals, schools and roads in 34 constituencies in the 2006 to 2008 financial years cannot be accounted for.

A total Sh58.6 billion has been allocated to the 210 constituencies since the inception of CDF in 2003. In the current financial year, CDF has been allocated Sh12.3 billion.

CDF was established in 2003 through an Act of parliament. The fund aims to control imbalances in regional development. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots.

The fund comprises an annual budgetary allocation equivalent to 2.5 per cent of the government's ordinary revenue. CDF is managed through four committees two of which are at the national level, and two at the grassroots level.

The Kenya Anti-Corruption Commission has said it will investigate the claims by NTA with a view to prosecuting people suspected of misusing public funds.

The revelations of misuse of the funds came at a time when Treasury is seeking approval of a Sh42 billion supplementary budget to sustain government expenditure until June. State expenditure is increasing despite austerity measures including the withdrawal of fuel guzzling motor vehicles from government officials.

But the CDF board says stalled projects should not be construed to mean wastage of public funds. "The CDF, occasional problems notwithstanding, is a monumental success story with more than 35,000 CDF projects in various stages of completion established throughout the country. A significant percentage of these have already been completed and in use," said CDF chief executive officer, Agnes Odhiambo.

University, Nokia sign software lab deal

BY KUI KINYANJUI

Renewed efforts to bridge the gap between theoretical training and practical experience in the ICT sector has seen the development of yet another collaborative effort between a tertiary institution and an industry player.

The latest match-up between the University of Nairobi and mobile manufacturer Nokia will see the development of a laboratory at an estimated cost of Sh4 million to create an enabling environment for university students to research and develop software applications for the market.

"The challenge is on software developers to come up with locally relevant solutions given that there is a large market for innovative products.

But there is a growing pool of computer science and IT graduates, IT practitioners and professionals in the country who lack access to well equipped laboratories to do research work," said Peter Wagacha, Team Leader, University of Nairobi, School of Computing and Informatics.

Demand for engineers

The lab has been developed in collaboration with Nokia's Research Centre Africa and will be a multi-disciplinary laboratory, to be based at the university's School of Computing and Informatics.

The move follows similar collaborative efforts between industry and educationalists that have sought to build on synergies aimed at increasing exposure for students in the market place.

In 2006, Moi University and Safaricom launched an enhanced engineering degree that aimed to empower graduates with the ability to make a seamless transition into the workforce from university.

The programme features a jointly developed curriculum that will incorporate experiential training for both students and lecturers throughout the course, and hopes to meet rising demand for engineers who can handle the rapidly evolving mobile telephony landscape.

Yesterday, Strathmore University also launched a business incubation project that hopes to take advantage of teaching, learning and research outputs from its Faculty of Information Technology.

Technology and business incubation programmes like those offered by UoN and Strathmore are designed to accelerate development and commercialise technology using an array of support resources and services.