

**SPEECH BY MWALIMU MATI  
EXECUTIVE DIRECTOR – TI-KENYA  
AT THE LAUNCH OF A REPORT ON  
CORRUPTION IN WATER SERVICES  
DELIVERY IN NAIROBI**

**TI-KENYA BOARDROOM**

**TUESDAY, March 21, 2006**

## **Corruption in Water Services Delivery in Nairobi**

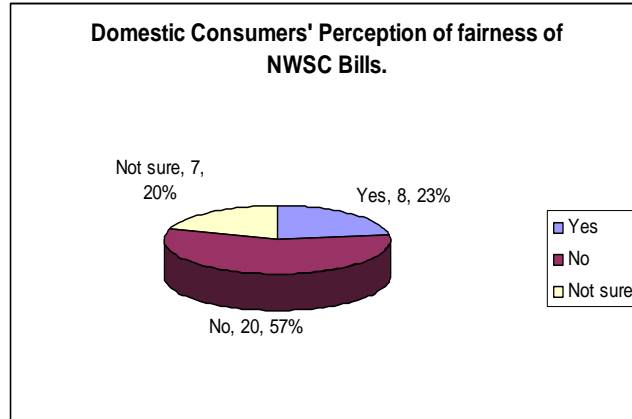
This pilot survey sought information on corruption in water services delivery with respect to the city of Nairobi. The survey was conducted at the request of the management of the Nairobi Water & Sewerage Services Company Limited (NWSC), the successor to the Nairobi City Council Water Department.

90 interviews were conducted during April-May 2005, with water supply consumers (both domestic and institutional), business associates of the Company and employees of the Company on their experiences with corruption (if any) within the organization.

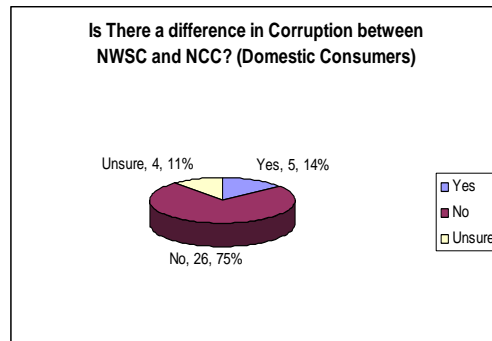
The importance of transparent water management cannot be overemphasized, a reason why thousands of delegates on March 17, 2006 gathered at the 4<sup>th</sup> World Water Summit in Mexico City to strategize on how to combat corruption in the water sector. The World Water Forum provides a powerful platform to highlight the importance of tackling corruption in all areas of the water sector and the role that a multi-stakeholder coalition can play in initiating and supporting pro-poor actions to combat corruption.

### **Key Findings**

- Though nearly two-thirds of respondents (64.7%) had a corruption experience within the last 5 Years in relation to water services, most respondents were of the view that the incidences of corruption had declined considerably since the assumption by the NWSC of the services.
- The staff of the NWSC are clear that the management of NWSC is intolerant of corruption within the organization, a radical change from the hitherto ambivalent indifference by the Nairobi City Council.
- The most common form corruption in relation to water service delivery is persistent demand for bribes from the consumers (mainly the domestic ones).
- The department within NWSC most prone to corruption is the commercial department although a significant number of the respondents indicated in their response that corruption on the whole was practiced at every level of the Company.

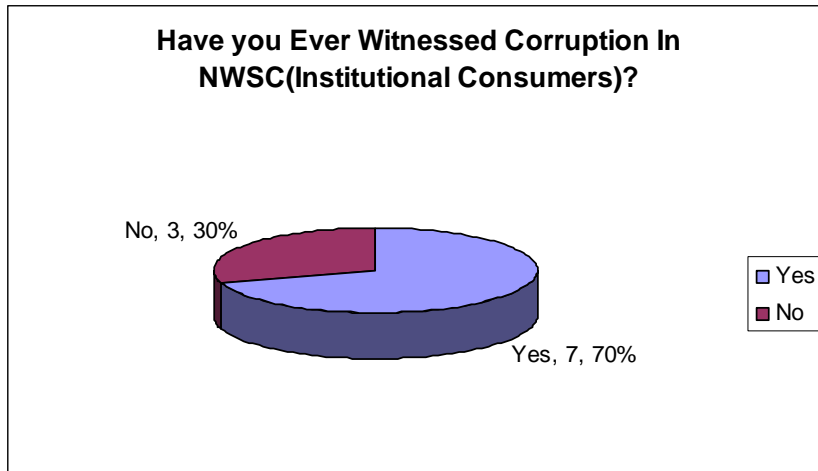


- The study detected a perception among most of the consumers that the Bills sent to them are just estimates not justified by consumption at all. To support this view a few of the domestic consumers stated that the Bills remained within a variation of 10-15% and did not seem to decrease when, for instance, the occupants were away from the premises on holiday, when there was no consumption whatsoever.



- Though respondents were generally agreed that incidences of corruption had decreased in NWSC as compared to NCC, at least 62.85 % indicated that they had nevertheless witnessed or been party to a corrupt act relating to an officer of NWSC in the year preceding the study.
- The category of Officers involved in this kind of corruption was mostly junior officers e.g. water disconnection technicians and clerks at counters.
- 74% of the respondents still thought that on the whole there was not much difference between NWSC and NCC in terms of corruption within the ranks of its Officers.
- 14.2% indicated that they felt that NWSC provided an atmosphere less tolerant to corruption as compared to NCC. The remainder could not say whether there had been a difference or not.

## Institutional Consumers



7 of the Institutional consumers had witnessed an act of corruption relating to the Water services. This took the form of extortion by the threats to disconnect water supply with the intention of:

- Obtaining bribes;
- Delay in providing services or enquiries to facilitate payment of bribes;
- Failure and/or refusal to deal with complaints or queries regarding irregular bills;
- Deliberate inflation of bills with a view to soliciting bribes to correct the errors;
- false accusations of interference with the functioning of water meters to induce bribes so as to avert adverse action;
- Deliberate and fraudulent diversion of payments made to other accounts.

### *Satisfaction with the quality of service*

- Only 20% of the institutional respondents expressed satisfaction with the quality of services offered by NWSC;
- The overwhelming majority of 80% were extremely dissatisfied with the services.

### *Comparison of experiences of Domestic and Institutional Consumers*

Some common responses are worthy of note:

1. That most (about 65%) of the consumers in aggregate (whether domestic or Institutional) have witnessed acts of corruption relating to water services.
2. Most of the corruption experienced by the consumers related to the lower levels of employees of the NWSC or NCC;
3. 71% of the consumers (both institutional and domestic) were dissatisfied with the services relating to water;
4. 53.3% thought their Bills did not represent a fair record of their consumption;
5. 36% of the consumers had disputes with regard to their water Bills
6. 67% of the consumers have grave doubts about the reliability of NCC and NWSC record-keeping.

7. All the consumers with disputes thought the NCC/NWSC was solely responsible for the dispute owing to inflated bills and poor records keeping;
8. None of disputes were resolved to the satisfaction of the consumers;
9. All the consumers who had disputes thought that NCC and NWSC were extremely evasive in dealing with complaints or queries.

### **Suppliers and business Associates**

1. That on the whole there is tacit admission that there may be lack of transparency and, arguably, corruption in the way tenders are awarded considering that some suppliers admitted to having inside information for business opportunities;
2. The tendering and procurement processes of NWSC are moderately simple but could still be made simpler;
3. that there is a reduction of the incidences of corruption with regard to the water services since NWSC took over the operations from NCC;
4. The suppliers find NWSC a good business partner and are keen to continue dealing with it.

### **The Employees**

In our effort to identify the Department most prone to corrupt activities within NWSC:

- 54% of the employee respondents pointed at the Commercial Department;
- 9% stated that the Finance and Purchasing Department was most culpable
- 7% stated that the organization's corruption profile ran through all departments.

The responses from this Study, although indicative, may be summarized as follows:

1. There is consensus that corruption has bedfellows within the NWSC. This is generally the case from the perspective of the Consumers for whom NWSC is a service provider and not least, within its ranks where the personnel of NWSC admitted that there was corruption within its ranks.
2. There is agreement amongst the respondents that the incidences of corruption have dissipated considerably since NWSC took over the management of water supply services from the NCC although the perception is compromised by the almost wholesale absorption of NCC staff into NWSC;
3. The operational structures within the NWSC such as employment and hiring practices and procurement operations may aid corruption within the NWSC;
4. The consumers state that there are extremely bureaucratic hurdles within NWSC which foster corruption within its Staff.
5. Corruption is manifest within all the departments and across all levels of the NWSC although the extent would be varied from one department to the next.
6. The administration of NWSC has started to build up and establish an integrity campaign which is generally appreciated within the organization as a major step but which needs to be shared with all personnel.
7. Most of the consumers engaged in disputes with NWSC generally blame corruption within NWSC and previously from NCC as the major contributory to the disputes;
8. The consumers consider NWSC as generally more prone to corruption than other service providers in the country;

9. The consumers are dissatisfied with the quality of services offered by NWSC and have no faith in the records keeping of the NWSC
10. The senior management of the NWSC is intolerant of corruption and has demonstrated this commitment to curb corruption within NWSC by action
11. Staff inherited by NWSC from NCC is considered by many as an extension of the corrupt enterprises of NCC into NWSC. This militates against the public perception of NWSC efforts to fight corruption.

We are positive that the research findings provide a basis for concrete action by the Nairobi Water and Sewerage Company Limited. We hope to jointly work together in ensuring that corruption in the delivery of water services, over time, remains a thing of the past.