



THE PRESIDENCY
EXECUTIVE OFFICE OF THE PRESIDENT
CHIEF OF STAFF AND HEAD OF PUBLIC SERVICE

Telegraphic Address
Telephone: 1254 20 2227436
When replying please quote

STATE HOUSE
P.O. Box 40530 00100
NAIROBI, KENYA

OP/CAB 9/1/5

Ref. No.
and date

16th December, 2013, 20.....

All Cabinet Secretaries

Hon. Attorney General

All Principal Secretaries

Chairpersons, Boards of State Corporations

Chief Executive Officers of State Corporations

PARASTATAL REFORMS

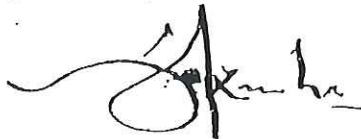
H.E the President appointed a taskforce on Parastatal Sector Reforms on 23rd July 2013 with the mandate of reviewing the operations of Parastatals and making appropriate recommendations for reforms. The taskforce completed its work and presented a report to H.E the President containing an array of reform recommendations. The report has since been made public and a copy of the same is herewith forwarded to you so that you apprise yourself with its provisions.

In order to realize the envisaged reforms, H.E the President has appointed a Committee to implement the taskforce recommendations. The Committee is expected to complete the assignment in three months (by the end of February, 2014) and will shortly be liaising with relevant stakeholders, including your office, in this process.

In view of the foregoing and consequent to the taskforce recommendations, it has been decided that in the interim period:

1. State Corporations that have been identified for reform shall put on hold any actions relating to restructuring, recruitment of staff (including the CEO), filling vacancies in the Boards and review of terms and conditions of service for staff.
2. Any filling of vacancies in the Boards as well as of CEOs across all State Corporations should only be done after necessary consultations with Chief of Staff and Head of Public Service to ensure consistency with recommended reforms.
3. There should be no transfer of staff across State Corporations.
4. There should be no disposal, transfer, lease or new acquisition of assets. Where there is any on-going process in this respect, necessary consultations should be made immediately with the Chief of Staff and Head of Public Service on the way forward.

These measures are meant to forestall any exposure and to allow for unfettered implementation of the taskforce recommendations and should therefore be complied with. Where there is doubt as to the effect of this letter on a State Corporation, you are required to liaise with this office for direction.



Joseph K. Kinyua, CBS
CHIEF OF STAFF & HEAD OF PUBLIC SERVICE

Copy to: **The Auditor General**
Kenya National Audit Office
NAIROBI

The Secretary
Salaries and Remuneration Commission
NAIROBI

The Secretary
State Corporations Advisory Committee (SCAC)
NAIROBI

The Inspector-General
Inspectorate of State Corporations
NAIROBI