



**OFFICE OF THE PRESIDENT**  
PERMANENT SECRETARY, SECRETARY TO THE CABINET  
AND HEAD OF THE PUBLIC SERVICE

Telegraphic Address: "Rais"

Telephone: Nairobi 2274111

When replying, please quote:

Ref. No. **OP/CAB.9/1A**

and date

P.O. Box 62345-00200  
NAIROBI

**23<sup>rd</sup> November, 2010**

**All Ministers and Assistant Ministers**

**All Permanent Secretaries**

**The Attorney General**

**Controller and Auditor General**

**PROCEDURE FOR REAPPOINTMENT OF SERVICE CHIEF EXECUTIVE OFFICERS IN STATE CORPORATIONS**

Your attention is drawn to the Terms and Conditions of Service for Chief Executive Officers of State Corporations as set out in the Guidelines issued by the Government on 23<sup>rd</sup> November, 2004 and this office circular Ref. No. OP/CAB.9/1 of 9<sup>th</sup> May 2008.

In regard to appointment of Chief Executive Officers (CEOs) the Guidelines stipulated the manner of their appointment and also renewal of the appointments upon expiry of contract(s). In addition to the provisions in the guidelines and the circular cited above and for purposes of clarity it is emphasized that where a serving Chief Executive Officer (CEO) is keen on being reappointed for a further term, the procedure below will apply:

- a) The CEO wishing to be reappointed will indicate interest by writing to the Board at least six months before expiry of his/her term.
- b) The Board will evaluate the performance of the CEO and make a report to the appointing authority with a recommendation on either renewal or termination of the contract upon expiry.
- c) In the event that the Board does not recommend renewal of the contract, the CEO will be required to proceed on terminal leave to pave way for the recruitment and appointment of a new CEO. This is important to ensure a smooth transition.
- d) The Board will recruit an acting CEO, in consultation with the parent Ministry and the State Corporations Advisory Committee (SCAC) as provided for by section 27 (1) (c) of CAP.446, in a care taker position when the process of recruiting a new CEO is ongoing.

For avoidance of doubt, the position of Chief Executive Officers shall be declared vacant only when the Board of Directors has no intention to renew the appointment of the incumbent for a further term.



**AMB. FRANCIS K. MUTHAURA, EGH**  
**PERMANENT SECRETARY/SECRETARY TO THE**  
**CABINET AND HEAD OF THE PUBLIC SERVICE**

**CC: Prof. Nick Wanjohi**  
Private Secretary  
Office of the President  
**NAIROBI**