



OFFICE OF THE PRESIDENT

PERMANENT SECRETARY, SECRETARY TO THE CABINET
AND HEAD OF THE PUBLIC SERVICE

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When replying please quote

OP/CAB.9/1

Ref. No.
and date

P.O. Box 62345-00200

NAIROBI

24th June 2013

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All Cabinet Secretaries

All Principal Secretaries/Accounting Officers

**RE: CONTRACT TERMS OF CHAIRMEN, CHIEF EXECUTIVE OFFICERS AND
BOARD MEMBERS IN STATE CORPORATIONS**

Following the reorganization of Government and State Corporations therein, it is important that in pursuit of good governance, I bring your attention to the following scenarios that are affecting governance and performance of State Corporations:

- i) There are State Corporations whose terms for Chairmen, Chief Executive Officers and Board Members have expired.
- ii) There are State Corporations with non-functional Boards.
- iii) There are State Corporations whose Boards have sought redress in court for reasons of appointments and removal.
- iv) There are Chief Executive Officers who have not been gazetted.
- v) There are long serving Acting Chief Executive Officers due to disputes in recruitment of substantive Chief Executive Officers.
- vi) Chief Executive Officers who have been suspended.

It is important for each State Corporation to have effective leadership at the top. In this regard, please forward to this office names of State Corporations under your Ministry where the term for the Chairman has expired.

At the same time, the Ministry should move with speed in consultation and concurrence of this office to appoint Boards of Directors where terms have expired and find solutions where Boards have sought redress in court for

reasons of removal. The appointment of Boards of Directors should be in accordance with Government Circular No. OP/CAB/9/1 of 9th May 2008.

The concurrence of Office of the President should be obtained before appointment.

Meanwhile, vacancies in positions of Chief Executive Officers should be filled on competitive basis in the manner provided for by the guidelines issued by the Government on 23rd November 2004.



FRANCIS T. KIMEMIA, EGH
PERMANENT SECRETARY, SECRETARY TO THE
CABINET AND HEAD OF THE PUBLIC SERVICE

c.c. Hon. Prof. Githu Muigai, SC, FCIArB, EGH,
Attorney General,
State Law Office,
NAIROBI.

Mr. Edward Ngigi,
Ag. Inspector-General (State Corporations),
NAIROBI.