



OFFICE OF THE PRESIDENT
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Ref. No. **OP/CAB.9/1A**

and date

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NAIROBI

23rd November, 2010... 20.....

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 23rd November, 2004 and this office circular Ref. No. OP/CAB.9/1 of 9th 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 expire 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

