



PRIVATIZATION COMMISSION

Enhancing Kenya's Productive Capacity

SERVICE CHARTER



NOVEMBER 2014



INTRODUCTION

The Privatization Commission would like to ensure that the service it provides not only meets but exceeds the expectations of its customers and stakeholders. In this respect, this Charter puts in place service standards that will guide the Commission to provide quality services to its customers and the general public. We expect that our service delivery will continuously improve through feedback from our stakeholders.

ORGANIZATION PROFILE

The Privatization Commission is a statutory body under the National Treasury established under the Privatization Act, 2005, which came into force on 1st January, 2008. The Commission is governed by Commission Members and staff headed by the Executive Director/Chief Executive Officer (CEO).

OUR VISION

To be an agent of change, implementing a Privatization Programme that contributes significantly in transforming Kenya into a vibrant economy.

OUR MISSION

Our mission is to create attractive privatization transactions and effectively manage a Privatization Programme that meets desired national objectives.

PHYSICAL ADDRESS

Our offices are located at the Extelcoms House, 11th Floor, Haile Selassie Avenue, Nairobi.

OFFICIAL WORKING HOURS

Our official working hours are from 8.00 a.m. – 5.00 p.m. on weekdays with a one hour break between 1.00 p.m. and 2.00 p.m.

Visiting hours are:

Morning	8.00 a.m. – 1.00 p.m
Afternoon	2.00 p.m. – 5.00 p.m

OUR ADDRESS AND OTHER CONTACT DETAILS

The Privatization Commission

P. O. Box 34542 – 00100 NAIROBI

Tel: +254 20 2212346/7/8

Fax: +254 20 2212237

Email: info@pc.go.ke

Website: www.pc.go.ke

THE PURPOSE OF THE CHARTER

The Service Charter aims at enhancing participation of stakeholders in the quality management of the Privatization Programme in Kenya. This is possible when the stakeholders are aware of the Commission's commitment to them and what role they are expected to play. The Charter sets out the standards customers and other stakeholders can expect from the Privatization Commission and explains modalities of getting information from the Commission. It also outlines how stakeholders can complain within their rights and offer advice on how the Commission can provide better services.

MAIN FEATURES OF THE CHARTER

1. The mandate of the Commission
2. The Commission's core functions
3. Customers and other stakeholders
4. Commitment to customers and other stakeholders
5. Mechanism for seeking remedy
6. Monitoring and evaluation

COMMISSION'S MANDATE

The Privatization Commission is established as a corporate body under the Privatization Act, 2005. The mandate of the Commission is to formulate, manage and implement Kenya's Privatization Programme. The programme consists of the list of investments and assets approved for privatization under the Privatization Act.

COMMISSION'S CORE FUNCTION

The Commission's core functions are as follows:

1. Formulate, manage and implement the Privatization Programme;
2. Make and implement specific proposals for privatization in accordance with the Privatization Programme;
3. Carry out such other functions as are provided for under the Act; and
4. Carry out such other functions as the Commission considers advisable to advance the Privatization Programme.

To discharge these functions, the Commission has Commission Members who provide strategic direction to staff to discharge this mandate.

STATEMENT OF INTENT

We will endeavour to create a conducive environment for all our staff through adoption of the best work practices and motivation of staff so that they can deliver superior value to our customers.

WORKING WITH OUR SERVICE PROVIDERS

We will work with all stakeholders in ensuring effective, coordinated and well harmonized service delivery as we manage the Privatization Programme.

ZERO TOLERANCE TO CORRUPTION

Upholding our integrity, we commit ourselves to make our working environment corruption-free by adhering to laid down rules and regulations, the law and professional ethics at all times.

PRINCIPLES OF THE SERVICE CHARTER

In compliance with Article 10 of the Constitution of Kenya; and in line with the National Values and Principles of Governance, our service delivery upholds human dignity and human rights, ensures equality and equity, enhances social justice and inclusiveness, is non-discriminatory and protects the marginalized. To achieve this, we are guided by the following:

1	Integrity	We shall be people of integrity
2	Transparency	Our decisions and actions shall be transparent
3	Accountability	We shall be accountable for our decisions and actions
4	Professionalism	In all our actions and interactions, we shall maintain professional etiquette
5	Fairness	We shall be firm and fair in all our activities
6	Environmental Protection	The Commission ensures protection of the environment in all our activities

OUR STANDARDS

Based on the Commission's mandate, all our customers can expect good governance, transparency, accountability and efficient management of the Privatization Programme. Our main stakeholders and our commitments to them are:

1	Public Institutions Identified for Privatization	<ul style="list-style-type: none">• Adequate time for consultations and submission of required information and clarification;• Timely approval of all requests;• Responses to all queries within seven days;• Consultations to ensure inclusiveness and ownership of privatization process.
2	Parent Ministry of Institution Identified for Privatization	<ul style="list-style-type: none">• Adequate time for consultations and submission of required information and clarification;• Responses to all queries within seven days;• Consultations to ensure inclusiveness and ownership of privatization process.
3	Investing Public	<ul style="list-style-type: none">• Fairness and transparency;• Value for money;• Responses to all queries within seven days.

4	Market Regulators	<ul style="list-style-type: none"> • Adequate consultations; • Timely submission of request for approvals; • Responses to all queries within seven days; • Sharing of market information.
5	Kenyan Public	<ul style="list-style-type: none"> • Value for money; • Responses to all queries within seven days; • Transparency and accountability in implementing the programme.
6	Staff	<ul style="list-style-type: none"> • Fairness and equity; • Improved working environment; • Performance-based reward and sanction system; • Continuous capacity building; • Environment which nurtures professionalism and independent thinking.
7	Kenya National Audit Office	<ul style="list-style-type: none"> • Total compliance with financial regulations; • Response to audit queries within seven working days.

8	Ministry Of Finance/Treasury	<ul style="list-style-type: none"> • Regular review of the Privatization Programme; • Timely preparation and submission of detailed privatization proposals; • Timely preparation of budgets, performance contracts and related reports; • Timely request for statutory and other approvals and reports; • Total compliance with financial regulations; • Value for money; • Adequate time for consultations and submission of required information and clarifications; • Responses to all queries within seven days.
9	Suppliers	<ul style="list-style-type: none"> • Transparency and fairness; • All payments within the stipulated contract period; • Communicating within seven days after tender award.

OUR RESPONSIBILITIES

We have identified the following responsibilities to enable us serve our customers better:

1. To pay due attention and respect to customers and uphold personal dignity;
2. To be honest and helpful;
3. To uphold professionalism in our work;
4. To be action oriented and sensitive to the needs of our customers;

5. To provide necessary information to customers within the shortest possible time;
6. To respond to mail promptly – within seven working days upon receipt;
7. To deal promptly with appointments and offer apologies in case of postponement or delay;
8. To treat all our customers fairly and pay particular attention to those with special needs or physical challenges;
9. To uphold zero tolerance to corruption by not expecting, accepting or giving inducement to get services.

RESPONSIBILITIES OF OUR CUSTOMERS

We expect our customers to observe the following responsibilities to us:

1. To be courteous and respectful to our staff;
2. To be kind and polite to other customers;
3. To avail complete and precise information to enable us act accordingly and provide additional information when required to do so in due time;
4. Attend meetings punctually when invited;
5. To adhere to rules, regulations and guidelines;
6. Not to offer inducement by ways of gifts and favours to staff or to solicit the same in return for services;
7. To offer feedback on quality of services.

SHARED RESPONSIBILITIES

In order to enjoy satisfying relationship with our customers, we will expect that mutual respect, attention and patience will be sustained between all the parties. Staff will always wear staff identification cards conspicuously displayed. Likewise visitors will be expected to display visitors badges provided at our Reception Desk.

REVIEW OF THE CHARTER

This Charter will be reviewed annually or as the need arises to keep abreast with new developments and to accommodate any lessons learnt from its implementation in keeping with the changing business environment. We therefore encourage our clients and stakeholders including staff to use the proposed mechanism to engage the Commission in constructive dialogue about the standards we aspire to achieve, and how users can contribute to setting them in order to build on the service delivery system and deliver to Kenyans an effective Privatization Programme.

FEEDBACK

We believe that there is always room for improvement. We therefore welcome comments and suggestions about our services. We encourage those writing to identify themselves. We guarantee utmost confidentiality in handling such information including personal names and details. Comments and suggestions should be dropped in our Suggestion Box or sent to:

The Executive Director/CEO **Privatization Commission**

P. O. Box 34542 – 00100 NAIROBI

Tel: +254 20 2212346/7/8

Fax: +254 20 2212237

COMPLAINTS

In cases where service delivery is perceived to be inefficient or ineffective, complaints should be reported to the Complaints Handling Officer through:

Telephone : +254 20 2212311
+254 731 758970
+254 700 315311

Email : complaints@pc.go.ke
Website: www.pc.go.ke

Complaints can also be forwarded directly to the Commission on Administrative Justice at the 2nd Floor of West End Towers, Waiyaki Way, Nairobi.

Telephone : +254 20 2270000/2303000/2603765/24411211
Email : complain@ombudsman.go.ke
Website: www.ombudsman.go.ke

P.O. BOX 20414 - 00200 NAIROBI

Entity/Operation in the approved Privatization Programme	Main Objective Rational for Privatization
<p>1. Development Bank of Kenya: Industrial and Commercial Development Corporation (ICDC) - 89.3%</p>	<ul style="list-style-type: none"> To release funds invested by ICDC for lending to industry and other enterprises and mobilize necessary resources to support the bank's future growth, support the growth and stability of the financial markets, enhance corporate governance and broaden shareholding.
<p>2. National Bank of Kenya Restructuring and Privatization: Ordinary Shares - GOK 22.5%; National Social Security Fund (NSSF): 48.05%.</p>	<ul style="list-style-type: none"> To mobilize necessary resources to support the bank's future growth, support the growth and stability of the financial sector and the capital markets, enhance corporate governance, broaden shareholding and to recoup part of Government investment to finance other development projects.
<p>3. Public- Sector Owned Sugar Companies:</p> <ul style="list-style-type: none"> Chemelil Sugar Company Agricultural Development Corporation (ADC): 96.21% and DBK: 1.42% South Nyanza Sugar Company Limited GoK: 98.8%, ICDC: 0.7% and IDB: 0.3%. Nzoia Sugar Company GOK: 97.93%, IDB Capital Ltd (0.94%). Miwani Sugar Company Ltd. (Under Receivership) GOK: 49% Muhoroni Sugar Company Ltd. (Under Receivership) ADC: 16.9%, Development Bank of Kenya: 0.3%. 	<ul style="list-style-type: none"> To enhance efficiency of the sugar sector and meet GOK/Common Market for East and Southern Africa (COMESA) Sugar safeguarded commitment to privatize sugar companies. Key objective is to carry out necessary investments and address all challenges lifted in 2012. To raise funds for rehabilitation of the sugar factories To address the excess debt through necessary restructuring
<p>4. Kenya Wine Agencies Ltd. - ICDC: 42.6%.</p>	<ul style="list-style-type: none"> To assure its continued viability
<p>5. Privatization of the Tourism Finance Corporation (TFC) Hotels:</p> <ul style="list-style-type: none"> Kabaret Hotel <ol style="list-style-type: none"> TFC: 98.2% Mt Elgon Lodge Limited <ol style="list-style-type: none"> TFC: 72.92% Kitale Municipal Council: 13.54% Trans-Nzoia County Council: 13.54% Golf Hotel Limited <ol style="list-style-type: none"> TFC: 80% Kakamega County: 20% Sunset Hotel Limited <ol style="list-style-type: none"> TFC: 95.4% Kisumu County: 4.6% Kenya Safari Lodges and Hotels Limited <ol style="list-style-type: none"> TFC: 63.42% KWS 0.02% TFC Associated Companies <ol style="list-style-type: none"> International Hotels Kenya Limited - TFC: 40% Kenya Hotels Properties Limited - TFC: 33.83% Mountain Lodge Limited - TFC: 39.11% and Ark Limited - TFC: 5.64% 	<ul style="list-style-type: none"> To mobilize resources to rehabilitate and modernize existing facilities. To raise proceeds to finance the industry through loans and other investment by TFC. To address and identify the best option for ownership and management of hotels owned by TFC.

	Entity/Operation in the approved Privatization Programme	Main Objective Rational for Privatization
6.	Kenya Ports Authority (KPA) approved operations 1. • Eldoret Container Terminal KPA - 100% 2. • Stevedoring Services KPA - 100% 3. • Development of Berths No. 11 - 14 KPA - 100%	<ul style="list-style-type: none"> • To enhance Kenya's regional competitiveness and facilitate investment and economic growth • To improve efficiency in delivery of services through mobilization of private sector financial and management resource • To expand capacity mobilization of private sector capital and management resources.
7.	Consolidated Bank of Kenya Ltd. 1. Deposit Protection Fund - 50.2% 2. State Corporations and other Government institutions - 48.8%.	<ul style="list-style-type: none"> • To mobilize necessary resources to support the bank's future growth, support the growth and stability of the financial sector, enhance corporate governance and broaden shareholding.
8.	Agrochemical and Food Company Ltd. 1. ADC - 28.2% 2. ICDC - 28.8%	<ul style="list-style-type: none"> • To address financial and management resource needs and the company's excess debt.
9.	Kenya Pipeline Company Ltd (KPC)- 1. GOK - 100%	<ul style="list-style-type: none"> • To ensure capacity expansion through mobilization of private sector capital and management resources.
10.	Kenya Electricity Generating Company (KenGen) - Sale of part of Government shares 1. GOK - 70%	<ul style="list-style-type: none"> • To mobilize resources for additional investments, enhance transparency and corporate governance, broaden shareholding, develop and Capital Markets and raise resources to support the Government budget.
11.	East African Portland Cement Company Ltd. 1. NSSF - 27% 2. GOK - 25%	<ul style="list-style-type: none"> • To mobilize resources for additional investments, enhance transparency and corporate governance, broaden shareholding in the economy, develop the Capital Markets and raise resources to support the Government budget.
12.	Kenya Meat Commission (KMC) 1. GOK - 100%	<ul style="list-style-type: none"> • To address KMC's future viability and the required financial and management resources through restructuring and privatization.
13.	New Kenya Co-operative Creameries 1. GOK - 100%	<ul style="list-style-type: none"> • To address future governance and sustainability of its operations.
14.	Numerical Machining Complex 1. Kenya Railways Corporation - 51%, 2. University of Nairobi - 49%.	<ul style="list-style-type: none"> • To address mobilization of resources for investment in the company and the utilization of the company's idle assets through restructuring and privatization.
15.	Isolated Power stations	<ul style="list-style-type: none"> • To facilitate comprehensive review of the most appropriate and effective way of operating the stations in the future.

*Under review to facilitate removal from the Programme