



PRIVATIZATION COMMISSION

Enhancing Kenya's Productive Capacity

APPROVED PRIVATIZATION PROGRAMME

INSTITUTION AND CURRENT PUBLIC SECTOR SHAREHOLDING	OBJECTIVES TO BE ACHIEVED THROUGH PRIVATIZATION
1. KenGen - GOK: 70%	<ul style="list-style-type: none"> i. Mobilization of resources for additional investments; ii. Enhancement of transparency and corporate governance; ii. Broadening of shareholding in the economy; v. Development of the Capital Markets; and v. Raising of resources to support the Government budget.
2. Kenya Pipeline Company Limited - GOK: 100%	<ul style="list-style-type: none"> i. Mobilization of resources for additional investments; ii. Enhancement of transparency and corporate governance; ii. Broadening of shareholding in the economy; v. Development of the Capital Markets; and v. Raising of resources to support the Government budget.
3. Kenya Ports Authority - Eldoret Container Terminal - GOK: 100%	<p>Completed in 1994 but has not yet been operationalized. Privatization to address operationalization to serve the Great Lakes Region and Southern Sudan.</p> <p>Will enhance Kenya's and regional competitiveness and facilitate investment and economic growth.</p>
4. Kenya Ports Authority - Outsourcing of Stevedoring Services - GOK: 100%.	<p>To improve efficiency in delivery of services through mobilization of private sector financial and management resources.</p>
5. Kenya Ports Authority - Development of Berths No. 11 - 14 - GOK: 100%	<p>Capacity expansion through mobilization of private sector capital and management resources.</p>
6. Chemelil Sugar Company - ADC: 96.21%and DBK: 1.42%.	<p>To meet Government - COMESA Sugar Safeguard commitment to privatize sugar companies. Will mobilize resources to support expansion and modernization programme for the company.</p>
7. South Nyanza Sugar Company Limited - GOK: 98.8%, ICDC: 0.7% and IDB: 0.3%.	<p>To meet Government - COMESA Sugar Safeguard commitment to privatize sugar companies. Will raise funds for the rehabilitation of the mill.</p>
8. Nzoia Sugar Company - GOK: 97.93%, IDB Capital Limited (0.94%).	<p>To meet Government - COMESA Sugar Safeguard commitment to privatize sugar companies. Will address the excess debt situation and mobilize resources to support expansion and modernization programme.</p>

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9. Miwani Sugar Company Ltd. (Under receivership). GOK: 49%	To meet Government - COMESA Sugar Safeguard commitment to privatize sugar companies. Will address the excess debt and the financial and human resource needs of the company.
10. Muhoroni Sugar Company Ltd. (Under receivership) - ADC: 16.9%, Development Bank of Kenya: 0.3%	To meet Government - COMESA Sugar Safeguard commitment to privatize sugar companies. Restructuring and privatization will address the excess debt and the resources required by the company.
11. Kabarnet Hotel - KTDC: 98.2%	Mobilization of resources to rehabilitate and modernize existing facilities. Privatization proceeds will also support the industry through additional loans by KTDC. Recommended privatization method will also address the best option for ownership and management of hotels owned by KTDC.
12. Mt Elgon Lodge Limited - KTDC: 72.92%; Kitale Municipal Council: 13.54%; and Trans-Nzoia County Council: 13.54%	Mobilization of resources to rehabilitate and modernize existing facilities. Privatization proceeds will also support the industry through additional loans by KTDC. Recommended privatization method will also address the best option for ownership and management of hotels owned by KTDC.
13. Golf Hotel Limited - KTDC: 80%; Kakamega Municipal Council: 20%	Mobilization of resources to rehabilitate and modernize existing facilities. Privatization proceeds will also support the industry through additional loans by KTDC. Recommended privatization method will also address the best option for ownership and management of hotels owned by KTDC.
14. Sunset Hotel Limited - KTDC: 95.4%; Kisumu City: 4.6%	Mobilization of resources to rehabilitate and modernize existing facilities. Privatization proceeds will support the industry through additional loans by KTDC. Recommended privatization method will also address the best option for ownership and management of hotels owned by KTDC.
15. Kenya Safari Lodges and Hotels Limited: KTDC: 63.42%; KWS 0.02%	Mobilization of resources to rehabilitate and modernize existing facilities. Privatization proceeds will support the industry through additional loans by KTDC. Recommended privatization method will also address the best option for ownership and management of hotels owned by KTDC.
16. KTDC Associated Companies: (i) International Hotels Kenya Limited - KTDC: 40%; (ii) Kenya Hotels Properties Limited - KTDC: 33.83%; (iii) Mountain Lodge Limited - KTDC: 39.11%; and Ark Limited - KTDC: 5.64%	Privatization proceeds will support the industry through additional loans and investments by KTDC.

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17. National Bank of Kenya - GOK 22.5%; NSSF: 48.05%	To mobilize 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.
18. Consolidated Bank of Kenya: Deposit Protection Fund - 50.2%; and shares allocated to a number of State Corporations and Government institutions on account of deposits placed by them in the weak banks merged to form Consolidated Bank: 48.8%	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.
19. Development Bank of Kenya: ICDC: 89.3%	To release funds invested by ICDC for lending to industry and other enterprises. Will address the bank's financial and management resource needs. Will pass financial and operational risk from Government to the private sector.
20. Agrochemical and Food Corporation - ADC: 28.2%; and ICDC: 28.8%	To address financial and management resource needs. Also to address the company's excess debt.
21. Kenya Wine Agencies - ICDC: 72.6%	To guarantee its continued existence and viability.
22. East African Portland Cement- NSSF: 27%; GOK: 25%	Mobilization of resources for additional investments, enhancement of transparency and corporate governance, broadening of shareholding in the economy, development of the Capital Markets and raising of resources to support the Government budget.
23. Kenya Meat Commission - GOK: 100%	Restructuring and privatization will address KMC's future viability and the required financial and management resources.
24. New Kenya Co-operative Creameries - GOK 100%	Privatization of the Company will address future governance and sustainability of its operations.
25. Numerical Machining Complex - Kenya Railways Corporation: 51%; & University of Nairobi: 49%.	It's restructuring and privatization will address the utilization of the company's idle assets.
26. Isolated Power stations	Concessioning approved by Parliament through Sessional Paper on Energy in October 2004. Inclusion of the Isolated Power Stations in the Programme will facilitate comprehensive review of the appropriate privatization method.