

PRIVATIZATION COMMISSION

Enhancing Kenya's Productive Capacity

STRATEGIC PLAN

2022-2027

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ABBREVIATIONS AND ACRONYMS

CEO	Chief Executive Officer
ED	Executive Director
HODs	Heads of Departments
ICT	Information & Communications Technology
ISO	International Organization for Standardization
M & E	Monitoring & Evaluation
MDAs	Ministry, Department and Agencies
MTP II	Second Medium Term Plan
MTP III	Third Medium Term Plan
NIMES	National Integrated Monitoring & Evaluation System
PAS	Performance Appraisal System
P.C	Privatization Commission
R&D	Research & Development
REP	Research, Policy & Planning
RMC	Risk Management Coordinator
STEP	Social, Technological, Economic, Political-Legal
SWOT	Strengths, Weaknesses, Opportunities and Threats
PE's	Public Enterprises'
PERP	Public Enterprise Reform Programme
GOK	Government of Kenya
GDP	Gross Domestic Product
ST&I	Science, Technology and Innovation

FOREWORD BY BOARD CHAIRPERSON

The 2022-2027 Strategic Plan, which sets out the strategic direction for the Privatization Commission for the next five years, presents immediate, medium and long-term strategies that will guide the Commission in the execution of its mandate. The plan follows a review of the FY 2016-2021 Strategic Plan that was aimed at building on the successes achieved and drawing on the lessons learnt from its implementation.

The review led to the realization that privatization is a process that is essentially stakeholder driven than technical. Consequently, the main focus of this Strategic Plan will be to strengthen our relationship and collaboration with key stakeholders in order to foster achievement of our mandate. These will require a participatory approach in a bid to ensure that the needs and aspirations of our stakeholders are adequately met.

With the understanding that clear, concise, and up-to-date vision and mission statements are essential for the success of an organization, we revised the Commission's vision and mission to tie into and inform our strategic direction. The Board is committed, through this Strategic Plan and the path it sets out, to ensuring that the Commission fully achieves its vision and mission by enhancing internal capacity to implement the Privatization Programme.

Our strength as a Commission will be exhibited when we, buoyed by an enabling legal framework, rightfully take our place and play the lead role in *unlocking the potential of public enterprises by implementing the Privatization Programme through well-designed strategies to achieve desired national objectives*. In so doing, the Commission will be propelled further to ensure a streamlined and seamless privatization process for the successful realization of our vision of being a *premier privatization agency*.

My sincere appreciation goes to everyone who played a role in the development of this FY 2022-2027 Strategic Plan. Your dedication, insight, and contributions brought this vital document to fruition. I am confident that we will deliver on this plan and successively make a positive contribution to Kenya's economy. I invite all stakeholders to join hands in this endeavor.

Faisal Abass



Message by the Executive Director/CEO

The 2022-2027 Strategic Plan has been developed against the backdrop of a global economy still reeling from the after effects of the Covid-19 pandemic and which has been made worse by the ripple effects of the Russian invasion of Ukraine. That notwithstanding, the long-term strategic focus presented by this Strategic Plan, places us in a steady position to effectively execute our mandate of formulating, managing and implementing the Privatization Programme as we strive to be a *Premier Privatization Agency*.

The Plan is anchored on three (3) key pillars; Implementation of the Privatization Programme, Strengthening Institutional Capacity, and enhancing Collaboration, Partnerships and Visibility. These pillars will ably drive realization of our intended goals and subsequently the desired benefits of privatization as outlined in Section 18 (2) of the Privatization Act, among them; the improvement of infrastructure and delivery of public services by the involvement of private capital and expertise; the reduction of the demand for government resources by non-performing public commercial entities; the generation of additional government revenues by receiving compensation for privatizations and enhancement of the capital markets.

Central to the successful implementation of this strategic plan is our talented and skilled workforce leveraging on a professional and focused Board that is result-oriented. Further, the Commission is committed to upholding the set values, #PCFIT, and maintaining a continuous improvement mind-set in the day-to-day operations. Key among the priorities, is to optimize on ICT and to overhaul the Privatization Act, 2005 to make the privatization process simple, efficient and responsive.

This Strategic Plan is a culmination of an extensive consultation process both internally and externally. I acknowledge and thank everyone who was involved in one way or another to see the process through. Together we have laid out a plan to venture forward with vision and purpose to act in the world and to do what we do best. For your selflessness and commitment to this cause, I say *Asante Sana*.



Joseph Koskey

EXECUTIVE SUMMARY

The Privatization Commission is a corporate body established under Section 3 of the Privatization Act (2005) with the vision of being “**A Premier Privatization Agency**” by unlocking the potential of public enterprises by implementing the privatization programme through well-designed strategies to achieve desired national objectives. It is with this in mind that this strategic plan has been developed to provide the strategic direction and roadmap towards the achievement of the Commission's mandate. The plan covers the period 2022/2023– 2026/2027 and was prepared through a participatory approach that ensured consultations and involvement of both internal and external stakeholders.

The Strategic Plan has five (5) chapters that include: Introduction and context; Situational Analysis with identified strategic issues, Strategic Direction highlighting the strategic objectives and strategies, Plan Implementation Framework and a final chapter on Monitoring and Evaluation. It also contains the strategic implementation matrix as part of the Plan Implementation Framework.

The overarching goal of the plan is to achieve **Accelerated Implementation of the Privatization Programme and a strengthened Commission** anchored on the foundation of Professionalism, Cohesiveness, Fairness, Integrity, Transparency and Accountability as Core Values. This will be realized through three (3) Key Result Areas: **Implementation of the Privatization Programme, Strengthening Institutional Capacity, and Collaboration, Partnerships and Visibility** and seven (7) Strategic Objectives. The Key Success Factors will be **People, Financial resources, Leadership and governance** supported by robust Enterprise Risk management and Monitoring & Evaluation Frameworks.

The Commission will conduct periodic reviews of this Strategic Plan to examine the progress towards achieving the set targets. The reviews will be spearheaded internally. The review recommendations will improve the Strategic Plan implementation process. To gauge implementation progress, the Commission will undertake a mid-term (2024) and end-term (2027) evaluations and disseminate findings.

CHAPTER ONE

INTRODUCTION AND CONTEXT

1.0 Background Information

After Kenya's independence in 1963, the establishment of the parastatals was driven by a national desire to: Accelerate economic social development; Redress regional economic imbalances; Increase Kenyan Citizen's participation in the economy; Promote indigenous entrepreneurship; and Promote foreign investments (through joint ventures). This desire was expressed in the Sessional Paper No. 10 of 1965 on African Socialism and its application to planning in Kenya. A comprehensive review of the Public Enterprises Performance was carried out in 1979 (the Report on the Review of Statutory Boards) and 1982 (the Report of the Working Party on Government Expenditures. In July 1992, through the Policy Paper on Public Enterprises Reform and Privatization, the Government outlined the scope of the public sector reform programme, the institutional framework and the guidelines and procedures for privatizing Public Enterprises (PEs). By the end of the first phase of the programme (1992-2003) most of the non-strategic enterprises had been partially or fully privatized.

The Privatization Commission, a body corporate was established following the enactment of the Privatization Act 2005 under the guidance of the policy paper on public enterprises reforms. It was operationalized in December 2007 to implement the inaugural Privatization Programme under the Act, comprising twenty-six (26) enterprises and projects, which was approved by the Cabinet in December 2008. Subsequently the list was gazetted by the National Treasury in August 2009. Privatization seeks to improve the efficiency and competitiveness of Kenya's productive resources by subjecting more of Kenya's production to market forces, mobilizing investment resources for rehabilitation, expanding and modernizing key infrastructure facilities, developing the capital markets and supporting the budget through privatization proceeds and increased taxes. Government is also expected to earn increased dividends from its remaining shareholding as a result of improved performance following enterprise privatization.

1.1 Global perspectives on privatization

Privatization first began in Western Europe largely driven by fiscal imbalances and the resolve of European States to free themselves of governmental control of productive ventures and ensuring freer markets as a precondition for entry into the European Union. Faced with the reality of failures of saturated productive forces in the public sector, they began to think towards divestment of industrial ventures. Waves of privatization in Europe followed closely at the heels of the successful privatization of public corporations in Britain and France. Privatizations in other countries like the USA, China, India, Nigeria, Ghana and South Africa have been driven by similar forces but with the developed

economies registering more success cases. In Sub-Saharan Africa, the factors that necessitated privatization were more or less externally driven, but also tied to fiscal imbalances. In Kenya, a total of 146 privatizations and government divestiture took place between 1992 and 2002 and a further six (6) between 2003 and 2008. KWAL was privatized in 2014, bringing total privatization and Kenyan government divestitures to 152. Completed privatizations in Kenya include among others: - Safaricom, Mumias Sugar Co. Ltd, Kenya Airways, Kenya Commercial Bank, Telkom Kenya, Kenya Reinsurance Corporation and Kenya Wine Agencies Ltd (Phase 1). The achievements and challenges associated with these privatizations brought in key lessons that have informed the development of this Plan

1.2 Rationale for Preparing the Strategic Plan

The Government of Kenya has embraced Strategic Planning with the objective of enhancing Public Service Delivery. Government acknowledges that Strategic Planning is key to target setting at organizational, departmental, sectional and individual levels. The Commission being a Government Agency, now focuses on the new Strategic Plan 2022/2023-2026/2027 after the expiry of the Strategic Plan for the period 2016/2017-2020/2021.

Strategic Planning helps the Commission to identify, on a priority basis, most of the activities that are core to its mandate and that require budgetary resources. It is in recognition of this enormous task that this Strategic Plan has been developed to assist in systematically addressing the strategic issues and prioritizing the activities. This plan is a successor to the 2016 – 2021 plan and in many ways expected to continue addressing the core issues that emerged in the previous strategic document that require new approaches.

The Strategic plan has the following specific purposes:

1. To stimulate forward thinking and establish the medium-term future direction.
2. To identify the strategic issues and strategies for addressing them.
3. To serve as a tool for resource mobilization and stakeholders support in the implementation of key strategies and programs.
4. To enhance synergies through teamwork and partnerships.

The focus of this strategic plan is therefore to deliver on the Commission's mandate, enhance collaboration and partnerships with stakeholders and also strengthen institutional capacity.

1.3 Legal and Policy Environment

Scanning of the environment is critical in establishing the legal foundation and mandate of the Commission and the regulatory framework upon which the Commission operates. As the Commission envisages bringing on board new entities, it's important to look at Kenya's Constitution 2010 and various policy guidelines and their likely impact on the Commission's mandate.

1. **Constitution of Kenya 2010:** The Constitution of Kenya 2010 is the supreme law of Kenya. It establishes the structure of the Kenya Government and also defines the relationship between the government and the citizens. The Commission will endeavor to fully comply with the Constitution and all attendant laws and regulations.
2. **Privatization Act 2005:** The Privatization Act provides for the privatization of public assets and operations, including State corporations, by requiring the formulation, management and implementation of a privatization programme. In the Act, "privatization" means a transaction or transactions that result in a transfer, other than to a public entity, of the assets of a public entity including the shares in a state corporation but excludes sale of new shares to existing shareholders through a rights issue or any balance sheet reorganization which may lead to dilution of the percentage of shares held by a public entity. The Commission's operations will be guided by this Act.
3. **Kenya Vision 2030 and its Medium-Term Plans:** Kenya's long-term development agenda is currently guided by the Kenya Vision 2030. The Vision aims at transforming Kenya into a newly industrialized, middle income country, providing a high quality of life to all citizens in a clean and secure environment. The Vision is anchored on three Pillars, namely; Economic, Social and Political supported by the Foundations (enablers). The Vision is being implemented through a series of successive five-year medium-term plans. The Third Medium Term Plan is on the final stages of implementation with the Fourth Medium Term Plan under preparation. The Commission's function of initiating transformation of public enterprises is a key ingredient of the Economic Pillar related to food security, affordable housing, universal health care, and manufacturing.
4. **Presidential Task Force on Parastatal Reforms**
The Presidential Taskforce on Parastatal Reforms was appointed by His Excellency the President with the mandate to conclude the policy review on the Sector with the aim of addressing the sectoral challenges while achieving Government policy priorities. To ensure seamless operations of the Taskforce, the Cabinet in July 2014 issued a directive holding in abeyance all proposed/intended privatizations to await finalization of the report of the taskforce thus affecting the operations of the Commission. The directive was lifted in April 2019. The Commission is a key enabler of Public Sector Reforms, aimed at ensuring "A Citizen-Focused and Results-Oriented public service".
5. **Sustainable Development Goals:** SDG 8 calls for decent work and economic growth thus creating jobs for all to improve standards and providing sustainable economic growth. SDG 17 calls for effective partnerships with aim of revitalizing strong global partnerships for sustainable development. In this strategic plan, one of the three Key Result Areas of the Commission is establishment of sustainable partnerships, collaboration and

Visibility. SDG8 is better addressed in the Commission's Mission of unlocking potential of public enterprises through robust strategies. The role of the Commission is therefore key in addressing the two SDG goals.

6. Africa Agenda 2063

Through its mission of unlocking the potential of public enterprises, the Commission directly addresses one of the aspirations of Africa Agenda 2063 that of having a prosperous Africa and by extension Kenya, based on inclusive growth & sustainable development, economic diversification and resilience. The Agenda also has the goal of seeing Africa take full responsibility for financing her development by deepening its capital markets, strengthening fiscal systems and public sector revenue generation.

CHAPTER TWO

SITUATIONAL ANALYSIS

2.1 Introduction

This chapter provides information on the assessment of the external environment (using PESTELE) in which the Commission operates as well as its internal environment. A review of the previous plan highlighting key achievements, challenges faced and lessons learnt are presented. It also presents a Stakeholder Analysis mapping out their/Commission's expectations. The results from the assessment and analyses informs the strategic issues identified. The Commission's internal strengths and weaknesses, external opportunities and threats (SWOT) are also presented.

2.1.1 Review of the Previous Strategic Plan

2.1.2 Strategic Objectives, Achievements and challenges

The 2016-2021 Strategic Plan was modeled around the following nine strategic objectives:

- 1) To finalize implementation of the Privatization Programme by 2021.
- 2) To achieve a harmonious legal framework for the privatization programme.
- 3) To build and retain adequate capacity for an efficient and effective implementation of the Privatization Programme.
- 4) To improve on existing infrastructure and foster innovation.
- 5) To establish a functional Resource Centre by 2021.
- 6) To enhance linkages and maintain working relationships with stakeholders and partners.
- 7) To enhance public awareness, image and perception.
- 8) Risk Management.
- 9) To effectively lobby, utilize and account for funds.

The review of implementation of the strategic plan for the period 2016- 2021 reveals notable achievements on each of the targets set despite the challenges faced as presented in the table below;

Review of 2016-2021 Strategic Plan

STRATEGIC OBJECTIVE	ACHIEVEMENTS	CHALLENGES
1. To finalize implementation of the privatization programme by 2021	Preparatory/update work was completed but not progressed due to lack of a fully constituted Board to approve.	<ul style="list-style-type: none"> ▪ The Cabinet Directive of July, 2014 holding in abeyance all proposed/intended privatizations stalled the privatization process. The directive was lifted in April 2019. ▪ Lack of a fully constituted board from 27th June, 2019 until 25th March, 2022.
2. To achieve a harmonious legal framework for the privatization programme.	First Draft Privatization (Amendment) bill 2021 has been developed and ready to be subjected to public participation.	<ul style="list-style-type: none"> ▪ The process was delayed due to lack of a fully constituted Board and the Covid-19 pandemic
3. To build and retain adequate capacity for an efficient and effective implementation of the Privatization Programme	<ul style="list-style-type: none"> ▪ Implemented HR instruments thus improving staff morale ▪ Implementation of automation plan ▪ Maintained ISO 9001 and achieved 2015 certification ▪ Conducted staff Skills inventory audit, identified gaps and put in place an implementation framework. ▪ Developed and implemented training programs guided by Training Needs Assessments thereby enhancing staff skills 	<ul style="list-style-type: none"> ▪ Lack of fully constituted Board delayed recruitment of staff to fill critical positions. ▪ Inadequate resources to fully implement the skills gap analysis reports
4. To improve on existing infrastructure and foster innovation	<ul style="list-style-type: none"> ▪ Implemented the Commission automation plan which entailed; ICT infrastructure upgrade, implementation of ERP and Electronic Document Management (EDM) Systems, Website upgrade, Email Upgrade, development and 	<ul style="list-style-type: none"> ▪ Budgetary Constraints hampered complete upgrade

	<p>Implementation of Disaster Recovery Plan</p> <ul style="list-style-type: none"> ▪ Moved to spacious office thus providing a conducive work environment for staff 	
5. Establish a functional Resource Centre by 2021	<ul style="list-style-type: none"> ▪ A functional Resource Centre was established and is in place. ▪ Knowledge Management enhanced through Research 	<ul style="list-style-type: none"> ▪ Inadequate funds to fully resource it. ▪ Research recommendations not implemented due to lack of a fully constituted board
6. To enhance linkages and maintain working relationships with stakeholders and partners	<ul style="list-style-type: none"> ▪ Successfully conducted key stakeholder mapping and analysis ▪ Developed and implemented Communications Strategy 	<ul style="list-style-type: none"> ▪ No privatization activity hampered enhancement of stakeholder engagements/visibility
7. To enhance public awareness, image and perception	<ul style="list-style-type: none"> ▪ Branding and CSR activities carried out annually ▪ Enhanced relationship with the media ▪ Developed and implemented Communications Strategy ▪ Commission complies with the code of conduct and ethics ▪ Maintained clean Audit reports (Unqualified/unmodified Audit opinions) 	<ul style="list-style-type: none"> ▪ Inadequate financial resources to fund public awareness initiatives and implement CSR activities ▪ Few success stories on privatization. ▪ Perception that privatization is about loss-making entities
8. Risk Management	<ul style="list-style-type: none"> ▪ Developed and implemented Enterprise Risk Management (ERM) Framework 	None
9. To effectively lobby, utilize and account for funds	<ul style="list-style-type: none"> ▪ Optimized value for money through effective and efficient procurement practices 	<ul style="list-style-type: none"> ▪ Lack of a framework to seek external sources of funding through grants or donations ▪ Low absorption of funds due to lack of a fully constituted board

2.1.3 Major Lessons Learnt

- i. Government policy changes can enhance or stall achievement of the Commission's mandate and/or Strategic Plan implementation
- ii. A fully constituted board is key in the implementation of the Privatization Programme/Strategic Plan
- iii. Adequate financial and non-financial resources is key in Strategic Plan implementation
- iv. Privatization is more stakeholder-driven than technical expertise
- v. An enabling legal framework is key in achieving the Commission's mandate/ Strategic Plan implementation

2.2 Environmental Analysis

Organizations, the Commission included do not operate in a vacuum but within an environment. This section provides an evaluation of the internal and external environment in which the Commission operates.

2.2.1 Internal Environmental Analysis

The internal analysis involved assessing the Commission's resources, characteristics, competencies and capabilities. This included among others assessing the Commission's systems, policies, processes, structures, human and financial resources and physical assets. This enabled the Commission to identify its **Strengths** and **Weaknesses** in relation to these internal factors.

2.2.2 External Environmental Analysis

The external environment was assessed using PESTELE. These **P**olitical, **E**conomic, **S**ocial, **T**echnological, **E**nvironmental, **L**egal and **E**thical factors in the macro-environment were assessed to gauge their potential impact on the Commission activities. For instance, the Ethical factor is emerging as a key consideration in organizations hence the reason many institutions are operationalizing codes of conduct and ethics.

The PESTELE analysis enabled the Commission to focus on the fundamentals in which it operates and therefore appreciate the factors that will either support or impede the process of implementing the strategic plan. Some **Opportunities** and **Threats** were identified in the scanning process and the Commission is well positioned to tap into those opportunities alongside putting in place mitigation measures to address the threats.

The key PESTELE factors are presented below

PESTELE FACTORS

1. **Political Factors:** Changes in the political environment will have a direct bearing on the implementation of the Commission's activities. The Commission has identified these factors and assessed their likely impact on the Commission. They include but not limited to Structure of government, changes in government policies; board appointments and Geo-political issues / international relations.
2. **Economic Factors:** The state of Kenyan economy and by extension the world economy directly or indirectly impact the Commission's operations. Some factors like IMF/WB conditionalities, the narrowing Debt ceiling, Inflation, forex rates, National development programmes (infrastructure projects funding) and the rising wage bill impact the Commission.
3. **Social-Cultural Factors:** Demographics of any country influences the lifestyles and spending levels and investment behaviour of citizens. Poverty levels, education levels, lifestyles and the expanding middle class among other factors have an impact on the Commission.
4. **Technological Factors:** Technological advancement/Dynamic change in technology; cybercrime/information security directly affect the system operations and communication channels within the Commission. The Commission must put in place mechanisms and strategies to either counter or harness them.
5. **Environmental Factors:** Climate change; pollution; waste management have been identified by the Commission as having proportionate impact on its operations directly or indirectly through the entities in the Privatization Programme
6. **Legal Factors:** The Commission is expected to comply with the Kenyan Constitution and all attendant laws and regulations. Articles 232 and 10 of the Constitution obligates the Commission to entrench the Values and Principles of Public service, and the National Values and Principles of Governance. Other legal issues of impact include but not limited to employment and environmental laws.
7. **Ethical Factors:** The projected image and corporate brand reflects the ethical behaviour of the Commission and key stakeholders. The Commission will endeavour to embrace chapter six (6) of the Constitution, abhor any form of discrimination, favouritism or corruption.

2.2.2 SWOT Analysis

The internal environmental scan and analysis identified the Commission's **Strengths** and **Weaknesses** whereas the external environment brought to fore **Opportunities** and **Threats** thus the SWOT. The analysis gives the Commission the knowledge to leverage its strengths to address the weaknesses, exploit opportunities and design strategies to mitigate potential threats.

Table 2-2.2 presents the Strengths, Weaknesses, Opportunities and Threats identified from the environmental scan and analysis.

<p style="text-align: center;">STRENGTHS</p> <ul style="list-style-type: none"> • The Commission is anchored on an Act of Parliament • Government budgetary support . • Highly skilled and motivated staff • Existence of robust ICT infrastructure • Existence of a functional Resource Center • ISO 9001: 2015 Certification. • A Functional Enterprise Risk Management Framework • Well documented and operational policies and procedures. • Embrace of gender equity and diversity in the Commission • Strong compliance framework • Good corporate governance framework 	<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> • Narrowing external debt ceiling • Government Budgetary/funding gap • Existence of a large pool/universe of entities for inclusion in the Programme • Implementation of recommendations of the report of the Presidential taskforce State-Owned Entities reforms • Existence of willing investors to participate in privatization • IMF/World Bank support for government divestiture • Implementation of mega infrastructure projects by the Government
<p style="text-align: center;">WEAKNESSES</p> <ul style="list-style-type: none"> • Inadequate Legal framework • Over reliance on the Exchequer (single source) for funding • Inadequate staffing. • Lack of autonomy/independence of the Commission 	<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> • Declining funding from the Exchequer. • Low visibility due to inadequate funding to facilitate publicity campaigns. • Changes in Government policies towards privatization. • Stakeholder Resistance • Existence of multi-layered stakeholders with varied interests • National vs County governments ownership claims over public assets to be privatized. • Cybercrime prevalence • Privatizations done outside the Privatization Programme • Perception that privatization is about loss-making Entities • Unclear public participation framework for privatizations • Rising Transaction Advisory Services costs

2.3 Stakeholder Analysis

This Strategic Plan takes cognizance of the stakeholders and their varied expectations which the Commission intends to meet in order to remain relevant to its core mandate. The Commission in turn has expectations of these stakeholders which it hopes to be equally met. The Commission's linkage with its stakeholders is summarized in Table 2-3. The key stakeholders were engaged through administration of tailored questionnaires and the feedback received informs the development of relevant strategies to achieve set objectives.

Table 2-3 Stakeholder Analysis

STAKEHOLDER	STAKEHOLDERS EXPECTATIONS FROM THE COMMISSION	PC'S EXPECTATIONS FROM STAKEHOLDERS	STRATEGIC ACTION
Parliament (National Assembly and Senate)	<ul style="list-style-type: none"> • Strict adherence to the Law • Consultations and briefings • Value for money • Transparency in the process • Adequate response to invitations by Parliamentary Committees 	<ul style="list-style-type: none"> • Political support • Timely approval of submissions 	Enhance engagement.
National Treasury	<ul style="list-style-type: none"> • Professional management and implementation 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 	<ul style="list-style-type: none"> • Timely approvals of submissions requiring approval • Budgetary, administrative and political support. • Timely release of budgeted funds • Timely appointment of Commission Members • Timely processing of detailed proposals and subsequent 	Enhance partnership and collaboration

STAKEHOLDER	STAKEHOLDERS EXPECTATIONS FROM THE COMMISSION	PC'S EXPECTATIONS FROM STAKEHOLDERS	STRATEGIC ACTION
	information and clarifications <ul style="list-style-type: none"> • Timely responses to all queries 	submission to the Cabinet.	
County Governments	<ul style="list-style-type: none"> • Consultations and briefings. • Value for money. • Transparency in the privatization process. 	<ul style="list-style-type: none"> • Co-operation • Buy-In 	Enhance partnership and collaboration
Ministries responsible for Investments identified for Privatization	<ul style="list-style-type: none"> • Consultations to ensure inclusiveness and ownership of privatization process • Timely responses to all queries 	<ul style="list-style-type: none"> • Submission of any required information. • Participation in Steering Committee meetings and activities • Sectoral and administrative support to the process 	Enhanced engagement
Government Investments Identified for Privatization	<ul style="list-style-type: none"> • Consultations to ensure inclusiveness and ownership of privatization process from the Commission • Confidentiality • Adequate time for consultations and submission of required information and clarification. 	<ul style="list-style-type: none"> • Adequate time for consultations and submission of required information and clarification 	Enhanced engagement
Potential Investors	<ul style="list-style-type: none"> • Well structured transactions • Fairness, accountability and transparency • Value for money 	<ul style="list-style-type: none"> • Participation in stakeholder forums • Participation in and investing during privatization 	Manage Closely
Media	<ul style="list-style-type: none"> • Up-to-date and verified information • Timely clarification to 	<ul style="list-style-type: none"> • Fair and objective coverage • Written 	Enhanced engagement and

STAKEHOLDER	STAKEHOLDERS EXPECTATIONS FROM THE COMMISSION	PC'S EXPECTATIONS FROM STAKEHOLDERS	STRATEGIC ACTION
	queries <ul style="list-style-type: none"> Education on the Privatization Programme 	requests for clarifications.	collaboration.
Regulatory Agencies (CBK, CMA, NSE, KRA)	<ul style="list-style-type: none"> Compliance 	<ul style="list-style-type: none"> Facilitation of transaction through provision of necessary regulatory approvals and interactions. 	Ensure Compliance
Kenyan Public	<ul style="list-style-type: none"> Value for money/return on investment Transparency and accountability in implementing the Programme 	<ul style="list-style-type: none"> Participation in stakeholder forums/consultations. 	Engage through public participation.
SCAC PSC SRC	Compliance	<ul style="list-style-type: none"> Timely dissemination of information Continuous sensitization of staff 	Ensure compliance
Office of the Auditor General	<ul style="list-style-type: none"> Total compliance with financial regulations Timely response to audit queries Cooperation during audits 	<ul style="list-style-type: none"> Professionalism and objectivity Timely audits 	Ensure compliance
Public Procurement Regulatory Authority (PPRA)	<ul style="list-style-type: none"> Timely submission of reports 	Guidelines on implementation of procurements	Ensure compliance
Service providers and contractors	<ul style="list-style-type: none"> Timely payments Honor contractual terms 	Acceptable products and services	Build partnerships

CHAPTER THREE

STRATEGIC DIRECTION

This chapter spells out the Commission's strategic direction. It outlines the key Result Areas, strategic objectives and the actual deliverables which will enable effective execution of each strategy area. It also presents the Vision and Mission as well as the Core Values that will drive the Commission to strategically focus on its functions and operations for enhanced service delivery to its stakeholders.

3.1 Vision, Mission and Core Values

Vision Statement

A Premier Privatization Agency.

Mission Statement

To unlock the potential of Public Enterprises by implementing the Privatization Programme through well-designed strategies to achieve desired national objectives.

Core Values

The Commission is committed to upholding the following values: -

Integrity: We shall employ the highest ethical standards, demonstrate honesty and trustworthiness in our work and personal conduct. We commit to be impeccable and operate above board

Professionalism: We commit to communicate effectively and appropriately with key focus on quality, expertise and efficiency.

Cohesiveness: We shall embrace team spirit, bond well and have a unity of purpose and direction.

Fairness: We shall be Impartial and just and treat all without favoritism or discrimination. We shall ensure equitable distribution of resources and opportunities.

Transparency and Accountability: We commit to create a work culture that values honest behavior, openness and willingness to be held accountable for our actions.

To improve staff engagement and performance, there is need to inculcate a culture of integrity, professionalism, fairness and accountability in all the Commission's affairs. It is critical that the Commission reviews the prevailing culture based on these core values, with a view to building a suitable Corporate Culture that will ensure seamless operations within the Commission.

3.2 Key Results Areas, Strategic Objectives and Strategies

The Commission operates within the context of an economy that is in need for sustained growth in Gross Domestic Product, sustained at growth levels per annum that can create employment and improve quality of life for the citizens. The desired economic growth should also be in conformity with the Sustainable Development Goals.

The key strategic focus and concern for this Strategic Plan 2022-2027 is to strengthen the private sector by unlocking the potential of state-owned enterprises to spur wealth and employment creation through effective implementation of privatization programme.

The Key Result Areas and Strategic Objectives for the plan period include:

- i) Implementing the Privatization Programme:** The key mandate of the Commission is to formulate, manage and implement a privatisation programme. There are a number of national benefits that will accrue from an effective implementation of the programme towards achieving National goals and objectives.
- ii) Strengthening Collaboration, Partnerships and Visibility.** There is need for the Commission to reposition itself and enhance collaboration and partnerships through the review of stakeholder mapping and the development and implementation of Stakeholder Engagement Strategy. Further, the Commission will create awareness by Developing and implementing a Communication Strategy, leveraging media as a strategic partner, developing and implementing Corporate Citizenship strategy through CSR initiatives, revamping the Corporate Brand so as to enhance the profile and visibility of the Commission.
- iii) Strengthening Institutional Capacity:** The Commission shall conduct capacity building for the Board and staff to improve their knowledge, skills and competencies as guided by the Training Needs Assessments (TNAs). Further, the Commission shall strengthen systems, processes and procedures and leverage on technology to foster innovation. Attention will also be paid to conducting research to enhance knowledge management. The Commission shall further capacity build the Board and management on core mandate and Corporate Governance principles and practices.

Table 3-2: Key Result Areas, Strategic Objectives and Strategies

KRA	Strategic Objective	Strategies
Implement Privatization programme.	To Review and implement the Privatization Programme by 2026.	<ul style="list-style-type: none"> ▪ Onboard ten (10) entities in the Privatization Programme by 2027. ▪ Complete twelve (12) approved privatization transactions by 2026. ▪ Review the privatization of the five (5) sugar companies.
	To review the Privatization Act 2005 by 2024.	<ul style="list-style-type: none"> ▪ Undertake comprehensive review of the Privatization Act.
Collaboration, partnerships and visibility.	To enhance Stakeholder Collaboration and Partnerships.	<ul style="list-style-type: none"> ▪ Develop and implement Stakeholder Engagement Strategy ▪ Create Awareness of the Privatization Process. ▪ Build new partnerships. ▪ Active Lobbying
	To create awareness of the Privatization Commission.	<ul style="list-style-type: none"> ▪ Develop and implement a Communication Strategy ▪ Leverage media as a strategic partner ▪ Corporate Citizenship strategy ▪ Revamp the Corporate Brand ▪ Enhance the profile and visibility of PC
Strengthen Institutional capacity.	Foster Research and Innovation.	<ul style="list-style-type: none"> ▪ Embedded Research and Development. ▪ Enhance Knowledge management. ▪ Leverage on technology to foster Innovation
	To ensure availability and optimal utilization of resources.	<ul style="list-style-type: none"> ▪ Attract, Develop, and retain staff. ▪ Define Organizational Culture. ▪ Efficient and effective sourcing. ▪ Resources Mobilization. ▪ Prudent Financial Management.
	To enhance corporate governance.	<ul style="list-style-type: none"> ▪ Strengthen compliance with relevant laws, systems, regulations and guidelines. ▪ Build capacity for Corporate Governance at the Commission. ▪ Capacity building on core mandate and other relevant trainings ▪ Strengthen the ERM Framework.

CHAPTER FOUR

IMPLEMENTATION OF THE STRATEGIC PLAN

This chapter provides information on the various types of resources required to implement this strategic plan. It discusses and puts in perspective the PC's human resource capacity and needs, financial resource requirements, strategies for resource mobilization, the approved organization structure as well as performance and risk management strategies.

4.1 Human Resource Management and Development

Human Resources (HR) are central to the attainment of the commission's Vision and mission because it is their capacity to carry out the activities effectively that will determine the extent to which the envisaged targets will be met. Consequently, the management and development of the Commission's human resources will focus on enhancing the competence and overall productivity of its staff.

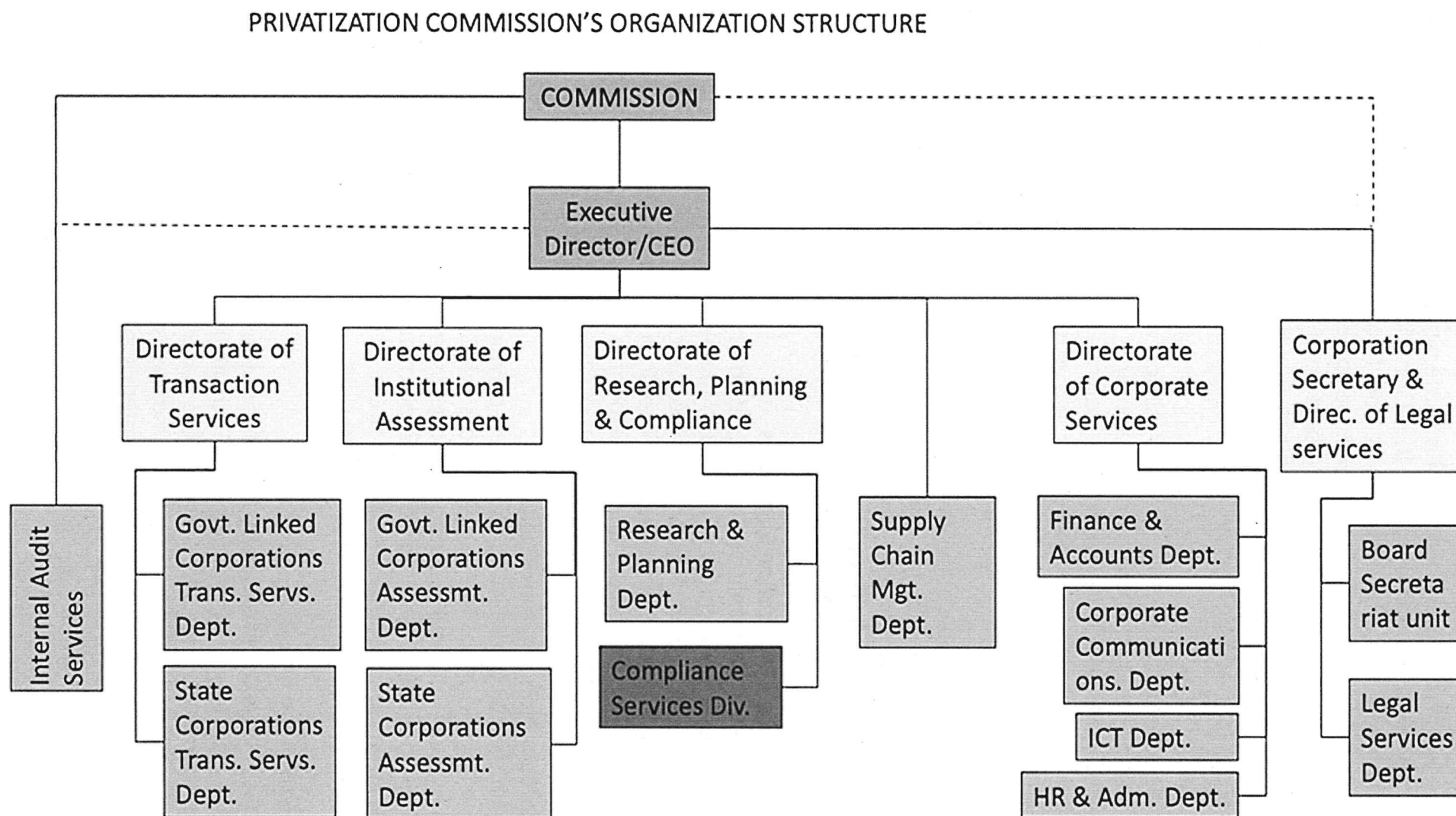
4.1.1 Staff Development Strategies

The Commission shall endeavor to continuously assess its human resources requirements at various stages of the plan implementation. In order to enhance staff capacity and development, the Commission will continuously undertake a Training Needs Assessment (TNA), propose training interventions and ensure adequate budget towards staff training.

4.1.2 Organizational Structure

The organization structure presents the reporting relationships and chains of command within the organization and helps to Improve collaboration and communication across teams and the wider organization. The Commission will review the structure from time to time to assess its relevance in achieving the Commission's mandate and key strategic objectives.

Figure 4-2.2: Organizational Structure



4.2 Financial Resources

The successful implementation of this strategic plan will depend not only on the quality and commitment of the Commission's staff but also on the availability and efficient utilization of the financial resources. The financial requirements for the Plan Period will be derived from the strategic plan's activities and the annual budget agreed on in tandem with the annual work-plans. The annual work-plans and Budgets will form the basis for the annual performance contracting arrangements. As such a proper financial strategy shall be developed to ensure effective implementation of the Plan.

The Financial resources will be sourced primarily from the Government. This is not adequate and therefore the Commission will consider alternative sources from among others bilateral development partners/donor agencies. The Commission will also emphasize on efficient utilization of available financial resources on prioritized activities. To this end, the Commission will ensure institutionalization of a Monitoring & Evaluation framework to ensure effective implementation of the plan.

4.2.1 Financial Resource Requirements

In order to implement this Strategic Plan, the Commission will mobilize adequate resources from the Government and development partners to carry out the identified activities in the Implementation matrix, while at the same time ensuring prudent management of available resources.

4.2.2 Resource Mobilization Strategies

The Commission will continue to engage the relevant Government agencies for increased funding through the parent Ministry. Currently the Government through the Exchequer is financing 100 percent of the Commission's total budget. In order to harness more resources from Government and the Partners, the Commission will design and implement a resource mobilization strategy that seeks to unlock alternative sources of revenue.

4.3 Strategic Plan Implementation

A plan implementation matrix has been developed to facilitate the execution of the strategic plan. The matrix details the Strategic Objectives, Strategies, activities, key outcome indicators, resources required and targets under each strategic objective. The Monitoring & Evaluation Framework will be drawn from the Implementation Matrix. The board and management will play a critical role in the successful implementation of the plan.

4.3.1 Role of the Board

The Board will effectively lobby key stakeholders to ensure that funds, relevant policies and legal frameworks required are in place to support successful implementation of the plan. Further, the board will ensure timely preparation of annual work plans and performance contracts and ensure timely implementation of same through quarterly Commission meetings.

4.3.2 Role of Management

Management team will develop annual work plans and incorporate the same into the performance contracts. It's also the responsibility of the management to successfully implement work plans and monitor on a continuous basis. The management team is also expected to initiate timely reviews of the Strategic Plan.

4.4 Risk Management

An enduring unknown factor in implementing the strategic plan is the uncertainty about future developments and situations that may change or affect the realization of the Plan objectives. In some cases, the changes may even render one or more objectives redundant or unattainable. For the Commission, the uncertainties are an important consideration because the range of unknowns is quite wide given the large number of stakeholders and the emergent challenges in the economy, technological advancements and volatility in the political scene. Some of the factors have been identified from the situation analysis carried out.

The successful implementation of this Plan is hinged on developing an institutional capability to identify risks, assesses their likelihood and potential impacts, and determining appropriate mitigation measures. Key assumptions will be that budgetary allocations will be maintained to ensure execution of the planned activities. In line with Mwongozo, the Commission will review and effectively manage a Risk Management framework for eliminating or reducing, to tolerable levels, the impact of risks in achieving its objectives. The key components of the proposed Risk Management System include: -

- a) Review/Development of a risk management policy to guide the development and operationalization of the system across the Commission;
- b) Constitution of Risk Management Committee composed of all heads of directorates to be chaired by the Executive Director/CEO. The Committee's main responsibility will be to consider and adopt risk management measures; and
- c) Appointment of Risk Management Coordinator to harmonize and oversee the risk management activities in all Directorates and departments. These activities include risk identification; risk assessment; as well as the development and implementation of appropriate mitigation measures.

The commission's strategic risks can be summarized in the table below:

Table 4.4.1: Strategic Risks

RISK	MITIGATION MEASURES
Stalled privatization process due to lack of Board	<ol style="list-style-type: none"> 1. Amendment of the Act to stagger the appointment of the board members. 2. Review and enactment of the Privatization Act to provide for a longer term for Commission members.
Change in Government policies impacting the Privatization Programme and Agenda	<ol style="list-style-type: none"> 1. Continuous lobbying to ensure privatization remains in the national agenda. 2. Enhanced stakeholder engagement
Mismanagement of the resources of the entities in the Privatization Programme	<ol style="list-style-type: none"> 1. Commission's participation in the entities' board meetings as per the Act (S. 33). 2. Commission to sanction in any major capital expenditures, asset disposals or major policy decisions
Stakeholders / the Public challenging Privatization Agenda	<ol style="list-style-type: none"> 1. Regular stakeholder engagement to achieve consensus and buy-in 2. Public participation/sensitization of the public on the benefits of privatization
Entities in the Privatization Programme reluctant to provide necessary information to facilitate privatization transactions.	<ol style="list-style-type: none"> 1. Review of the Privatization Act to include penalties for non-compliance. 2. Sensitization on the benefits of privatization and on the provisions of the Act on sanctions 3. Include employee incentive schemes in privatization proposals
Delayed implementation of privatization transactions and other related activities due to lengthy privatization process	<ol style="list-style-type: none"> 1. Review of the Privatization Act to include timelines for getting approvals from relevant Government agencies. 2. Enhanced stakeholder engagement to achieve buy-in

CHAPTER FIVE

MONITORING, EVALUATION AND REPORTING

5.1 Rationale for Monitoring and Evaluation

Monitoring and evaluating of the Strategic Plan implementation will require a systematic and continuous process for collecting and analyzing information based on the indicators and targets stated in the implementation matrix. The aim of monitoring is to provide top management with regular feedback on implementation progress, results and early indicators of challenges that need to be mitigated. Monitoring and evaluation is linked to critical activities in the plan to ensure that the Commission remains on course in pursuit of its objectives.

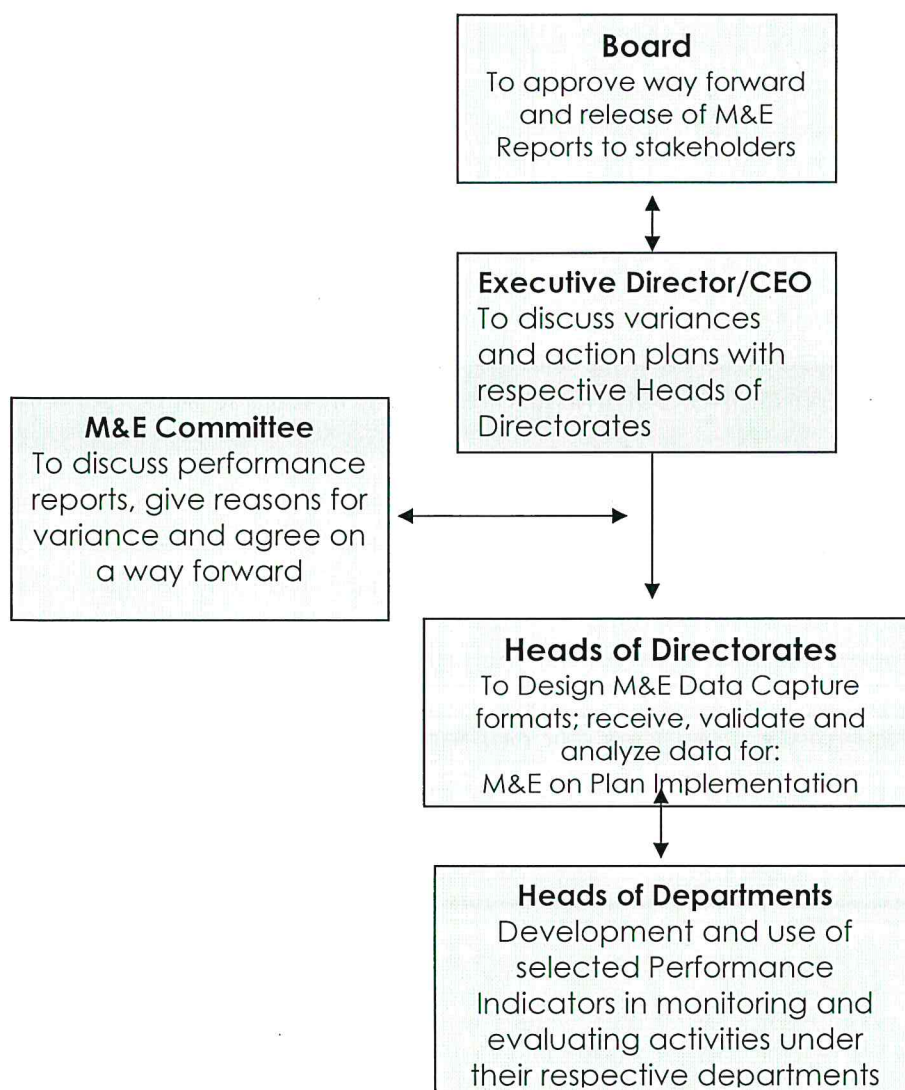
The Monitoring and Evaluation System for the Commission over this plan period consists of a monitoring and evaluation structure. Monitoring will be continuous and two different reports will be prepared: Quarterly Progress Reports, which will include information on key output indicators against set targets for the quarter; and Annual Review Report, at the end of every financial year. Annual progress reports will be prepared to highlight key achievements against set targets, identify challenges encountered and proposed mitigation measures.

5.1.1 The Monitoring and Evaluation Framework (Annex 11)

Drawing on the National Monitoring and Evaluation Implementation manual, the Commission's M&E Framework shall consist of the following key elements:

- 1 A process flowchart that details the activities for data collection, capture, analysis and presentation.
- 2 Specific output and outcome indicators which provide guidance as to whether the Plan objectives have been successful in achieving the desired outcomes.
- 3 Accountability for production of M&E Reports.
- 4 Responsibility for acting on Reports.

5.1.2 Monitoring and Evaluation Structure



5.2 Monitoring Implementation of the Strategic Plan

Monitoring the implementation of the plan will act as an early warning sign to detect potential bottlenecks and make necessary adjustments. Monitoring will involve collecting and analyzing data relating to the various indicators in the implementation matrix. During the plan period, the Commission will ensure seamless, accurate and timely information on implementation. Activities that will require re-scheduling or revision of targets will be adjusted accordingly.

5.3 Evaluation of the Strategic Plan

Evaluation will involve a systematic and objective process of examining the relevance, effectiveness, efficiency and impact of the strategies. Evaluation will be done through formal surveys and assessments and will compare actual outputs against the set targets. Three major evaluation activities will be undertaken. These include annual, mid-term evaluation and end-term evaluation.

5.3.1 Annual Evaluation

This evaluation will be conducted by comparing actual performance against the performance contract targets for the financial year under review. Cross cutting issues and any areas requiring strategy change will be identified and necessary mitigation measures put in place to address them.

5.3.2 Mid-Term Evaluation

The Commission will conduct a mid-term evaluation of this Strategic Plan to examine the progress towards achieving the set targets. This will be undertaken in the financial year 2023/2024. The findings and recommendations will help in taking appropriate corrective measures.

5.3.3 End-term Evaluation

End-term evaluation will be conducted at the end of the Strategic Plan period to assess the achievements and identify challenges faced. The lessons learnt will inform the next cycle of the strategic planning process.

5.4 Reporting

All Directorates and departments will be involved in monitoring and reporting on the progress of achievement of results and objectives based on the key indicators. This will be realized through the collection, analysis and submission of timely and accurate information. The reports will be prepared on a quarterly, bi-annual and annual basis.

5. Linkage between the Strategic Plan & Performance Contracts

To enhance implementation of the Strategic Plan and achievement of objectives, annual performance contract targets will be drawn from the implementation matrix provided in the Annex 1. This linkage will also ensure that directorate/departmental work plans are prepared and implemented accordingly.

Annex I: IMPLEMENTATION MATRIX

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
KRA I: IMPLEMENT PRIVATIZATION PROGRAMME																
To Review and implement the Privatization Programme by 2027.	Onboard entities in the Privatization Programme by 2027.	Assessment of entities to be onboarded in the Privatization Programme.	Continuity of the privatization agenda.	Approved Assessment reports.	25	5	5	5	5	5	30	30	30	30	30	DA
		Onboard entities in the Privatization Programme		Number of entities onboarded in the Privatization Programme	10	3	2	2	2	1	0.5	0.5	0.5	0.5	0.5	DA
	Complete twelve (12) approved privatization	Complete/Update preparatory work for the twelve (12) entities.	Realization of the benefits of	Number of updated and approved due diligence reports.	12	10	2	0	0	0	400	80	0	0	0	DTS

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
	transactions by 2027.		privatization.													
		Develop Nine (9) detailed privatization proposals for submission to NT.		Approved Detailed Privatization Proposals.	7	7	0	0	0	0	21	0	0	0	0	DTS
		Implementation of the approved privatization transactions/detailed proposals.		Signed Privatization Agreement.	11	4	3	4	0	0	18 0	18 0	18 0	0	0	DTS
	Review the privatization of the five (5) sugar companies.	Lobby the Cabinet through the National Treasury to reconsider the decision to vacate the privatization		Signed Certificate/Agreement.	5	5	0	0	0	0	20 0	0	0	0	0	DTS

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
		model approved by Parliament.														
To review the Privatization Act 2005 by 2024.	Undertake comprehensive review of the Privatization Act.	Propose amendments to the Privatization Act.	Create an enabling environment for privatization.	Approved amendments to the Privatization Act by the Board.	2	1	0	0	0	1	2	-	-	-	2	CS&DLS
		Undertake stakeholder engagements in support of legislative changes.	Stakeholder sensitization workshops.	Stakeholder sensitization workshop reports.	4	2	2	0	0	0	6	7	-	-	-	CS&DLS
		Finalize review of the Act for approval and submission to NT and Cabinet.	Revised privatization Act.	Final Draft Privatization Bill.	1	1	0	1	0	0	-	2	-	-	-	CS&DLS
		Develop regulations to the Privatization Act.		Approved regulations to the Privatization Act.	1	0	0	1	0	0	-	-	13	-	-	CS & DLS

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
KRA II: STRENGTHEN COLLABORATION, PARTNERSHIPS AND VISIBILITY																
To enhance Stakeholder Collaboration and Partnerships in Support of PC Mandate by 2027.	Develop and implement Stakeholder Engagement Strategy for privatization transaction by 2027.	Stakeholder Mapping	Seamless cooperation	Stakeholder Mapping Reports.	11	4	3	4	0	0	0	0	0	0	0	DCS
			in the implementation of privatization transactions.	Stakeholder Engagement implementation Reports.	11	4	3	4	0	0	3	3	5	5	5	DCS
		Stakeholder engagements.	stakeholder support.	Survey index.	%	70	-	75	-	80	2.5	0	3	0	3	DCS
	Build new partnerships in support of the Commission's mandate.	• Develop Collaboration ventures.	stakeholder support.	• Number of MOUs signed.	5	1	1	1	1	1	1	1	1	1	1	DCS

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
		<ul style="list-style-type: none">Establish mutually beneficial partnerships.														
To create awareness of the Privatization Commission.	Develop and implement a Communication Strategy.	<ul style="list-style-type: none">Develop the Communication Strategy	Awareness of the Commission and its mandate	<ul style="list-style-type: none">Approved Communication Strategy.	2	1	0	0	1	0	0	0	0	0	0	DCS
		<ul style="list-style-type: none">Implement the Communication Strategy		<ul style="list-style-type: none">Communication strategy implementation Reports.	5	1	1	1	1	1	23	18	20	25	25	DCS
	Leverage media as a strategic partner.	Sensitize media on Privatization Law and the privatization process.	Awareness of the media landscape in Kenya and	Number of Media Workshops.	3	1	0	1	0	1	3	0	4	0	3	DCS
		Media Training for Management and Board.		Number of Media Trainings for Board and Management.	3	1	0	1	0	1	.5	0	.5	0	.5	DCS

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
			its requirements													
	Corporate Citizenship.	Review CSR Policy.	<ul style="list-style-type: none"> Increase level of awareness of PC. Feel-Good attitude of staff and beneficiaries. 	Approved CSR Policy.	2	1	0	0	1	0	0	0	0	0	0	DCS
		Implement the CSR policy		CSR/sustainability implementation reports	5	1	1	1	1	1	.5	1	3	5	7	DCS
	Revamp the Corporate Brand.	Brand audit	A new and revamped corporate brand.	• Brand audit report	1	1	0	0	0	0	1	0	0	0	0	DCS
		Rebrand and roll out		• New corporate brand/ logo	1	0	1	0	0	0	0	20	0	0	0	

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
				Approved Brand Manual.	1	0	1	0	0	0	0	0	0	0	0	
	Enhance the profile and visibility of the Commission	Preparation of brand collateral. Dissemination of brand collateral.	Improved visibility and top-of-mind awareness of PC	Number of Beneficiaries/Target Population.	10	2	1	1	1	1	.5	1	3	2	3	DCS
KRA III: STRENGTHEN INSTITUTIONAL CAPACITY																
Foster Research and Innovation.	Embedded Research and Development.	Develop and implement a Research and Development Policy.	Improvement in business processes.	Approved Policy on Research and Development.	1	1	0	0	0	0	0	0	0	0	0	DRP
		Undertake research to inform innovation in the Commission.		Approved Research papers/Reports.	3	1	0	1	0	1	10	0	10	0	10	DRP

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
		Implement research recommendations.		Implementation framework. Research & innovations implementation report on implemented best practices.	6	0	2	0	2	2	0	10	0	10	10	DRP
	Enhance Knowledge management.	Implement Knowledge Management for staff growth and development.		A Functional Resource Centre.	1	1	0	0	0	0	0	0	0	0	0	DRP
		Maintenance of Quality Management System.		Recertification of 9001:2015.	2	1	0	0	1	0	.5	0	0	.5	0	DRP
				Documented policies and procedures.	5	1	1	1	1	1	0	0	0	0	0	
	Leverage on ICT Systems to	Carry out ICT infrastructure gap assessment	Operational Efficiency.	ICT gap analysis assessment report	2	0	1	0	1	0	3	0	0	3	0	DCS

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
	foster Innovation.	Implement the Gap Analysis Assessment recommendations.	Enhanced application of ICT in service delivery	Level of implementation (%)	100	100	100	100	100	100	50	50	50	50	50	DCS
		Conduct and implement recommendations of ICT Audits.		ICT Audit reports.	5	1	1	1	1	1	5	5	5	5	5	DCS
		Implement ISMS.		Attain and maintain ISO 27001 Certification	2	1	0	0	1	0	3	0	0	1	0	DCS/DR&P
To ensure availability and optimal utilization of resources.	Attract, develop and retain staff.	Employee sourcing and retention.	Motivated Staff Improved productivity.	% no. of employees recruited, promoted and retained	100	100	100	100	100	100	20	21	22	23	24	DCS
		Staff training and development.	Enhance staff skills and competencies.	Level of implementation of the training programme(%)	100	100	100	100	100	100	20	20	25	25	25	DCS

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
		Recognition, rewards and sanctions.	<ul style="list-style-type: none"> Motivate Staff. Improve productivity. Strengthen performance management 	Annual performance appraisal report indicating no. of employees recognized, rewarded and sanctioned.	5	1	1	1	1	1	2	2	3	3	3	DCS
	Define Organizational Culture.	Carry out HR Survey and implement recommendations.	<ul style="list-style-type: none"> Motivate Staff Improve productivity. 	<ul style="list-style-type: none"> Survey reports. Implementation report on organizational culture. 	2	1	0	0	1	0	3	0	0	3	0	DCS
			Improve productivity.	Approved Work life balance policy.	2	1	0	0	0	1	1	0	0	0	1	DCS

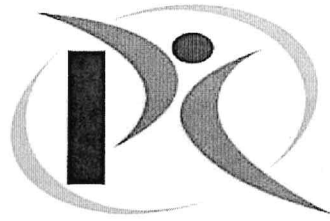
Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
		Develop and implement work life balance policy.	Improve staff wellbeing.	• work life balance implementation report on	5	1	1	1	1	1	0	0	0	0	0	DCS
	Efficient and effective sourcing.	Develop and Implement Procurement Plan.	Value for money.	Approved annual Procurement Plan(s).	5	1	1	1	1	1	-	-	-	-	-	MSCM
		Implement laws, attendant regulations and circulars.		Implementation Report	20	4	4	4	4	4	0.2	0.2	0.2	0.2	0.2	MSCM
				Level of compliance (%)	100%	100	100	100	100	100	-	-	-	-	-	MSCM
	Resource Mobilization.	Engage with National Government for increased Funding.	Financial stability.	% Increase in resource allocation from Exchequer.	300%	60	60	60	60	60	2	2	2	2	2	DRP
		Seek alternative sources of funds/resources.	Operational Efficiency.	• Funding proposal. • Funds/Resources received.	5	50	50	50	50	50	5	5	5	5	5	DRP

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
	Prudent financial management.	Budgeting		<ul style="list-style-type: none"> Approved budget. Utilization level report. 	100%	100	100	100	100	100	0	0	0	0	0	DRP
		Budgetary control				0	0	0	0							
		Financial reporting.		Quarterly /Annual and financial reports.	25	5	5	5	5	5	2		2			DCS
To enhance corporate governance.	Strengthen compliance with laws, systems, regulations and guidelines.	Conduct periodic statutory/legal compliance audits.	Compliant Commission.	Statutory/Legal Compliance audit reports.	22	4	5	4	4	5	NIL	1M	NIL	NIL	1M	DLS
		Compliance audit of internal controls and systems.		Audit Plan.	5	1	1	1	1	1	0.5	0.5	0.5	0.5	0.5	
				Annual implementation audit Report.	5	1	1	1	1	1	Nil	Nil	Nil	Nil	Nil	
	Build capacity for Board and	Training of the Board and management on core mandate	Enhanced corporate governance	Level of compliance (%).	5	1	1	1	1	1	3	3	3	3	3	DCS CS&DLS

Strategic Objective	Strategy	Activities	Expected Outcome	Indicators	Target for 5 Years	Target					Budget (Ksh. Mn)					Responsibility
						Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	
	management.	and good corporate governance.	at the Commission.													
		Undertake Training Needs Assessment and fill any gaps identified through training.	A highly skilled board and management	Training Needs Assessment Report. Training reports	5	1	1	1	1		0	0	0	0	0	DCS CS&DLS
	Strengthen the ERM framework.	Review and implement the ERM Framework.	Reduced risk exposure and enhanced Business Continuity.	Approved ERM Framework	1	1	0	0	1	0	2	0	0	2	0	DR&P
				Risk Monitoring Reports.	20	4	4	4	4	4	-	-	-	-	-	
				No. of training/sensitization.	5	1	1	1	1	1	2	2	2	2	2	
		Undertake risk-based audit.	Risk Assurance.	Audit reports.	40	8	8	8	8	8	0	2	0	0	0	MIA

ANNEX II: MONITORING AND EVALUATION FRAMEWORK (SAMPLE)

Key Result Area	Outcome	Key Performance Indicator	Baseline	Target	
				Mid-Term Period Target	End of Plan Period Target
Implementation of Privatization programme.	Continuity of the privatization agenda.	Approved assessment reports.	-	6	10
		Signed Privatization Agreement.	-	2	4
Strengthened Collaboration, partnerships and visibility.	Seamless cooperation in the implementation of privatization transactions.	Stakeholder engagement reports.	-	1	3
		No, pf signed MoUs.	-	1	3
	Improved Visibility and Awareness.	Brand Awareness Index.	X	X+5	X+10
		Customers Satisfaction Index.	X	X+5	X+10
		Compliance with Service Delivery Charter.	100	100	100
Strengthened Institutional Capacity.	Improvement in business processes.	Approved Policy on Research and Development.	-	1	1
		Approved Research papers/Reports.	-	2	3



PRIVATIZATION COMMISSION

Enhancing Kenya's Productive Capacity

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