

BUSINESS DAILY

**OPINION****Bitange Ndumo**

Digital tech's role in Africa transformation p10

COUNTY BUSINESS**Environment**

MPs demand total logging ban to save water towers p14

**LIFE****Management**

Building teams that are keen to win big p27

ON THE TICKER**TOP NEWS****Shilling stable after global Fund removes facility**

The shilling was stable yesterday even as the market adjusted to news of suspension of Kenya's access to the International Monetary Fund's (IMF) precautionary credit facility. p2

THE DIGIT**SH10.5BN****REVENUE**

was collected by the Immigration Department, a Sh3.5 billion increase, after the automation of services. p6

**NEWS INDEPTH****Why local banks should rethink EA growth plans**

Analysts urge lenders to instead focus on ramping up the profitability of the struggling subsidiaries. p12-13

MONEY & MARKETS**Agency slashes Kenya Re rating**

American rating agency A.M. Best has downgraded the financial strength rating of listed Kenya Reinsurance Corporation (Kenya Re) to B (Fair) from B+ (Good). p19

Nairobi's Mombasa Road upgrade to cost Sh59bn

INFRASTRUCTURE » Construction of highway through capital city to cost Sh21 billion more

Neville Otuki

notuki@ke.nationmedia.com

Construction of a superhighway linking the Jomo Kenyatta International Airport (JKIA) to the Nairobi-Nakuru highway will now cost Sh59 billion or Sh21 billion more than earlier planned, authorities said citing change in design.

The revelation came even as the Kenya National Highways Authority (KeNHA) said it had dropped the planned construction of an elevated highway over the entire 43.5km stretch to Rironi in favour of flyovers and



DESIGN Bus rapid transit stations that will be part of the planned major upgrade of the road between JKIA, Likoni Road and James Gichuru Road. -COURTESY

underpasses on certain sections of the road.

Work on the project includes expansion of Airport South

Road into a dual carriageway, complete with a new airport security checkpoint and the planned airport rail link.

"The project designs have been evolving along with the costs," said David Muchilwa, the development director, adding that Phase One of construction works covering JKIA to Likoni Road will start early next year with funding from the African Development Bank (AfDB). The World Bank will fund the remaining segment.

Motorists using the 43.5km express road will pay a fee (toll charges) to escape the current heavy jams to and from the airport and in their commute through the city.

The proposed superhighway will have **HIGHWAY** | PAGE 4

INSECURITY**S. Sudan advisory hits Kenya businesses**

Victor Juma

vjuma@ke.nationmedia.com

Kenyans have been advised to stay away from parts of South Sudan, signalling a worsening of the conflict in the world's youngest nation.

The move is set to slow down trade between the two countries, which had picked up following South Sudan's attainment of independence in 2011.

Kenya's Ministry of Foreign Affairs advised citizens in a statement late Tuesday to move away from or avoid sections of South Sudan where **ADVISORY** | PAGE 4



Vetting Begins

NAIROBI Former Environment secretary Judi Wakhungu, nominated as Kenya's ambassador to France, being vetted by the National Assembly's Defence and Foreign Relations committee yesterday. — JEFF ANGOTE

KRA suspends nil income tax returns

Brian Ngugi

bjnorge@ke.nationmedia.com

The Kenya Revenue Authority (KRA) has suspended the processing of nil income tax returns for 2017 on its automated tax payment service iTax, citing the need to "reconfigure" the system.

Filing of 2017 tax returns, which started on January 1 this year and runs up to June 30, enters the third month in a week's time - setting the stage for a possible pile up of filings that fall in that category.

"The Kenya Revenue Authority (KRA) would like to advise taxpayers who file NIL returns to be patient as our technical team works on reconfiguring the iTax



TAXMAN Mr. John Njiraini, Kenya Revenue Authority commissioner-general. -FILE

system to facilitate you better," said KRA in a notice in local dailies.

KRA had by yesterday not responded to questions on the suspension and the timing of the iTax system reconfiguration.

Tax experts said KRA urgently needed to upgrade its online **TAXATION** | PAGE 4

TOP NEWS

Shilling remains stable after IMF suspends credit facility

EXCHANGE Traders yesterday said remittances from the diaspora propped up local currency

Charles Mwaniki
cmwaniki@ke.nationmedia.com

The shilling was stable yesterday even as the market adjusted to news of suspension of Kenya's access to the International Monetary Fund's (IMF) precautionary credit facility.

The facility is meant to offer insurance against any shocks to the country's balance of payments.

Commercial banks quoted the shilling at an average of 101.35 by mid-afternoon, which was only slightly weaker than the closing average of 101.30 recorded on Tuesday.

Traders said that there was continuing support from dollar remittances from the diaspora, while portfolio investors were also bringing in dollars.

"We had a fairly balanced market today, with support

SH150 BN
CREDIT

facility that IMF has stopped Kenya from accessing

mainly coming from remittances. People are also well aware that Central Bank has enough reserves to iron out any volatility," said a trader in a commercial bank.

Shilling liquidity was also

fairly balanced yesterday, with CBK saying in a market alert that it was staying out of the repo market for the day.

The shilling has been one of the more stable African currencies in the last two years, with part of the support coming from the insurance against volatility that the CBK's \$7.24 billion foreign reserves offers, and the \$1.5 billion standby IMF facility.



REGULATOR Traders bank on Central Bank of Kenya reserves .--FILE

The disclosure on Tuesday that Kenya did not have access to the IMF facility since June last year (although it is principally still in place) came as a surprise to the markets, with the CBK and Treasury having not informed

the public of the suspension of access.

An IMF team is in the country though to discuss a new deal to replace the facility that expires next month.

Taxman seizes Sh100m gold, Tanzanian arrested

Stella Cherono
scherono@ke.nationmedia.com

The Kenya Revenue Authority (KRA) intercepted gold worth Sh100 million and arrested a Tanzanian in Nairobi, rekindling memory of an international smuggling syndicate

KRA said it had seized 32,255.50 grammes of gold bars at the JKIA

that troubled the country six years ago.

A team of officers from the Directorate of Criminal Investigation accompanied by the Revenue Protection Service Officers took statements from the suspect.

"The transportation of goods is contrary to provisions of the East Africa Community, Customs Management Act 2004 Section 85(3) and Second Schedule Part B (4)," KRA said.

The section of the law restricts the transiting of unwrought precious metals and precious stones across the region.

The gold bars are now under the custody of KRA, Customs and Border Control as officers investigate the case.

"The suspect was seized following intelligence alert. He had arrived at JKIA at 1505hrs on Friday, 16th February, on

board Precision Airlines from Mwanza via Kilimanjaro and was heading to Dubai aboard Kenya Airways," the statement by the taxman said.



Courtesy call

NAIROBI Kenya Tourism Board MD Betty Radier with Nation Media Group Editor-in-Chief Tom Mshindi at Nation Centre yesterday. --DENNIS ONSONGO

Knut seeks Labour ministry help in teacher transfers row

DISPUTE TSC says appraisal is there to stay, noting that it has improved performance

Ouma Wanzala
owanza@ke.nationmedia.com

The Kenya National Union of Teachers (Knut) has sought the intervention of Labour ministry in a trade dispute with the Teachers Service Commission (TSC) over the appraisal and transfers of teachers.

In a letter dated February 15, to the Labour secretary, Knut secretary-general Wilson Sossion wants the minister to

address the row over the implementation of policy on de-localisation of heads and principals of institutions and the introduction of performance contracting of heads of institutions and teacher performance appraisal and development.

"These matters should be



STANCE Knut secretary-general Wilson Sossion .--FILE

treated as urgent. You have seven days from the date of this letter to address this issue," reads the letter.

He said the matter was reported to the ministry in August last year in which Ms Helen Maneno from the Labour ministry was appointed as a conciliator in the matter.

"Take note that our efforts through several communications to convene a meeting with TSC and resolve the dispute have not been responded to," added Mr Sossion.

"In accordance with sec-

tion 62 and 65 of the Labour Relations Act, No.14 of 2007, we hereby reinstate the dispute regarding failure by TSC to recognise and compensate teachers who have attained higher relevant academic qualifications for promotions and salary increment dating back to 2014."

However, TSC has insisted that the appraisal is there to stay, noting that it has reduced absenteeism and improved learning outcomes.

The appraisal was introduced in January 2016.

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COMPANY INDEX

This index of businesses mentioned in today's issue of the Business Daily is intended to include all significant

IMF	2
KRA	2
REA	5
Exim Bank	5
Kenya Power	5
KNH	5
CBK	7
KDIC	7
Dubai Bank	7
Kenya Re	19
NCE	19
KTDA	19
ICPAK	20
Oserian	20
Tatu city	20

WEATHER FORECAST NAIROBI



RADAR SCREEN LYNET IGADWAH

CONFUSION Teachers face glitches in implementing new competency-based curriculum

Uncertainty clouds push for new education system

A cloud of uncertainty is hanging over the new education curriculum, whose rollout continued to face operational and technical challenges long after the school year began and pupils went on the midterm break.

Top among the key challenges facing the system, meant to help the country shift from exam-driven to skills-based learning, is the aura of scepticism among the thousands of teachers charged with the task of implementing it and who seem unclear on what is expected of them.

The Kenya National Union of Teachers (Knut) has warned that the absence of logical order events in the journey of curriculum reform amounts to courting disaster.

"Right now teachers are not prepared to take pupils through the new curriculum which explains their opposition to it. They are not opposing it because they do not want it, rather because they do not understand it," said Knut secretary-general Wilson Sosion.

Piloting of the competency-based curriculum (CBC), kicked off last

Pupils in Class One and Two have had to endure learning without course books

year in 470 select schools, 10 from every county.

That has now been scaled up to cover pre-school as well as Grade One and Two countrywide.

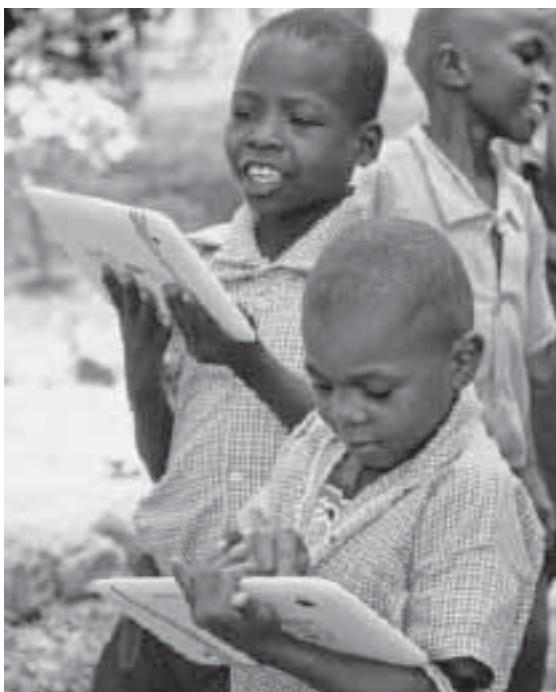
A few Grade Three institutions are also taking part ahead of full implementation next year.

Teachers reckon that their task has been made even harder by the delayed release of course books for the new curriculum – paralysing teaching for half the term. The books only hit the bookshops ahead of the mid-term break.

School heads have, however, insisted that teachers have been adequately trained for the CBC and will be ready to impart knowledge to pupils when schools reopen.

Kenya Primary School Heads Association (Kepsha) chairman Shem Ndolo said he was yet to receive any complaints from teachers regarding the new curriculum.

"The teachers have been undergoing training since November



2017 and have capacity and knowledge to impart in learners," he said.

The new competency-based curriculum, which bills itself as focused on skills rather than knowledge, is meant to fully replace the current 8-4-4 system in seven years.

Pupils in Class One and Two have had to endure learning without course books as publishers grappled with a printing backlog that delayed production and distribution of the learning materials.

In the period preceding the midterm break, some teachers relied on course books for the 8-4-4 system, which is meant to be replaced by the CBC.

Mr Sosion, a nominated MP, said the national scale piloting is an illegality that follows a flopped piloting in 470 select schools.

"In the true sense of scientific process, piloting involves picking a few schools and testing them. What the government is doing is actually a rollout," he noted adding that the government was engaging in an illegal process since it had rolled out the new curriculum without a sessional

DIGITAL
Pupils of Ortum Boys Boarding Primary School in West Pokot
—JARED NYATAYA



We're going on a fishing expedition...We are not sure whether we will catch the fish."

WILSON SOSION | KNUST SECRETARY-GENERAL

paper that requires the adoption of Parliament. "We are going on a fishing expedition by Kenya Institute of Curriculum Development (KICD) and government. We are not sure whether we will catch the fish," he said.

Mr Sosion said the CBC flopped in Tanzania, Uganda, in the US and in Malaysia due to flawed implementation.

"We strongly believe that 8-4-4 is still the best system that should be sustained and the government should just engage in a review process so that we can customise several aspects being proposed in the CBC," he said.

The new system provides that Class One and Two will be referred to as Grade One and Grade Two.

Initial plans were that the curriculum be implemented in Grade One to Three starting this year but this was later confined to Grades One and Two only.

In December, Knut wrote to the then Education secretary Fred Matiang'i warning that the "haphazard manner in which the reforms were being carried out had triggered a chain reaction, a clear confirmation of the missing link between the framers of the curriculum and the stakeholders".

Knut said curriculum review process follows certain steps that must be fulfilled in a chronological order, otherwise, the end result would be flawed.

The first step is the needs assessment, followed by the selection of an appropriate innovation, developing a policy framework, curriculum design, piloting and finally a stakeholder's conference before roll out. The rollout is then evaluated.

Throughout the process, there has to be a working consensus in support of curriculum reform among teachers, their unions, professionals in the field, quality assurance and standards officers, parents, religious leaders and other key stakeholders.

The curriculum changes should be consistent with government education policies and economic constraints.



Most babies in Africa face 'alarming death risks'

WASHINGTON | Babies born in the world's poorest countries, most of them in Africa, still face "alarming" risks of death that can be 50 times as high as those in the richest countries, according to a Unicef report released on Tuesday.

While the last quarter-century has seen broad improvements in older children's health, "we have not made similar progress in ending deaths among children less than one month old," said Henrietta Fore, Unicef's executive director.

"Given that the majority of these deaths are preventable, clearly we are failing the world's poorest babies."

The differences are stark. A baby born in Pakistan – the country with the worst newborn mortality rate – faced a one in 22 chance of death, while a newborn in Japan had only a one in 1,111 risk of dying, the report said.

Of the 10 highest-risk countries, eight are in sub-Saharan Africa, countries where "pregnant women are much less likely to receive assistance," due to poverty, conflict or weak institutions, according to the report.

Those eight countries are the Central African Republic (a one in 24 chance of death); Somalia, Lesotho, Guinea-Bissau and South Sudan (all with a one in 26 chance); Côte d'Ivoire (one in 27) and Mali and Chad (both with a one in 28 chance).

Each year, some 2.6 million babies do not survive through their first month. The report was released in conjunction with the launch of a global campaign, called Every Child Alive, aimed at ensuring "affordable, quality health care solutions for every mother and newborn."

AFP

TOP NEWS

Upgrade of key Nairobi highway to cost Sh59bn

FROM PAGE 1 special lanes dedicated to large-capacity buses that are expected to support public commuter services and ease congestion under the rapid transit system (RTS).

The highways authority two years ago put the cost of building the double-decker road, the first in the region, at Sh38 billion - a figure that has now been increased to Sh59 billion.

"The stretch around Uhuru Park, for instance, will not have an overpass, so as not to cause visual intrusion. Motorists should have an unobstructed view of the surrounding greenery," said Mr Muchilwa.

The proposed superhighway will feature multiple interchanges at various intersections alongside service lanes.

KeNHA reckons that dropping the continuous motorway running above the ground means some stretches of the existing roads will be expanded to create additional lanes and accommodate the swelling traffic.

Financing challenges have delayed the planned upgrading of the JKIA-Rironi motorway by more than a decade. The project was revived in 2016, after government officials announced a fresh financing deal with the World Bank, which had earlier opted out of the deal citing concerns over the integrity of



PLAN Bus rapid transit stations that will be part of the planned major upgrade of the road between JKIA, Likoni Road and James Gichuru Road. --FILE

Austrian firm, Strabag, which had won the concession to build and operate the road.

At Sh59 billion, the JKIA-Rironi motorway will cost Sh27 billion more than the Sh32 billion spent on the 50-km Thika Superhighway.

Motorists will cruise on the express way as an alternative to escape the heavy traffic jams that build up on Mombasa Road and Uhuru Highway during rush hours.

Nairobi has in recent years witnessed an explosion of cars that is unmatched by the expansion of roads.

The World Bank estimates that Nairobi residents on average spend an hour to travel to work and another 60 minutes commuting back home due to traffic congestion.

The dual carriageway will be

SH27BN COST

of JKIA-Rironi motorway will be Sh27bn more than the Sh32 billion spent on Thika Superhighway

built in three phases beginning with the first stretch (6.5km) running from JKIA to Likoni Road and the Southern bypass interchange. This section will cost about Sh18 billion, and is to be funded by the AfDB whose financing agreement is expected to be closed this year.

The second stretch (12km) is the most expensive at an estimated cost of Sh25 billion and will connect Likoni Road to James Gichuru Road junction on Waiyaki Way in

Motorists should have an unobstructed view of the surrounding greenery."

DAVID MUCHILWA | DEVELOPMENT DIRECTOR

Westlands. The World Bank is expected to fund it along with the last section (Sh16 billion) which runs 25km from James Gichuru Road to Rironi. This lifts the total project cost to Sh59 billion.

The contract for the Westlands-Rironi stretch was awarded to China Wu Yi, and will see the Waiyaki Way dual highway expanded into six lanes.

The designs for the first two sections are being fine-tuned before tendering, with construction expected to start early next year, according to Mr Muchilwa.

President Uhuru Kenyatta last year created the Nairobi Metropolitan Area Transport Authority (Namata), mandated to decongest the city's crippling traffic jams partly through rollout of a bus rapid transit system.

Taxman suspends processing of nil income tax returns

FROM PAGE 1 register to e n h a n c e efficiency for taxpayers and promote tax compliance. KRA commissioner general John Njiraini - who hit the retirement age of 60 in December last year - and whose term comes to an end on March 3, has a herculean task of raising nearly Sh134.94 billion every month between January and June this year to hit the Sh1.44 trillion full-year target for tax income.

The taxman collected Sh1.365 trillion in the year ended June 2017, falling short of the targeted Sh1.44 trillion set by the Treasury.

Under the law, anyone with a Personal Identification Number (PIN) must file a return annually - including a nil return. But there is no separate form or process for filing nil tax and the entire process is similar to filing a normal return.

"In any tax system, the compliance burden has to be as simple as possible," said Nikhil Hira, the Deloitte East Africa tax leader.

Mr Hira cited what he termed a lengthy process of filing nil tax on the iTax platform as a bottleneck. "When you file a return on the system you do have to go through all the boxes even if you have no income from a particular source... The need to complete a number of pages even if you don't have income is one such big burden," said Mr Hira.

Nil income tax return shows the taxman that a taxpayer falls below the taxable income and therefore did not pay taxes during the year.

In any tax system, the compliance burden has to be as simple as possible."

NIKHIL HIRA | TAX LEADER, DELOITTE EAST AFRICA

Mbiki Kamanjiri, tax manager at Grant Thornton consulting, said the iTax system was still battling hiccups since its launch. "The iTax has come a long way since inception. However, it is still plagued by glitches and downtime due to technical issues," said Mr Kamanjiri.

Francis Kamau, partner and tax leader East Africa at EY, called for reforms to the iTax, saying it fails to capture certain business forms including partnerships and joint ventures hence locking out some taxpayers. iTax was launched in October 2013, as part of KRA's modernisation reforms aimed at simplifying the filing of tax returns and gathering deeper data to seal tax-evasion loopholes.

KRA reported that 2.4 million workers and businesses filed their returns by end of June last year deadline, meaning thousands of businessmen and employees failed to do so.

Kenya's travel advisory against South Sudan hits businesses

FROM PAGE 1 the armed conflict and ethnic strife has intensified in recent months.

"The Ministry of Foreign Affairs and International Trade of the Republic of Kenya wishes to advise all Kenyan nationals living or travelling to South Sudan to move away from and avoid travelling to areas where armed conflicts and inter-ethnic violence have occurred within the last six months," it said in a statement.

The advisory warns against travel to parts of the Greater Upper Nile Region and in particular Bieh, Latjor, Akobo,



ADVICE Foreign Affairs secretary Monica Juma. --FILE

Jonglei, Northern Liech states and parts of Maiwut, Eastern Nile and Boma states as well as Yei River State.

Kenyans living in other parts of South Sudan have also been advised to exercise extreme

Kenyan firms in S. Sudan

Some have scaled down operations in the wake of the violence

KCB*
Equity*
Co-op*
Kenya Airways
UAP Insurance
*banks

SOURCE: BD RESEARCH

caution as they undertake their daily activities.

"They should avoid unnecessary travels in these regions because the security

situation is risky and their security cannot be guaranteed," the ministry said.

The travel advisory came after the government helped secure the release of two Kenyan pilots who had been detained by rebels in South Sudan after their plane crashed.

Captain Pius Frank Njoroge and co-pilot Kennedy Shamalla, who had been in the custody of Sudan People's Liberation Army-In Opposition (SPLA-IO) for more than one month, returned home on Tuesday.

Kenya has major interests in South Sudan, having helped

broker a 2005 peace agreement between the country and its northern neighbour.

South Sudan's economic prospects, buoyed by expected developments in the budding oil industry, has attracted hundreds of Kenyan firms, including banks and insurers raising the stakes for their owners.

Tens of Kenyan firms are operating in South Sudan through subsidiaries or cross-border sales networks including UAP Holdings, East African Breweries Limited, KCB, Equity Bank, Co-operative Bank, and Kenya Airways.

Despite its oil wealth, the

country is still largely underdeveloped and renewed fighting pitting the government against rebels has dimmed its short-term economic outlook.

The ethnic conflict which started in December 2013 after President Salva Kiir sacked his deputy Riek Machar -who is in exile- has killed more than 100 and displaced millions of South Sudanese.

Almost two million people have been internally displaced and a similar number has sought refuge in neighbouring countries, with one million in Uganda alone, according to Human Rights Watch.

ECONOMY & POLITICS

All suppliers will now have equal opportunities to participate in the procurement processes whether they are in Wajir, Lamu or Nairobi."

SIMON GICHAU | RURAL ELECTRIFICATION AUTHORITY CHAIRMAN

Garissa-based 55MW solar farm starts operations in Dec

ENERGY The plant sits on 85 hectares and has more than 200,000 solar panels

Lynet Igadwah
ligadwah@ke.nationmedia.com

East Africa's largest solar power plant in northern Kenya is set to

Solar plant expected to produce power for 625,000 households

The 55-megawatt solar plant in Garissa is expected to produce power for 625,000 homes.

The Rural Electrification Authority (REA), which is developing the plant, said its completion would

boost the manufacturing sector, one of four pillars of President Uhuru Kenyatta's economic revival strategy.

"We are currently pushing contractors and by December, the 54.5-megawatt plant will be up and running," REA chairman Simon Gicharu said yesterday at the launch of e-procurement system at the State agency.

The solar plant, expected to cut Kenya's carbon emissions, sits on an 85-hectare parcel of land with 200,200 solar panels.

China Jiangxi is the contractor of the solar farm using a Sh13.7 billion (\$135.7 million) loan from China's Exim Bank.

Commencement of construction works at the solar plant suffered delays, blamed partly on prolonged talks for the power



ON COURSE REA chairman Simon Gicharu with board member Justus Otwani (left) at Kawi House in Nairobi yesterday. --DIANA NGILA

purchase agreement (PPA) with Kenya Power. The agency, in September 2016, signed the PPA with Kenya Power to sell electricity from the solar plant at Sh12 (\$0.12) per kilowatt hour (kWh) – about Sh8 cheaper than diesel-generated power.

Mr Gicharu said the e-procurement system that went live yesterday would ensure integrity and security of submitted supplier documents.

"All suppliers will now have equal opportunities to participate in the procurement processes whether they are in Wajir, Lamu or Nairobi," he said.

guarded jealously by all." The suspected maintained that it was her first case of child theft. She was arrested while allegedly preparing to return the three-week-old child to her mother who had been admitted to the Kenyatta National Hospital (KNH) for treatment.

Asking the magistrate to permit police to detain the suspect at Kili-mani Police Station, Corporal Kiptoo said:

Ms Kerubo was arrested on Tuesday at Kawangware in Nairobi

"Preliminary investigations have shown that Ms Kerubo is a member of a wide syndicate involved in stealing and smuggling children of tender age for cash benefits." He said he was investigating the offence of child theft under Section 174 of the Penal Code.



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More calls for State to tame ballooning public debt

Bonface Otieno
botieno@ke.nationmedia.com

The ballooning public debt should be tamed before it puts the economy at the risk of turbulence, a risk consultancy warned yesterday, adding its voice to the growing concern over the State's appetite for foreign loans.

Mr Daniel Heal, a senior partner at Control Risks said Kenya must urgently take control of its budget before the downsides of huge loans reverse fortunes of 2018 "which is promising to be the year for the entire East

Africa".

"We have started to see the recovery of investor confidence due to the return of political stability in Kenya, as well as the renewed interest in major infrastructure projects both in Kenya and across the region," said Mr Heal.

"However, in Kenya, a pending

SH4.3TRN
AMOUNT
of public debt

repayment of the first portion of a Eurobond worth \$774.8 million in 2018 should be a trigger for the government to focus attention on controlling public borrowing and spending before debt becomes unmanageable."

The State has in the past few years borrowed heavily to finance mega projects.

For instance, the Treasury issued a 15-year infrastructure bond worth Sh40 billion, exerting more pressure on public debt that is now threatening to cross the Sh5 trillion mark.

According to recent forecast,

borrowing could soon take the debt load past 65 per cent of the national output.

It is expected that out of the country's total debt of Sh4.38 trillion, about Sh1 trillion will be maturing in one year.

Mr Heal said that while Kenya remains highly unlikely to default on its debt, growing interest payments and international banks' shrinking appetite to provide further loans will result in lower public spending, which has been a key driver for economic growth in recent years.

See related picture on Page 8



MEDICAL HUB The Kenyatta National Hospital. FILE

Relief for patients as four cancer centres to be set up for Sh8bn

LOCATION The hospitals will be built in Kisii, Nyeri, Nakuru and Mombasa counties

Angela Oketch
AOketch@ke.nationmedia.com

The Health ministry has announced a plan to build four cancer centres for Sh8 billion starting this June in a move which promises to shorten the waiting time for thousands of patients.

Dr Anne Ng'ang'a, the Head of the National Cancer Control Programme in the Ministry of Health announced this yesterday during a regional workshop on the country's cancer strategy for the next five years for the Lake Basin counties in Kisumu.

He told the National Assembly Committee on Security chaired by Kiambaa MP Paul Koinange that Kenyans seeking passports and visa services can now apply and

Passports and pay through visa e-services the e-citizen revenue up platform.

"With e-passports, we're going

to connect Garissa, Nakuru, Eldoret and Embu in the coming financial year. We

don't print passports in Kisumu or Mombasa, it is done in one place in Nairobi and taken there by courier services," Mr Kihalangwa said during his visit yesterday.

He said the e-passport started last September after a Sh485 million systems upgrade unlike Tanzania, which rolled out a Sh5 billion system last week.

He said 93 e-passports have since been issued the roll-out.

"I will deliver a comprehensive registration of persons database where each person will have a unique identification number."

We have already started procuring equipment to start them off unit."

DR ANNE NGANG'A | THE HEAD OF THE NATIONAL CANCER CONTROL PROGRAMME IN THE MINISTRY OF HEALTH

tive to palliative care. Patients would not have to travel to Nairobi," she said.

The new strategy, the Roadmap to Cancer Control in Kenya, defines the roles of both the national and county governments. It has five pillars - prevention, diagnosis, treatment, coordination partnership as well as financing and monitoring and evaluation.

"All these will be done in collaboration with counties," she said

Cancer is one of the leading causes of death worldwide with approximately 14 million new cases reported annually. It was responsible for 8.8 million deaths in 2015.

Globally, every one in six deaths is due to cancer. Of these deaths, about 70 per cent occur in low and middle income countries.

In Kenya, an estimated 40,000 new cancer cases and 28,000 deaths occur each year, making the disease the third leading cause of mortality and accounting for seven per cent of all annual deaths.

Lecturers issue strike notice over pay talks

EDUCATION

Union accuses the State of frustrating negotiations by dragging its feet

Faith Nyamai
fnyamai@ke.nationmedia.com

Learning in public universities could be paralysed from next week after the government failed to seal the long awaited pay deal with lecturers.

The educators yesterday issued a seven-day strike notice citing failure to table a counter proposal on the 2017-2021 Collective Bargaining Agreement (CBA).

The Universities academic staff union (Uasu) presented its proposal in March last year and has been waiting for the government to table its counter offer.

Yesterday, Uasu met the Inter-Public Universities Councils' Consultative Forum (IPUCCF) and after hours of closed door discussions, Uasu secretary-general Constantine Wasonga announced that they had no other option than to call for an industrial action until the governments meets their demands.

"Universities' academic staff will begin strike on Thursday March 1 and remain on strike until the 2017-2021 CBA is concluded," he said.

He said yesterday's deadline was the fifth missed opportunity for their employer to pro-



ULTIMATUM Universities Academic Staff Union secretary-general Constantine Wasonga. FILE

SH195,655

SALARY

that the union wants the least paid lecturer to take home

vide a counter-offer and enable progress in negotiating a CBA.

The government had made promises in May 31 and July 1 last year, and in January 31 and February 13 this year, he said.

In the Return to Work Formula signed by IPUCCF and Uasu on March 13 last year, the parties agreed that the 2017-2021 CBA negotiations "be concluded by May 31 last year to allow for implementation by July 1 last year.

In their 2017-2021 proposal, the union wants a graduate assistant to be paid a basic salary of between Sh195,655 and Sh306,006, assistant lecturer or tutorial fellows (Sh300,775 to Sh470,444), lecturer (Sh406,050 to Sh635,097), senior lecturer (Sh548,163 to Sh857,384), as-

sociate professor (Sh740,020 to Sh1,157,66) and professor (Sh999,030 and Sh1,562,625).

Currently the highest paid professor takes home Sh248,904 while the lowest - an assistant lecturer - earns more than Sh82,037 as basic salaries.

The lectures want the basic salary rates to be subject to annual service adjustment (ASA), computed for each grade on the basis of range length of 12 years or incremental steps, promotional salary adjustment (PSA) of four incremental steps or minimum basic salary of new grade, whichever is higher, annual cost-of-living adjustment (COLA) among others.

They are also proposing a house allowance of between Sh250,000 and Sh130,000 for professor and graduate assistant respectively.

The union also want academic staff to retire at 75 years of age and not 74 as was directed in a circular dated February 14, 2014.

CORPORATE NEWS

BOX OFFICE HIT



STAR US-based Kenyan actress Lupita Nyong'o. --AFP

Black Panther rakes in Sh3.5bn on Kenya and global debut

James Karuiki
jkariuki@ke.nationmedia.com

Box Office hit, *Black Panther*, featuring Lupita Nyong'o, raked in Sh3.5 billion in its debut screening in Kenya and 676 IMAX theatres across the world.

In a statement, IMAX said the movie by Marvel Studios is the largest opening for an IMAX release in February.

"*Black Panther* has become part of the zeitgeist as well as a global Box Office sensation. We extend a big congratulations to our friends, director Ryan Coogler, Kevin Feige and teams Disney and Marvel, for creating a remarkable film that continues to beat expectations every step of the way," said IMAX Entertainment chief executive Greg Foster.

The New York-based firm has 1,302 IMAX theatre systems in 75 countries

Black Panther set a new February and

Marvel IMAX record in the US, earning Sh2.35 billion in the past four days when the movie debuted in 404 IMAX domestic screens.

IMAX theatres in Kenya, Nigeria, Indonesia, Taiwan, Hong Kong, Sweden, Korea and Denmark reported their best opening weekends raking in Sh1.15 billion.

IMAX marketing manager Flora Njagi said *Black Panther* was one of the biggest movies to premiere in Kenya.

"We have never seen such a reception in this country. In Kisumu, it was all pomp as people celebrated one of their own," she said.

Black Panther has become part of the zeitgeist as well as a global Box Office sensation."

GREG FOSTER | IMAX ENTERTAINMENT CEO

Jirongo land sold for Sh53m to recover Dubai Bank loan

AUCTION Former Lugari MP owed the lender Sh495 million when bank collapsed over bad debts

Galgallo Fayo

The Central Bank of Kenya (CBK) yesterday sold former Lugari MP Cyrus Jirongo's 103-acre farm for Sh53 million in a bid to recover loans owed to the collapsed Dubai Bank.

The politician-cum businessman, through his three companies, owed Dubai Bank Sh495 million at the time of its collapse.

The Kenya Deposit Insurance Corporation (KDIC) - Dubai Bank's liquidator - was selling Mr Jirongo's assets to recover the loans.

SH70M

RESERVE

that had been set last July, but failed to get a buyer

Valley Auctioneers, the company contracted to sell the land, sold the 41.56 hectares property registered to Kuza & Allied Ltd to Ninja Transporters who emerged as the highest bidders.

The farm in Chepkoirol, Uasin Gishu County, was put on auction for Sh70 million last July



DEBT Former Lugari MP Cyrus Jirongo --FILE

but failed to get a buyer. This was blamed on timing of the sale. The country was headed to the August 8 General Election, and this affected the property market.

KDIC in the first attempt had set a reserve price of Sh70 million which valued an acre on the vacant farm at about Sh680,000.

A sale notice published in the

Fashion chain LC Waikiki to open Coast store April

Annie Njanja
anjanja@ke.nationmedia.com

International fashion chain LC Waikiki will open its Mombasa store in April, the brand's third outlet a year after it entered the Kenyan market.

The branch will be located at City Mall in Nyali, a prime residential area within the coastal city.

LC Waikiki began recruiting staff for the branch in August last year, when the firm announced the

LC Waikiki is part of the brands that have been jostling for space in malls

search for a store manager to be based in Mombasa.

A week ago, the brand made its latest job announcement seeking a sales assistant, section manager, store visual merchandiser, warehouse personnel and logistics specialist for the same branch, an indicator that the store was warming up to its opening date.

The Turkish retailer opened its first sub-Saharan Africa store at the Two Rivers Mall in February last year and the second in October at the Hub

1,500

BRANCHES

that the Turkish firm is targeting to open in Africa by end of 2023

Mall in Karen. The firm is one of the fastest-growing retailers in Europe with a turnover of \$3 billion.

Started in Turkey, where it now has around over 486 stores, the brand has expanded to over 35 other countries globally.

During the launch last year, LC Waikiki indicated that Nairobi was a launching pad targeting 1,500 stores in Africa by the end of 2023.

The firm said it settled on Kenya due to its stable economy, low market saturation, a fast-growing retail oriented middle class and rapid urbanisation.

LC Waikiki is part of the brands that have been jostling for space in the malls opening across the country.

The Foschini Group of South Africa, UK's F&F and jewellery firms including Austria-based Swarovski have also opened shop in Nairobi.

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CORPORATE NEWS

CA to give smart fridges, meters identifiers

INNOVATION Regulator says the move will protect consumers from defective gadgets

Muthoki Mumo
mumumo@ke.nationmedia.com

Internet-of-Things enabled gadgets that are either imported into or produced in Kenya will be issued with 15-digit numbers as unique identifiers as per proposed rules by the regulator.

The Communications Authority of Kenya (CA) says it wants to put in place the technical specifications in order to protect consumers from defective devices for the emergent technology.

Internet of Things (IoT) refers to the network of otherwise ordinary objects that have been

SH200M

AMOUNT

that Safaricom said last year it would invest in a lab that tests IoT devices

embedded with technology that allows them to communicate and exchange data over the Internet.

An IoT-enabled fridge, for instance, could send a message to its owner's smartphone reminding them that milk was running low while a smart electricity meter might monitor power consumption and warn users of an



TECHNOLOGY Smart devices set for tighter regulation. -FILE

imminent outage or over use.

The predicted scarcity of mobile numbers is also a factor in

the new numbering system for IoT devices connecting to local telecommunication networks.

"It is anticipated that IoT devices will be very many and the current 12-digit mobile numbers will not be enough for IoT...the 15-digit range will give Kenya a billion IoT numbers ensuring every citizen can connect as many devices as they wish," said the CA in a notice.

The 15-digit number will be attached to an embedded SIM (eSIM) that comes with the devices.

Subscribers will need to register it as they do their normal SIM cards. CA pointed out that "there will be no need to call an IoT device" and once the

unique identifier is assigned, the device will also be granted a "name" recognizable by a smartphone.

Assigning a 15-digit number to eSIMs is in keeping with recommendations of the GSMA and best practices as adopted by other regulators globally. Europe's Electronics Communications Committee in 2011 recommended special numbering systems for IoT devices. GSMA estimates that by 2020 there could be 50 billion connected devices and the current numbering systems would be exhausted if nothing were to change.

Though IoT has not caught on in Kenya as it has developed markets, industry players pre-

dict that Kenyans will adapt this technology to their own uses. Already solar firm M-Kopa deploys the concept of Internet-of-Things while GSMA has trialed projects in Kenya using IoT for service delivery.

Last year Safaricom said it was investing Sh200 million for an innovation lab whose work would include testing out IoT devices, including smart water meters.

The Authority has also proposed that IoT devices coming into the local market should meet international standards set by the GSM Association (GSMA), a telecoms trade body, and will need to be type-approved as per the Kenyan law.

Kwese buys stake in iflix in bid to attract more pay-TV viewers

Doreen Wainaina
dwainainah@ke.nationmedia.com

Pay-TV firm Kwese has acquired a stake in subscription video on demand (SVoD) firm iflix, widening the selection of online programming available on the service.

The partnership between the two firms will see subscribers getting diversified content on the platforms.

"Mobility in content consumption has grown exponentially in Africa and by part-
The partnership
between the
two firms will
see subscribers
getting
diversified
content
nerring with
iflix Africa
we are en-
suring that
we are not
only taking
part in the
evolution, but are leading the
movement," said Econet Group
Founder and Executive Chairman, Strive Masiyiwa. Kwese is
part of the Econet Group.

The model of pay TV and SVoD partnership has been used by Naspers under DSTv premium and Showmax services, where viewers on premium bouquets of the former have access to the SVoD service as part of the package.

"The operating partnership will see iflix drive Kwesé's go-to-market mobile delivery in each of its territories," read the statement from the two companies.

Kwese TV, a relatively new entrant in the local PayTV mar-

**The operating
partnership will
see iflix drive
Kwesé's go-to-
market mobile
delivery in each
of its territo-
ries."**

KWESÉ | STATEMENT

ket, recently added three-day subscriptions in pay-as-you-watch packages looking to keep viewers glued in Kenya's highly competitive market.

The firm came into the market in 2016 with a focus on sport before expanding the channels to include entertainment and current affairs.

This sparked a content war with Multichoice which increased channel offering in some of its services while lowering cost on others.

The competitive landscape for the screen has seen a shakeup as more entrants on the SVoD front including Netflix and Amazon stepped into the market.

Iflix last year raised funding in excess of \$220 million (\$22.85 billion), which was invested in its expansion locally.



Report launch

NAIROBI From left: Control Risks associate director Patrick Matu, senior partner and managing director East Africa Daniel Heal, and chief executive Europe and Africa Nick Allan, during the launch of Risk Map 2018 at Capital Club yesterday. The report shows that Kenya is on the path to political stability after a protracted presidential election last year.

--SALATON NJAU

US food chain Hardee's set to open third store at Two Rivers

EXPANSION General manager says firm targeting shoppers at the mall

Annie Njanja
anjanja@ke.nationmedia.com

American burger chain Hardee's is set to open its third branch at Two Rivers Mall in March, barely a month after unveiling its second outlet in Kenya on Westlands Road.

Hardee's Kenya general manager Rohit Gambhir in

**The food
chain opened
its first
outlet in Sub-
Saharan Africa
inside JKIA
mid-2016**

an interview said the Two Rivers branch is targeting the large number of shoppers visiting the mall, while the Westlands branch taps employees of blue-chip companies based in the area.

The fast-food brand opened



PREMISES Two Rivers Mall in Nairobi. -FILE

its first outlet in Sub-Saharan Africa inside Kenya's Jomo Kenyatta International Airport mid-2016. The three branches will employ 60 workers, Mr Gambhir said.

"Our expansion drive this year has been inspired greatly by the positive growth

60

NUMBER

of employees that Hardee's three Nairobi outlets will have

recorded by the firm over the time we have been in Kenya and the growing demand for

our products and services. Giving quality and something refreshing to our customers is why we have been able to record growth," said Gambhir, an ex-KFC executive.

Hardee's, known for its charbroiled burgers, operates over 3,800 franchised or company-operated restaurants in 44 countries. The fast food brand currently has over 35 restaurants in Egypt.

Suzan General Trading Ltd, which runs duty-free shopping complexes and mini-hotels at airports and sea ports and owned by Dubai-based businessman Arif Hafiz, is the franchise owner of Hardee's in Kenya.

CKE Restaurants Holdings, which owns the Hardee's brand, said during the opening of the first branch in Kenya that the country offered a perfect entry point to the region underlined by its geographical position and projected increased consumer spending on food and drinks.

IDEAS & DEBATE

OPINIONS | REVIEWS | ANALYSIS

\$3.4 TRN

The estimated GDP of Africa, where a billion people whose median age is 19.3, live

SUMMIT Journey requires continuous sharpening of technical, diplomatic, mobilisation skills

ECONOMY

FRANCIS MANGENI

Director, Trade & Customs, Comesa Secretariat

Heads of State from Africa will converge on Kigali on March 21 for an extra-ordinary summit, to sign a long-negotiated framework agreement establishing the African Continental Free Trade Area (CFTA).

Attached to the CFTA Agreement will be the protocols on trade in goods and services, and dispute settlement. The protocol on trade in goods will have a number of annexes, covering rules of origin, non-tariff barriers, technical standards, health standards, customs, trade facilitation, transit trade, and trade remedies.

A few outstanding issues remain to be sorted out, and legal scrubbing has to be done: but there should be enough time up to March 21 to get all this done.

The CFTA will boost intra-Africa trade, creating jobs and incomes and improving welfare. Estimates back

in 2014 were that the CFTA would double intra-Africa trade by the year 2022 over the 2014 baseline.

With a population of more than a billion

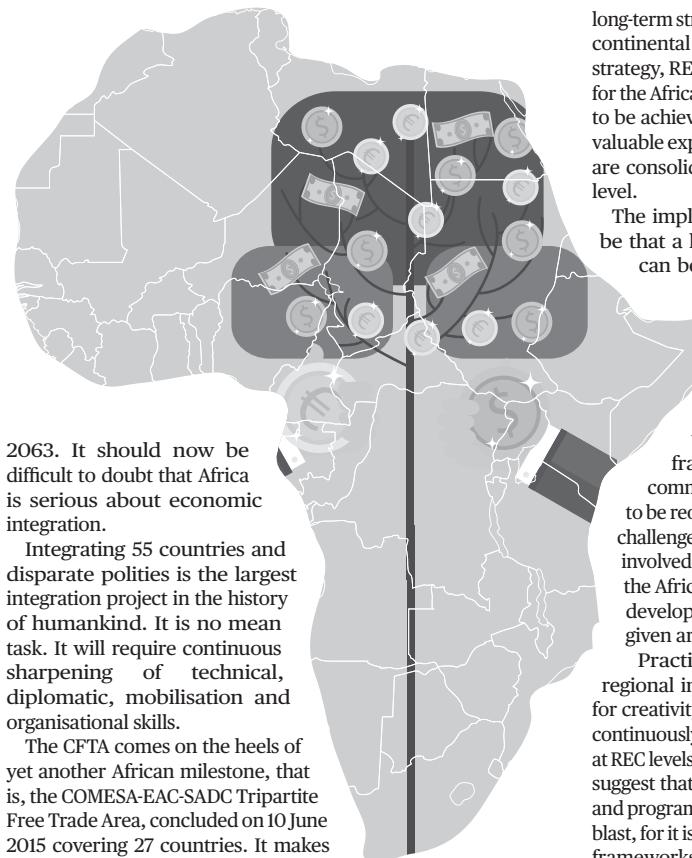
people and a median age of 19.3, a combined GDP of \$3.4 trillion, 60 per cent of the world's arable land, consumer and business-to-business spending already at US\$ 3.9 trillion and projected to reach US\$ 5 trillion by 2025, highest returns on investment in the world, some of the largest deposits of strategic minerals, Africa is a growth pole of the global economy and a player in global peace and security.

The CFTA is a clear message to the whole world that Africa means business. At their recent ordinary summit on January 28, 2018, the African presidents launched the Single African Air Transport Market, with 23 countries participating, covering more than 70 per cent of air travel in Africa.

They concluded also a protocol to facilitate free movement of people in Africa. Together with the CFTA, these three flagships programmes represent quick progress under Africa's long-term vision, Agenda 2063.

The agenda has 12 key programmes, which aim to transform Africa into a more integrated, peaceful and prosperous continent by the year

Integration steps Africa requires for trade glory



2063. It should now be difficult to doubt that Africa is serious about economic integration.

Integrating 55 countries and disparate polities is the largest integration project in the history of humankind. It is no mean task. It will require continuous sharpening of technical, diplomatic, mobilisation and organisational skills.

The CFTA comes on the heels of yet another African milestone, that is, the COMESA-EAC-SADC Tripartite Free Trade Area, concluded on 10 June 2015 covering 27 countries. It makes up half of the African continent; which has supported the negotiation and conclusion of the CFTA, through inspiration and motivation, experience and documentation.

About half of the CFTA negotiators had negotiated the Tripartite FTA, and brought with them text and insights. A number of CFTA Annexes were drawn from the Tripartite instruments, and were concluded fairly quickly in the negotiations, especially those on non-tariff barriers, technical and health standards, customs, trade remedies, and dispute settlement.

What had been negotiated in the Tripartite was, however, in a number of cases, re-opened and modified. This was part of the experimental learning and subsequent improvement as would be expected when something is done a second-time round.

This was indeed in keeping with the

long-term strategy for gradual African continental integration. Under this strategy, RECs are the building blocks for the African Economic Community to be achieved by 2028 and provide valuable experience and lessons that are consolidated at the continental level.

The implications, though, could be that a lot of money and time can be wasted in negotiating regional and inter-REC instruments, while the continental process lags. Where the continental frameworks begin to take shape, inter-REC frameworks need not be commenced, as they are likely to be reopened and changed. The challenge though is in the guessing involved about whether and when the African Union would actually develop effective instruments in given areas.

Practical application of regional integration reveals areas for creativity and innovation, which continuously results in new pathways at REC levels. Realism would therefore suggest that REC policy formulation and programmes should continue full blast, for it is unlikely that continental frameworks would move as fast as those of smaller coherent RECs.

The CFTA long transition periods of 10 to 15 years and lower thresholds for market opening of around 90 per cent of total product lines, mean that the Tripartite and the RECs, which are more ambitious, have the responsibility of keeping the continental market integration agenda functional; for it will be long before the CFTA regime fully kicks in.

The new grand consolidation at the Tripartite and now the continental levels, however, means that RECs are coalescing and having a positive impact on continental integration.

Government, industry, academia and grass-roots and civil society organisations should equally own these programmes, through continuous education and mobilisation.

OTHER VOICES



ABDEL-FATTAH EL-SISI

Egypt President

Daily Monitor, Tarek Sallam

On February 9, 2018, "the Comprehensive Military Operation Sinai 2018" was launched to purge terrorism from Sinai and put an end to this threat that has been on the rise since the Egyptian people sparked their June 30, 2013 Revolution to topple the Muslim Brotherhood rule. The President, Abdel-Fattah El-Sisi, following with pride the heroics of his sons from the armed forces and the police to purge the beloved land of Egypt from terrorists, the enemies of life.



DONALD TRUMP

US President

China Daily, Zhang Wenzong

The Trump administration labeled China a strategic competitor, military adversary, and an economic aggressor in its National Security Strategy and National Defense Strategy. It seems the US would like to implement a tougher policy towards China without completely giving up its engagement and hedging strategy of the past three decades. Why does Trump administration regard China so negatively?



CYRIL RAMAPHOSA

South Africa President

Business Day, Roger Southall

Coming after the extended period of uncertainty in SA resulting from Jacob Zuma's reluctance to resign, Cyril Ramaphosa's first state of the nation speech restored dignity and decorum to Parliament, and pressed all the right buttons. He was gracious to all – even giving thanks to Zuma for facilitating what the ANC has termed "the transition" – before launching into the delivery of a peroration which proclaimed the breaking of a new dawn.

SA's "moment of hope", which was to be founded on the legacy of Nelson Mandela, had returned. Ramaphosa combined extensive tribute to the heroes of the ANC's liberation struggle with the gospel of social inclusion according to the Holy Writ of the Freedom Charter.

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STEPHEN GITAGAMA Acting Chief Executive Officer | TOM MSHINDI Editor-in-Chief
OCHIENG' RAPURO Editor Business

High public debt pushing Kenya to the precipice

As the political dust continues to settle, the full extent of Kenya's economic troubles appear to be fast emerging. A number of loosely related issues that have recently emerged should have citizens and politicians, sitting up and paying keen attention.

All relate to our binge borrowing and spending that are partly driven by ambition and not in small part by misuse or wastage of cash by all arms of government. The first weighty matter is last week's sovereign downgrade by Moody's. The agency, just like every observer of the Kenyan economy, has been warning of the high budget deficit and rapid growth of public debt. By the last count, Kenya had borrowed Sh4.57 trillion that is equivalent to nearly 60 per cent of GDP – which is considered a rather unhealthy level.

To be sure, borrowing is a critical component of growth, but it has a limit. Besides, if you are losing a lot of the borrowed cash to theft and wastage, even the expected internal rate of return may not materialise.

Which brings us to the next issue. Kenya is shortly set to pay a trillion for debt and interest, worrying in itself given our perennial clamour for higher wages, slow growth of

tax revenues, little return so far from the debt gobblers like the SGR and populist social funding of education and health.

Our fiscal deficit stands at over eight per cent

Our fiscal deficit stands at over eight per cent. Our fiscal deficit stands at over eight per cent. Part of the reason we are having trouble with the International Monetary Fund (IMF) and Moody's is failure to bring it down fast enough to about six per cent. The immediate issue – which is really the point of this editorial – is the thunderbolt revelation that IMF suspended the \$1.5 billion standby facility that is important in stabilising the shilling in June last year.

The fact that Kenya never drew down the cash says the facility might even have been unnecessary. But what is worrying is the central bank, IMF and the Treasury's decision to hide information from the public.

That coming shortly after the so-called fraudulent attempt to cash over Sh600 million in Treasury bills and the auditor-general insisting he's in the dark over Eurobond spending should concern Kenyans. We are opaquely piling up debt and endangering the future of the country, which must stop.

It would be wise for authorities to tread carefully

Keen observers of developments in the petroleum industry must have noticed that there has been a rapid surge in pump prices in recent months - far ahead of the crude oil price recovery.

Petrol is already retailing at nearly Sh10 per litre yet crude prices are yet to touch the \$70 a barrel in the global markets, meaning it could soon go beyond Sh120 a litre.

The blame lies squarely on the Kenya government, which unlike its counterparts in the region, has yielded to external pressure to introduce all manner of taxes on key consumables like fuel with wider ramifications on the economy.

Kenyan consumers must be worried of the fact that they are already paying the highest price

TO COMMENT

The editor invites comments on our content and topical issues. Please include your full name, telephone number and address in your letter.

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BD EDITORIAL & OPINION

NEWS YOU CAN GROW WITH



"If I had a shilling for every time I felt more emotion for a fictional character than real people, I'd be able to afford the psychiatric help I obviously need..."

Digital tech's role in Africa transformation

TECHNOLOGY



BITANGE NDEMO
is associate professor at University of Nairobi's School of Business

The World Bank's 2018 Global Economic Prospects reports that four out of the ten fastest growing economies in the world are African.

Yet the continent is facing many challenges including stalled industrialization, rapid urbanization that is forcing many people to live in slums, unemployment, declining agricultural productivity and resource utilization, and the threat of rising extremism in the western world that may alter trade relationships.

Fortunately, the high rate of technology adoption may be the 'knight in shining armour'.

Africa is adopting ICTs and enabling digital technologies to transform the continent. However, much more beyond admiration of adoption rates needs to be done to effectively realise the full potential of the transformative nature of digital technologies.

There is need to emulate other emerging societies - of which we have only seen the beginning - what Nagi Hanna refers to as "smart, data-driven, learning economy and a smart, networked, learning society."

The greatest impact of digital transformation in Africa has no doubt been in the financial sector where it has empowered millions of people to access banking services, facilitated financial inclusivity and greater productivity in the economies.

The success of Kenya's phone-based mobile money transfer innovation, M-

Pesa, was a culmination of different actors coming together to offer the necessary political will, organisational support and an economy that was yearning for greater productivity.

In social and cultural aspects, the demographics favoured new innovations that embraced cashless transactions.

Next will be agricultural disruption. This sector is the backbone of African economies employing more than 80 per cent of the workforce and contributing to more than 30 per cent of GDP in sub-Saharan Africa (SSA).

Productivity in food production and distribution is among the greatest problems in virtually every country. That is changing.

A Nairobi-based start-up, Twiga foods used big data analytics and a mobile platform linked to M-Pesa (mobile money app) to develop the farm-to-market supply chains for bananas in Kenya. They are in the process of replicating the same for fruit and vegetables across the continent.

Twiga Foods' intervention is transformative given the fact that the fruit and vegetable market in Africa is haphazard and registers post-harvest losses of more than 40 per cent.

Twiga has virtually eliminated waste by aggregating customer data and organizing distribution of produce to retailers on need basis. The platform has made it possible to more precisely match prices to demand and supply.

With data and other emergent technologies like Internet of Things (IoT) and Artificial Intelligence (AI), the platform is able to support retailers with credit and other business development facilities.

Investors have noted this fast growing company as evidenced by

their response to Series A funding round that attracted \$10.3 million within a short period. The funding is for the company to expand into other farm produce.

The potential for Twiga to scale up is great but scalability still depends on whether they will have the political will, social and cultural acceptance.

So far so good, the adoption rates are high but vulnerable if policy makers interfere with the business model for lack of a regulatory framework.

In case of M-Pesa, the policy environment has been streamlined with existing regulatory framework.

Scalability of Twiga means they will be a fully-fledged commodities exchange that is not regulated at the moment. These two cases demonstrate the basis a recent paper, Making sense of Africa's emerging digital transformation and its many futures, that I co-authored with Tim Weiss, published in the latest edition of "African Journal of Management."

We argue that these technologies that leverage on ICTs are unstoppable and going by their adoption, they are bound to impact every facet of life in Africa.

Already they have gone beyond financial services into agriculture, transportation, education, health and even manufacturing just to mention a few. Africa's challenges can be addressed by leveraging the emerging digital transformation.

Contrary to what Africa digital transformation enthusiasts believe, adoption alone does not indicate any broader change or transformation but rather indicates a potentiality for change – a latent power to catalyse broader societal change processes.

There is need to look beyond adoption.

There is need to emulate other emerging societies

900

Number of KFC restaurants in the United Kingdom

How shortage exposed KFC penny-pinching ways

POLICY

CAROL RYAN

Reuters Breakingviews columnist

KFC's penny-pinching ways have left it stuffed. The fried-chicken chain owned by Yum Brands had to close hundreds of its UK restaurants after running out of poultry. Its plan to cut costs by ditching its old food supplier for a cheaper one backfired. The cock-up shows that chasing higher margins is no sure way to feather your nest.

KFC made two bold decisions

on Valentine's Day. One was to sell scratch and sniff cards for lovers keen to bask in the scent of fried poultry. The other was to switch its main supplier for roughly 900 restaurants across the country to a consortium led by DHL, a unit of Deutsche Post.

The appeal, according to a BBC report, was to lower costs. But the logistics firm's plan to "revolutionise the UK foodservice distribution market" got off to a bad start.

Just two days after the switch, hundreds of outlets had closed as ingredients for KFC's Boneless Banquet and Big Daddy box meals ran out. The financial hit

is probably manageable. Loyal customers are unlikely to shun KFC's food because of one missed meal. But the mess still looks like bad judgment.

Fast-food joints need food to be delivered on time and safely, and so tend to stick with specialist suppliers, even though they are more expensive than traditional distributors.

And DHL's plan may have been too clever by half. It planned to supply all of KFC's UK business from just one major centre, whereas the previous distributor Bidvest - which handles deliveries for rival casual dining brands Nando's, TGI Friday's and Pizza

Express - uses several distribution hubs, partly to spread the risk.

Moreover, KFC's UK division doesn't look especially flabby. Its 12.6 per cent operating margin in 2016, the most recent numbers available, are on a par with those of competitor Wagamama. That suggests it wasn't really necessary to risk the disruption of its key ingredient.

History might have helped KFC avoid the mistake. Back in 2010 Burger King considered switching to DHL, but relented, according to the Grocer magazine. Now it faces the thorny choice of hoping the deal works out, or chickening out and going back to its old supplier.

TECHNOLOGY

Why advertising industry is now embracing big data

LEVERAGE

TIMOTHY ORIEDO

Data Science managing consultant Metropol Corporation

The biggest obstacle is that most companies and brands still lack the expertise necessary to analyse huge amounts of data and make it actionable. There are those companies that are somewhat not aware of these advances, there are the others that are aware but have not laid out a strategy towards adopting it and lastly there are these companies that are collecting data they don't yet know how to use.

Gaining insights into customer behavioural patterns plays a crucial role in creating focused and targeted campaigns. Big data can help make sense of the information gathered, such as retention cost, average transaction value and even

A consumer's customer satisfaction. After all, consumers who spend the most money are not necessarily the most valuable.

Big data can be used to help create targeted and personalised campaigns that ultimately save money and increase efficiency by targeting the right people with the right product. How exactly? By gathering information and learning user behaviour.

A consumer's digital footprint today is increasingly valuable in this personalised era of marketing and advertising. For instance checking a travel destination on Google will lead a consumer's social media and digital world to be flooded with ads about this phone.

These are the types of insights that can be gained from big data. For the marketing and advertising sector, this has meant more sophisticated analysis of things such as online activity, point-of-sale transactions and on-the-fly detection of dynamic changes in trends. Big data will bring in an increasing number of new client side people. We thus need to see agencies starting to employ diverse analytic talents like actuaries, anthropologists, ethnographers and ethnographers to remain competitive.

@ Letters

The editor welcomes brief letters on topical issues. Opinions expressed here are not necessarily those of the editor or publisher. They may be edited for clarity, space or legal considerations. Send via e-mail to bdfeedback2@ke.nationmedia.com

Use value addition to cut post-harvest losses

The manufacturing pillar must revolve around minimising post-harvest losses and utilising local resources through value addition at county level.

Everything has a value if people are willing to find a way to make it useful through value addition.

But although value addition has become a buzzword in this part of the world, few realise that local farmers can play a major role towards the development of the manufacturing industry by simple value addition exercise on the locally available produce and resources around them or further upgrading of their cottage industries.

Value addition is not as complicated as many of us may think and this is well demonstrated by the entrepreneurial activities happening by the road side on the busy Nairobi-Nyeri highway.

You will notice that local entrepreneurs residing in that area have found an opportunity on adding value on the long grass that grows in that area producing paddy hay and selling to dairy farmers residing in the larger Mount Kenya region.

This activity has turned a section that was originally dead in to a beehive of activities with lorries and pickups lining up



POTENTIAL Traders sell bananas at Ntharene market in Imenti South.

to load as much as they can for resell or for dairy farming consumption.

This long grass that would not have fetched much few years ago has now become an important resource to the locals by just adding value on it through a mechanised tractor that converts it to blocks of hay.

As you pass through many of our markets you meet hardworking farmers on motorcycles loaded with stacks of bananas, crates of tomatoes and mangoes taking them to the nearest market to sell as raw products.

What is shocking is the difference in prices between what the farmers earn compared to the market

prices in major outlets such as Nairobi.

All this happens due to lack of other accessible markets that the farmers can sell their products to be processed into finished goods. The most astonishing result are the big heaps of rotten mangoes, bananas and tomatoes that litter sections of market signifying post-harvest losses.

This scenario of huge post-harvest losses in agricultural products or locally underutilized resources is not just happening in one region, but is replicated in probably all parts of Kenya from tea, sugarcane and fish farming.

For instance research from other tea producing countries

have shown that fibre from tea waste can be converted into different industrially implemented products like low cost absorbent during removal of pollutants from waste water.

Other products from waste products include extraction of caffeine to be used in pharmaceutical industries and also production of feeds for domestic animals. But is it happening here? Not yet.

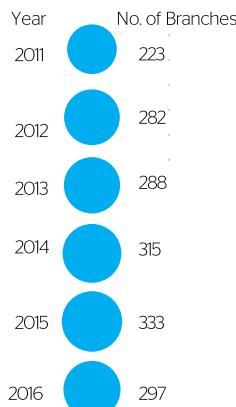
Quite recently Makueni County showcased a model of how local communities can be empowered through provision of market for locally produced products by developing manufacturing plants to add value on mangoes and milk hence reducing post-harvest losses on the products.

Although I have not heard any county members visiting Makueni County for benchmarking purposes, this is a model that should be replicated in other counties based on the resources available if the manufacturing pillar is to be actualised and also poverty reduction goal is to be achieved.

It is also important for other counties to document any such small scale manufacturing activities happening in their localities for learning purposes.

David Kabata, Kirinyaga University

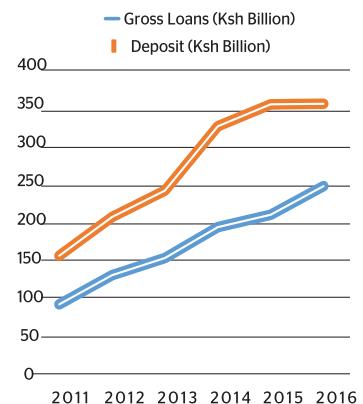
Branches of the subsidiaries of Kenyan banks in the region over the last 5 Years



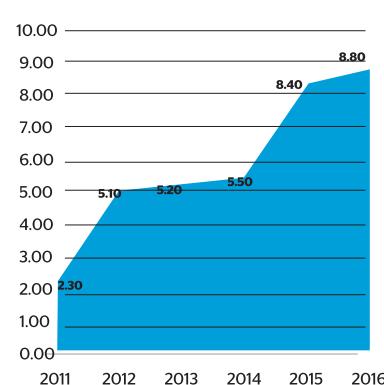
Number of Employees of the subsidiaries

2011	3760
2012	4751
2013	5219
2014	5759
2015	5952
2016	6223

GROSS LOANS AND DEPOSITS



PROFITABILITY (Before tax) SH BN



BANKING

Analysts urge lenders to instead focus on ramping up the profitability of the struggling subsidiaries

Why Kenyan banks should rethink EA expansion plans

Charles Mwaniki
cmwaniki@ke.nationmedia.com

Regional markets have proved a tough nut to crack for Kenyan banks despite ambitious expansion drives, a new report shows.

The restive South Sudanese market has particularly been unpleasant for Kenyan lenders—killing ambitions of tapping opportunities in the newest member of the East African Community (EAC) bloc.

An analysis of bank operations done by global investment bank Renaissance Capital (Rencap) shows that the returns from regional subsidiaries for Kenyan banks have fallen to less than half of their Kenyan operations.

As such, Rencap says, lenders such as KCB, Equity and Cooperative banks, which have invested significantly to establish a regional footprint may have to rethink their approach in these markets.

"We conclude that despite restricting expansion to the East Africa, the Kenyan banks have struggled to make waves in these markets... in our view, ramping up profitability in the various subsidiaries should



be the key focus of management," says Rencap in their Africa banks sector update for February.

These lenders have been forced to close down tens of branches in South Sudan, a market that was promising to be most lucrative for them due to the relatively low development of the banking sector and

RETHINK
Rwandese dancers entertain guests in Kigali during the opening of Equity Bank Rwanda in 2012. FILE

linkages of local businesses to Kenya.

In the other markets, while there has been some growth, the return on assets has remained well below the growth of the asset base.

The Rencap analysis shows that KCB, which has operations in Tanzania, Uganda, Rwanda, Burundi and South Sudan, was only able to derive a double digit

return on equity in Kenya and Rwanda in 2016 at 17 and 14 per cent respectively, with Tanzania (nine per cent), Uganda (five per cent), Burundi (three per cent) and South Sudan (-26 per cent) all trailing far below.

"We believe that South Sudan will continue to struggle in the short-to-medium term, in light of the economic challeng-

COUNTY BUSINESS

MPs demand total ban on logging to save water towers

APPEAL National Assembly committee says ministry must conduct forest cover audit

Edwin Mutai
emutai@ke.nationmedia.com

NAIROBI MPs want the government to impose a total ban on logging and revoke all existing licences with immediate effect to address the destruction of forests.

The National Assembly's Environment and Natural Resources committee wants new Environment secretary

MP Kareke Mbiuki says the country is now feeling the heat from climate change Keriako Tobiko to urgently constitute a multi-agency team to undertake a holistic audit on the country's forest cover, which will inform the government utilisation plan in future.

Kareke Mbiuki, who chairs the committee, said a moratorium covering both public

and private forest harvesting should be imposed to preserve the country's water towers.

"As parliamentarians, we are determined to take bold actions to save our forests and conserve our water towers. In this regard, we are demanding a total ban on logging with immediate effect," Mr Mbiuki said at a press conference in Parliament.

The committee made the demands as Mr Tobiko flew over the five water towers of Cherangany, Mt Elgon, Abardares, Mt Kenya and Mau Forest complex on a fact-finding mission on the destruction of forest cover.

Mr Mbiuki said time has come for Parliament and the government to address the unchecked logging which is having a devastating impact



TASK Environment secretary Keriako Tobiko --FILE

on the water towers. "The devastating impact of climate change is being experienced in the country through the extreme weather conditions in the form of prolonged drought and increased flooding. These are closely linked to the disappearing forest cover in the country," the MPs said.

Mr Mbiuki said to ward off looming calamities, the government should consider transferring the supervision of water towers to the Office

of the President.

"We are calling for total ban on logging in Kenya to protect rivers from drying up. Going forward, we should not allow further logging whether in protected forests, plantations or private farmlands," Mr Mbiuki said.

"The ministry should impose a moratorium until the multi-agency team concludes audit on all our forests cover."

"The current situation is extremely grave. As a person

5
NUMBER
of water towers in Kenya

coming from Mt Kenya region, all our rivers have dried up. Unless we take drastic measures as government, in the next five years we will be worse than Cape Town," Mr Mbiuki said.

He said the committee will be meeting with Mr Tobiko to agree on how the issue of logging should be addressed.

The MPs said they will review the Forest Management Act of 2016 to seal all loopholes for destruction of the forest cover.

"Kenyans are not serious with our forests and forest cover. We are banning logging and we demand that government stands with us in the interest of future generation. Rivers are drying up and deserts are emerging. We need an audit done within shortest possible time and the multi-agency team should involve Uep among other bodies," vice chairperson Sofia Noor said.

COMPENSATION
Acquisition of land starts for Sh63bn Kerio energy projects

Dennis Lubanga
dlubanga@ke.nationmedia.com

ELEGEYO MARAKWET: The National Land Commission (NLC) has moved to the proposed site of the Sh63 billion hydro-electric generation and irrigation projects, seeking to commence land acquisition.

NLC chairman Muhammad Swazuri said the Kerio Valley Development Authority (KVDA) had invited his team to help in the acquisition of land to pave way for the implementation of their two multi-billion shilling projects.

KVDA managing director David Kimosop said the Arorr multi-purpose project will cost Sh35 billion while that of Kimwaler is estimated to cost Sh28 billion.

"We have assessed the work they have done. They have undertaken 35 sensitisation meetings ... so that people cannot blame them

that there were no consultations on these projects," said Mr Swazuri.

Both projects are in Kerio Valley and are meant to produce electricity and boost irrigation.

Mr Kimosop said over 800 families will be displaced to give way for the projects that will cover 4,000 acres.

Addressing the press yesterday at the KVDA offices in Eldoret Town, Prof Swazuri said his team was working closely with residents, political leaders and all the stakeholders.

He said Sh80 billion had been set aside for compensation to the affected families.

"We will require KVDA through the parent ministry to write to us on the details of parcels that are going to be acquired; the owners, the occupants and the acres that are going to be acquired," Prof Swazuri said, adding that people who claim to own land in the area will be required to give details of the ownership.

Nyamira to tap garbage for cheaper electricity

Ruth Mbula
rmbula@ke.nationmedia.com

NYAMIRA The county government is racing to start producing its own electricity from garbage in the next two years in a clean energy drive.

The county sees the huge amount of filth, estimated to have a potential to generate 6.2 megawatts, as one way of bringing down power bills.

The county said it is working out finer details with a partner to turn the trash into energy and help clean up its urban areas.

Nyamira is estimated to produce between 300 and 450 tonnes of waste daily.

A plant that will handle 300 tonnes of waste has been recommended in the county.

Finnish firm, M/S Catalyst Technology Transfers and Renaissance Renewable Energy will set up the plant on build-and-operate basis.

Governor John Nyangarama



450

TONNES

of waste that Nyamira county generates daily

said the county has been grappling with tonnes of solid waste and the project will go a long way in solving the menace.

Various towns are choking with filth and the county has been struggling to deal with the problem.

The governor said the county has undertaken a feasibility study on sanitary landfill and submitted it to the National Environment Management Authority for licensing.

Meru gets Sh500m Co-op Bank loan for coffee farmers

Gitonga Marete
gmarete@ke.nationmedia.com

MERU Coffee sector players have stepped up efforts to revive the cash crop amid stiff competition from other economic ventures.

The county government has negotiated a Sh500 million low interest loan with Co-operative Bank to support Meru County Coffee

The deal will see farmers paid even before their cherries are milled and marketed Millers Co-operative Union. This will see farmers paid for delivered cherry even before milling and marketing.

County executive in charge of trade, tourism, investments and co-operatives Maingi Mugambi said they had completed negotiations with the bank, which will see farmers paid every month.

Under the programme, which is on pilot phase,



LIVELIHOOD Farmers have been abandoning coffee due to poor prices. --FILE

farmers will be paid a bonus similar to the one that tea growers get.

"The money will be available when the miller needs it and will be repaid at very low interest rate. The biggest problem that has seen the sector crumble is lack of funding to the farmers who sell the little produce they have to middlemen," Mr Mugambi said in an interview at the county

headquarters yesterday.

"Already, we have completed plans to pay farmers in April for coffee delivered this season with the next payment coming in June and thereafter they will be paid every month. This, we believe, will encourage them to continue growing coffee."

Zablon Mbaabu, Meru County Coffee Millers Co-operative Union chairman, said farmers will be paid Sh20 per kilo of delivered cherries, and wait for the bonus once the coffee is sold.

"At the moment we are paying between Sh60 and Sh90 per kilo depending on the grade. This model of payment will guarantee farmers money for buying farm inputs as they wait for the bonus," he said, adding that while the miller has a daily capacity of 18 tonnes, they are currently processing 12 tonnes.

After being frustrated for decades as the sector slumped with prices falling to as low as Sh20 per kilo, the farmers uprooted their crop and concentrated on alternative crops such as tea, macadamia and miraa.

There are 48 coffee Saccos in Meru County, including one for the estates.

Branches of the subsidiaries of Kenyan Banks in the region As at Dec 2016

Institution	Uganda	Tanzania	Rwanda	Burundi	South Sudan	DRC	Total
KCB	16	14	11	5	17	0	63
DTB	38	26	0	4	0	0	68
CBK	2	11	0	0	0	0	13
GTB	9	0	14	0	0	0	23
Equity Group	28	13	12	0	5	31	89
I&M	0	8	18	0	0	0	26
ABC Bank	4	0	0	0	0	0	4
NIC Bank	2	5	0	0	0	0	7
Co-op Bank	0	0	0	0	4	0	4
Total	99	77	55	9	26	31	297

SOURCE: CBK
COMPILED BY KEZIAH KINUTHIA
GRAPHIC BY GENEVIEVE AWINO

-50%

RETURN

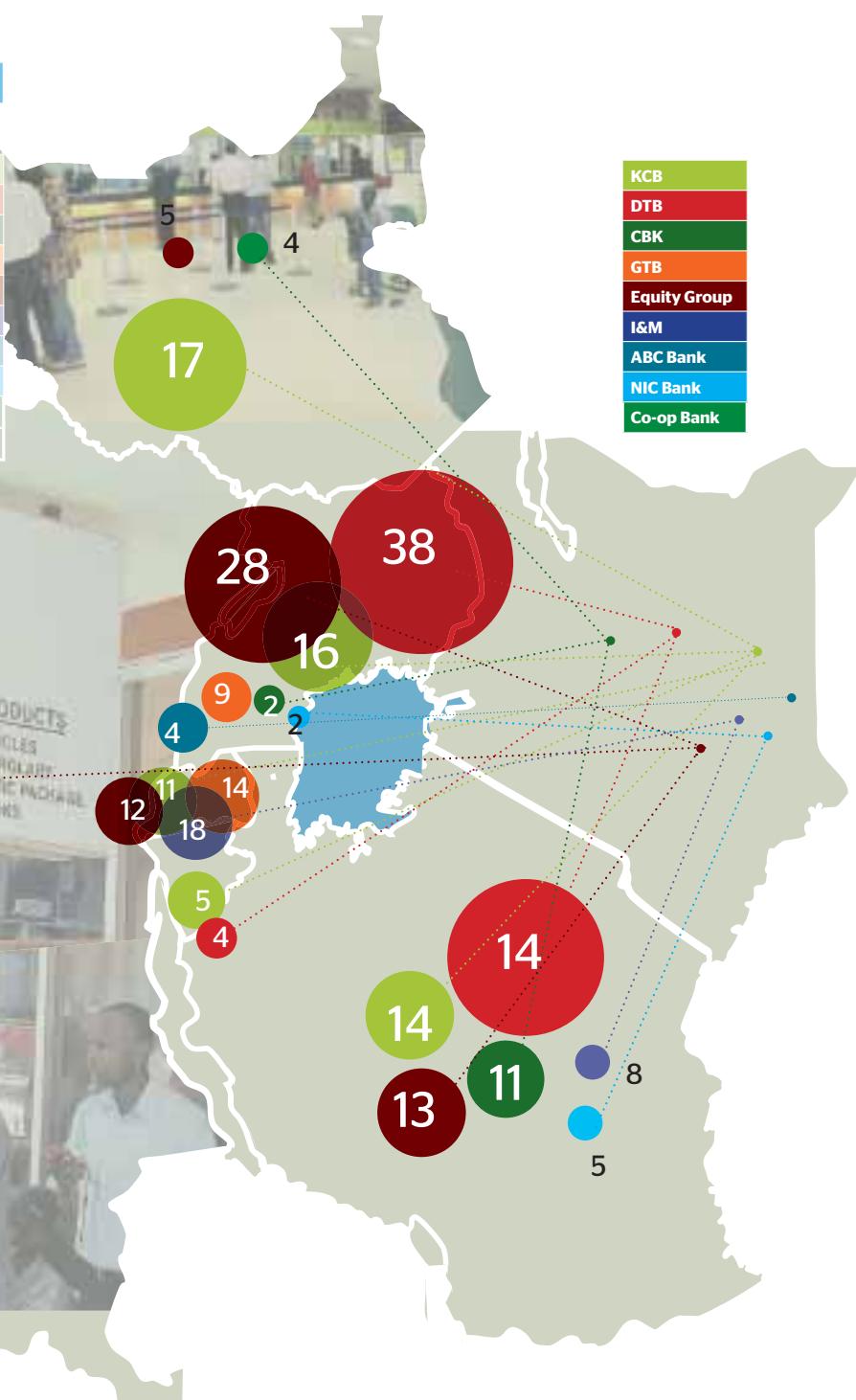
that Co-operative Bank made from its South Sudanese regional operations in 2016, a sharp decline from 97 per cent a year earlier

es. South Sudan is experiencing hyperinflation, and as long as KCB continues to operate in such an environment, costs will continue to be a considerable challenge," says Rencap.

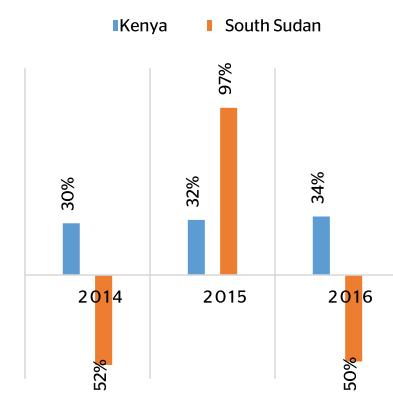
For Equity Bank, operations in Uganda, South Sudan, Rwanda, Tanzania and DR Congo brought a return on equity of 18 per cent in the first nine months of 2017, compared to the Kenyan unit's return of 38 per cent.

The bank, Rencap says, was more proactive in reducing its footprint in South Sudan at the onset of civil unrest, and was thus able to avoid the cost pitfalls that have hit KCB.

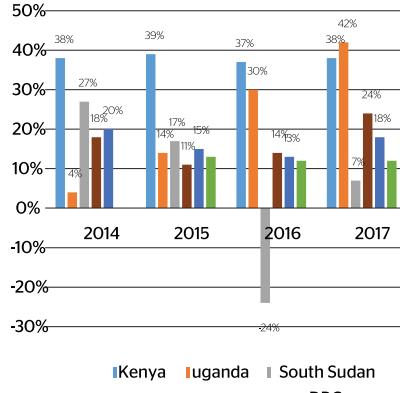
Co-operative Bank's only regional operation is in South Sudan, where the returns went from 97 per cent in 2015 to -50 per cent in 2016, while in Kenya its return was at 34 per cent in 2016.



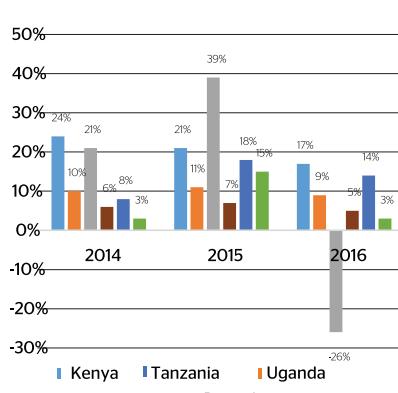
CO-OPERATIVE BANK RETURNS



EQUITY BANK RETURNS

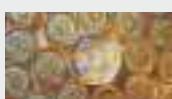


KCB RETURNS



DigitalBusiness

TECHNOLOGY | INNOVATION | GADGET REVIEW

**IN THE CLOUD**What Africa must do urgently to soar
| PAGE 16**E-CURRENCY**Investors buying currency machines
with abandon | PAGES 16/17**DOMAIN POWER**New domain name gives Kenya global appeal |
PAGE 18**LEGISLATION** Kenya ICT Action Network pokes holes in Computer and Cybercrimes Bill, 2017

What professionals want in the law to police the Web

Governments have over the last three decades tied themselves up in knots trying to figure out how to police the Web. For a long time, the Internet's democratic and largely anonymous nature made it possible for both crusaders and criminals to hide. Additionally, any attempt to police the Web has been dogged by fears that the freedoms of expression and access to information—as guaranteed in the Constitution of Kenya — may be sacrificed.

Kenya has been trying to put in place legislation to punish computer and cybercrimes for over two years.

The latest incarnation of these attempts is the Computer and Cybercrimes Bill 2017, which is set for parliamentary debate. Earlier versions of the bill had been criticised by human rights and free speech organisations.

The window for public input closed last week and one of the organisations that made its submissions was the Kenya ICT Action Network (KICTANET), a grouping of professionals and civil service representatives that



liament, proposes that police should be allowed to take possession of computers, demand subscriber information from telecom companies and even tap phone calls without a warrant if they believe that the law is being broken. But KICTANET has proposed excising most of these provisions from the bill saying that they are unconstitutional. It should be explicitly stated that the right to privacy can only be limited, for a person under investigation, by a court warrant, the body says.

FAKE NEWS

Fake news has become a headline issue over the last two years.

One study showed that 90 per cent of Kenyans had viewed fake news during the elections last year.

The bill proposes stipulating a punishment of up to Sh5 million and imprisonment for up to two years for anyone who "intentionally publishes false, misleading or fictitious data".

However, KICTANET says this breaches rights to "freedom of expression and opinion granted under the Constitution".

SEXUAL EXPLOITATION OF MINORS

While the bill stipulates fines of up to Sh20 million and imprisonment for up to 25 years for anyone who pro-

CYBER SECURITY ICT secretary Joe Mucheru (left), principal secretary Sammy Itemere and Naseba chairman Scott Ragsdal (right) at a meeting last week to plan for a July Cyber Defence Summit in Nairobi. -FILE

duces, publishes or possesses child pornography, the professionals want the provision deleted, saying that this is already addressed by the Sexual Offences Act.

REVENGE PORNGRAPHY

In 2016, the High Court's Constitutional and Human Rights Division ordered a man to pay Sh1 million for sharing his ex-girlfriend's nude photograph's without consent.

This is perhaps the most high profile case of revenge pornography that has been handled by the local judicial system.

Revenge porn refers to publishing or sharing sexually explicit images of someone without that person's consent.

Under the KICTANET proposals, anyone doing this should face three years in prison or a fine of up to Sh3 million.

IDENTITY THEFT

Last year the Kenya Bankers Association raised the alarm on identity theft saying that fraudsters were on the prowl.

KICTANET proposes that people who "fraudulently" take up the "electronic signature, passwords and means of identification" of another person should be fined up to Sh10 million and face a prison term of up to 10 years.

IN 2016, THE HIGH COURT ORDERED A MAN TO PAY SH1M FOR SHARING EX-GIRLFRIEND'S NUDE PHOTOS

has pioneered reform in Kenya's technology sector. KICTANET proposed to Parliament what should be added and removed from the bill.

Digital Business explores some here.

PRIVACY

The Computer and Cyber Crimes bill has been widely panned for its potential to open the doors for the government to spy on citizens on a whim. The bill, as submitted to Par-

WHAT ELSE?**Kictanet reviews bill**

FOR CYBER SQUATTING, or theft of domain name, it proposes a fine of up to Sh300,000.

LIABILITY OF LEGAL PERSONS: People who hack a competitor for a gain should be made to pay.

REVIEWS

GALAXY S9 SET TO TAKE ON PHONE FIELD AT MOBILE SHOW

If last year's Mobile World Congress trade show was a Royal Rumble of phones, this year's conference is more akin to WrestleMania — if Samsung is perennial winner Roman Reigns.

The 2017 edition of MWC faced a giant hole when Samsung opted to launch its Galaxy S8 at a later, separate event at Carnegie Hall in New York. That vacuum gave comeback kids BlackBerry and Nokia the opportunity to shine.

But Samsung's back, and no one else really wants to play.

While MWC has been a nexus of discussion about future tech like 5G, virtual reality and really, really wonky network terminology, it's a must-see for any handset fanatic because that's where you're likely to see some of the biggest phones of the year. The event, which brings handset makers, wireless carriers and equipment manufacturers to Barcelona, is like CES, but completely focused on mobile.

This year promises to be different, though, with Samsung grabbing virtually all of the attention. Its cross-town rival, LG, has dropped its long-standing tradition of holding a big press conference to unveil its latest flagship phone, while other companies like Motorola, HTC and Huawei are keeping their own marquee devices away from the show.

Still, it'll by no means be a ghost town. Here are some of the big phone stories we're expecting to see at the show, which officially kicks off on Monday. It's no secret that Samsung will be releasing its Galaxy S9. (What else is it going to call its next phone?) Nokia was the darling of MWC 2017 thanks in large part to the return of the classic Nokia 3310. Finnish startup HMD, which is stocked with former Nokia executives and has licensed the brand, will have to work hard to repeat the magic from last year.

DIGITAL BUSINESS

COMMENT

by CORINE MBIAKETCHA NANA

Africa must go into the cloud for unique gains of technology

Kenya has distinguished itself as a hotbed of technological innovation and creativity. The challenge now is how to consolidate these gains and leap forward to enhance the quality of life for all.

'Cloud' is a service you use every day, without even realising it. Whether with your mobile apps, email service (Gmail, Mozilla, Outlook) Facebook, online shopping services such as eBay/ Amazon.

Cloud computing enables companies to consume IT resources rather than having to build and maintain computing infrastructures in-house.

With cloud computing, projects that took years to implement and action now take a matter of weeks or months, with predictable budgets. In such a context, more development and testing can happen at a lower cost and its effects can be seen on technologies such as Artificial Intelligence, Robotics, Machine Learning, Internet Of Things, Blockchain, Bitcoin and others.

We have seen manufacturers introduce products faster and cheaper than ever before, giving them the freedom to pursue real change and innovation across the entire supply chain.

Industries that are heavily regulated because of security concerns or full data access requirements should turn to unique models that combine the benefits of having data on servers in an on-premise data centre, with those of a pay-as-you-go model with a technology provider maintaining it all.

Kenya can lead Africa forward, but taking the next step becomes critical. How can we leverage these ingredients of technological innovation to drive inclusive development?

The solution for Africa's challenges will come from within Africa. Technology is the same all over the world; the difference lies in building solutions that answer and address local socio-eco-



THE LEADER Kenya is leading Africa in Internet and mobile penetration.

nomic challenges. At present, Kenya is the clear leader in Africa when it comes to Internet and mobile penetration, which stood at 89.4 per cent in June 2017, with the next three lagging further behind: Morocco (58pc), South Africa (56pc) and Nigeria (54). The continental average is 31.2 per cent.

The innovation ecosystem in Kenya is flourishing, drawing global interest. The most famous being mobile payment.

While the rest of the world is struggling to make mobile payments work for them, Kenya is already a global example. There is also significant goodwill from government as well as private sector players; business leaders are always looking for technology that gives them an edge in their industries. Individually, Kenyans are generally fast adopters of new technology and the youthful population is creative and not afraid of innovating.

The challenge lies in taking this further. For instance, the impact of Uber in facilitating transportation in many African cities is massive; however, we need to consider how to make the concept work in rural areas too.

Africa has a unique opportunity enabled by cloud technology; focus should be on using it in a manner that delivers maximum developmental impact.

The writer is the MD, Kenya Hub covering East, Central and West Africa at Oracle.

BIG STORY

By **REUTERS**

Cryptocurrency mining machines selling like hot cakes in Asia

Some of the biggest electronics bazaars in Asia are being flooded with customers looking for the latest piece of technology: cryptocurrency mining rigs.

Scores of miners from around the world are travelling to places like Hong Kong's Sham Shui Po and Singapore's Sim Lim Square to buy the rigs, which the shops' hardware geeks expertly build behind counters in their cramped boutiques.

Some miners only buy components: a motherboard, graphic processing units, fans, power adapters, a display card and a memory card. But even if the vendors assemble them on the spot for a small fee, the finished product is usually still a relative bargain.

PEOPLE LOOK FOR A MOTHERBOARD, GRAPHIC PROCESSING UNITS, FANS, POWER ADAPTERS, A MEMORY CARD

"It's 30-50 per cent cheaper to buy equipment related to cryptomining in Hong Kong than in Europe," Russian bitcoin miner Dima Popov said. Hong Kong, for instance, has no sales tax and is closer to component suppliers.

Popov buys display cards, motherboards and power supplies in Hong Kong and mines cryptocurrencies in Russia, where

electricity is cheaper and the climate is more suitable.

The demand for the rigs has added a new dimension to Asia's tech shopping hubs whose once bustling business fizzled out in recent years hit by waning demand for personal computers. Storefronts that once catered mostly to locals, selling phones and other consumer gear, are now greeting foreign visitors searching for hardware that might make them rich.

The rigs are often stacked in warehouses as large as airplane hangars and are monitored constantly.

Each unit contains energy-intensive processors that solve complex mathematical computations. When they do so, they are awarded them the right to validate a blockchain transaction, earning them a "mining" fee.

One cryptocurrency expert said anecdotal evidence suggests on average miners would get their money back in about three months. But those with small, home-based operations might have to wait much longer for a payoff.

In Hong Kong, shopkeepers say most buyers come from Russia, but they have had clients from western Europe, Africa and South Korea. Singapore sees visitors from neighbouring countries with cheaper operation costs.

Their mining machines' parts are mostly manufactured in China using chips from Advanced Micro Devices (AMD) and Nvid-



ia, who are looking for export customers amid fears that Beijing will crack down on cryptocurrency miners.

"We've been selling more these few months and we often run out of stock" as miners move elsewhere and components flood out of China, said Grant Mak of C. Base Computer.

Jerry Wu, shop manager of Wisetek Digital Technology Co. Ltd, says selling cryptocurrency mining equipment is 50 percent more profitable than selling computer parts and brings him HK\$50,000 to 60,000 (\$6,400-\$7,673) a month in profits.

"The revenue is large," Wu said.

As miners hunt for deals on gear, chipmakers see opportunity. Rigs can cost anywhere from a few thousand dollars to tens of thousands or more - and processing chips are the priciest component.

TECH BYTES

POLITICS Rob Goldman's posts on Russia and US election, not FB position

Facebook VP caught up in fake news Twitter storm

Facebook's vice-president of ads has been criticised for tweeting that Russian-bought ads had not been designed to sway the US election. Rob Goldman's tweet was retweeted by President Donald Trump. His view contradicted special counsellor Robert Mueller's recent indictments, in which 13 Russians were charged with meddling in the election via social media and other means. Mr Goldman is reported to have apologised to Facebook staff. The BBC understands that his tweets were not the views of the company. In a series of tweets, Mr Goldman said that Russia's misinformation activity had been designed to "divide America" but added that "the majority of the Russian ad spend [on Facebook] happened after the election". BBC





TECH TALK

by MBUGUA NJIHIA

HR office for New World ought to change tack fast



TALENT The millennials are multi-skilled and think beyond a single job description. -FILE

The human resource practice is under siege. Its two main publics, the consumer and the staffer, have been transformed over the past decade and a half. Customer behaviour and consumption patterns have changed and businesses can no longer manage human resources in the same way.

The advent of connectivity, coming of age of the millennials and the birth of digital natives has shifted the expectations of the employee.

Employment at its most basic is an exchange of time for monetary value at the end of an agreed time.

Talent is now coming to the workplace multi-skilled; having been sold on versatility but also unshackled from the single track train of thought that had older generations convinced and contained by a career path mentality; job security and pensions as the end goal.

They are restless and feel that singular job descriptions do not maximise their potential, yearning for more control of their time and also having bigger asks on remuneration.

Talent faces an imminent threat from technology though. Machine learning and artificial intelligence are making short work of tasks that would have taken human minders hours or days to do. From legal practice, healthcare, financial services

to other routine production line jobs, machines and software are taking over. This will obviously lead to a season of job losses before normalisation happens.

These shifts hardly happen in one fell swoop and keen organisations apply themselves actively towards being ready. For starters, they look at how they can replace jobs, not people by making available opportunities for up-skilling and reassignment. They experiment early with new models such as outsourcing and remote work where they are better positioned to achieve a higher return on time per employee.

Talent is now coming to the workplace multi-skilled They invest in tooling and infrastructure for the new ways of work.

Since the customer has also changed, the most critical strategic move any organisation would make is to rethink core products and the DNA of the company, for example, how to interface millennial and established talent to distill a new workplace culture. Going forward, leaner workforces on differentiated contracts, will have to serve much larger client bases and often be faceless.



TAKING RISK Venezuela President Nicolas Maduro (centre) delivers a speech during a press conference to launch a new oil-backed cryptocurrency called "Petro", at the Miraflores Presidential Palace in Caracas, on Tuesday. Below, Bitcoins. -AFP/FILE

processors used in mining cryptocurrencies is driving fresh growth.

"A share of clients from the virtual currency industry is expected to grow dramatically this year in our foundry customer base," Lee Sang-hyun, vice president of Samsung's foundry business, said during a conference call.

Taiwan's Advanced Semiconductor Engineering predicted an upswing in demand this year for chips used for mining rigs.

And Taiwan Semiconductor Manufacturing Co Ltd (TSMC), the world's No.1 foundry by revenue and volume, has embraced cryptocurrency mining as a business venture.



Samsung Electronics (005930.KS), the world's biggest microchip producer, said "explosive" demand for the graphics

But they know how fast that could change. "The urge to mine cryptocurrency is very strong. The incentive, of course, depends on the price of cryptocurrency. And the price of cryptocurrency is very volatile. But the demand right now or for the last year has been very strong, and we expect it to continue to be strong," TSMC's chairman, Morris Chang, said on an earnings call last month.

Singapore's smaller version of Sham Shui Po, the electronics shopping centre at Sim Lim Square, is also seeing increased demand for mining equipment.

Anuj Agarwal, a 39-year-old consultant for his brother's shop, Bizgram, said he has dealt with buyers from Vietnam, Malaysia, Indonesia and Russia.

"Foreigners come to Singapore as there is immediate supply of mining rigs here, and they trust Singapore as a country," he said, adding that some were as young as 16 and came with their parents.

Nearby at Video-Pro, Liu Xiao Yu said he cannot keep up with the demand.

"There was a customer who asked for a rig with 500 GPU cards, which amounted to over S\$350,000 (\$262,700)," Liu said. "There was another who came by last week asking for 1,000 GPU cards, but I am afraid to accept the offer as supplies are low now."

One rig with GPUs usually has six to 12 such cards.

Vendors say the 60 percent drop from an all-time high of close to \$20,000 BTC-BTSP did not deter their regular customers, who tend to own large mining operations.

"Individual players may be freaked out, but the big players do not really mind. Big players are our major customers," said Roy Chan, shop manager of BNW Technology in Hong Kong.

In Singapore, some sellers saw a 40 percent drop in revenue as Bitcoin prices tanked, but the shops are unfazed.

"Once the value of Bitcoin increases again, we will receive multiple calls and emails from customers all over the world," Agarwal from Bizgram said.

rience by providing driver-assistance apps. Such cars are not yet available in Africa, but experts say they will be rapidly adopted in countries like Kenya, which is ranked as having the 14th fastest mobile internet speed in the world, according to a report by content delivery network Akamai. "Internet enabled cars are still a new technology and are only currently popular in Europe and the US, where we are now in the hype of electric cars. However, within the next five or so years Internet cars are likely to take off in Africa," said Mwaniki Mwangi, CEO Motor Scope Limited. Chinese researchers from Tencent firm last year managed for a second time to hack into and control a Tesla Model X, and were able to control the car's breaks, lights and doors, raising a profound security concern in relation to internet-enabled cars globally.

African Laughter

Cyber security questions outrun Internet cars

Even before Internet-enabled cars make it to Kenya, angst is rising globally over rising cyber security issues on Internet-connected vehicles, with 59 per cent of new car buyers worried for their safety, according to McKinsey & Co research. This has now seen LG Electronics and Honeywell, a technology manufacturing company, sign a partnership to provide automakers with cyber security solutions that prevent hacking that can effectively disable cars.

According to analytics portal Statistica, 35 per cent of new cars are now internet enabled and 98 per cent will be connected to the internet by 2020, as manufacturers like General Motors work to enhance drivers' experience by providing driver-assistance apps.

Mbugua Njihia is CEO of Symbiotic | www.mbuguanjihia.com | @mbuguanjihia

REVIEW

BY CNET

Asus Windows mixed reality headset finally in the market



PRICEY Headset is appealing to the eye but more expensive

Asus responded to the Windows Mixed Reality Headset party back at IFA Berlin in August 2017 with the announcement of its WMR HC102 headset and controllers. While its competitors released their headsets back in October, however, Asus is just now releasing the HC102 for \$429 (\$43,000) in the US. (It's up for preorder in the UK for £450. No word on Australia, but a AU\$799 price tag seems likely.)

Certainly the most interesting-looking headset of current models, Asus said its designers used technology normally used to create digital architecture to

KNOW YOUR GADGET

The specs

THE HC102 has the same basic specs as the other WMR headsets.

TWO 1,440x1,440-pixel LCDs with up to 90Hz native refresh rate

FRONT-HINGED DISPLAY for quickly lifting the viewer up and out of the way

BUILT-IN 3.5MM JACK for audio and microphone support

SINGLE CABLE WITH HDMI 2.0 and USB 3.0 for video and data

4-METRE cable.

make the pattern of hundreds of 3D polygons. It's lightweight at about 14.1 ounces (400 grammes) and balanced to take pressure

NEW ARRIVAL
The HC102 sells for \$429 in the US.

off your nose and cheeks.

Like the other WMR headsets (the name is meant to encompass augmented and virtual reality and anything in between), Asus' headset uses a pair of front-mounted cameras and a set of built-in sensors to map your physical position.

Called inside-out tracking, the design allows for six-degrees-of-freedom movement tracking without the need to buy external sensors and set them up in a dedicated space.

While the headset is nice looking, it's more expensive than all of the other WMR headsets at the moment. That includes the Samsung Odyssey, which has built-in headphones, higher-resolution displays and a wider field of view.

TECH DEMYSTIFIED

Replacing favourite Windows phone features

Windows Phone is dead. And, at least for the foreseeable future, it isn't coming back.

Microsoft pulled support for push notifications, and even Microsoft co-founder Bill Gates gave up his Windows phone in favour of an Android device.

Once upon a time, Windows-based phones vied with BlackBerry, Palm and Nokia's platforms to dominate the nascent smartphone world. But in the years following the 2007 introduction of Apple's iPhone, Microsoft struggled to

gain the users and top apps it needed to survive – despite reinventing its software and devices multiple times, and even buying Nokia's phone business to design its Lumia devices.

Last September, we asked this question on Twitter and hundreds replied to this tweet and to CNET's similar outreach. Windows phone's Metro software was a "breath of fresh air," you said. You loved the "amazingly simple and elegant feature" of pinning apps and contacts where you wanted them. You loved that

it was more focused and "ergonomic," and that the OS had features such as iris-scanning, deep links and a profile for kids that were ahead of its time.

There's a sliver of good news for erstwhile fans of Microsoft's mobile software and phones. Although you won't see any new Windows-based phones, you can recapture some of what you loved in other handsets: iPhone X, Sony series, and BlackBerry.

CNET

TECH IN ACTION

by AFRICAN LAUGHTER

Domain names that give Kenya global appeal are here

The Kenya Network Information Centre (KeNIC), which is responsible for domain names, last month launched public access to second level domain names (.ke) that do not contain .co, .gov or .org, giving companies added global appeal on search engines.

The second level domain name that allows registrations of one name part before the .ke was launched to the public on January 19.

The names are now available on a first-come-first-served basis, following from earlier roll-out out to trademark names, and then existing

Third level domain names define function or specialisation of the name holder third level domain name holders, across both public and private sectors.

"The second level domain was launched in July 2017 and was structured in four stages," said Maureen Akinyi, the marketing manager at KeNIC.

"The first second level domain auction was completed in December 2017, and now KeNIC is planning to launch a next second level domain auction for premium domain names."

The auction was open to all businesses globally with brands rushing to secure the names to protect their goodwill. This contrasted with the slow take off in Kenyan third level domain names



following their introduction in 2003, according to KeNIC.

Third level domain names define the function or specialisation of the name holder. For instance, as company (.co.ke), organisation(.or.ke), school (.sc.ke) or government organisations, and allows registration of two name parts before the .ke.

The final element in the name, the country code top-level domain is an Internet country code reserved for a country, sovereign State, or dependent territory: in Kenya it is .ke.

However, the new rollout allowing domain names with solely the .ke suffix offers the prospect of commercial advantages, as greater protection for businesses from potential infringers who may be tempted to register another business' domain name in order to resell it for profit.

Kenya has 62,215 registered .ke names, with .co.ke holding a 93 per cent share, according to the Communication Authority of Kenya.

African Laughter

BLOG OF THE WEEK

Diversifying economies in sub-Saharan Africa

Countries in sub-Saharan Africa need to diversify their economies, and the region's youth need to be at the heart of it, says Axel Schimmelepfennig. Schimmelepfennig is head of the IMF team for Uganda, and a co-author of a study that looks at the potential benefits of a stepped-up diversification agenda. In this podcast, Schimmelepfennig talks about the need for sub-Saharan Africa to increase productivity in areas like agriculture and manufacturing to become more competitive in the export market. "Looking ahead, the challenge is for young people in school today to equip themselves with the skills they need to get into higher productivity jobs so that they can enjoy higher living standards."

<https://blogs.imf.org/2018/02/16/>

NOTE: Blog quotes in this section are edited and do not in any way represent the views of this newspaper or its editors.

MONEY & MARKETS



We want to have tax policies which encourage investment, not chase away investors."

JULIUS MWATU | ICPAK CHAIRMAN

Kenya Re rating cut as competition hots up

OUTLOOK Agency says it is concerned as rivals increasingly become sophisticated

Brian Ngugi
bnjoroge@ke.nationmedia.com

American rating agency A.M. Best has downgraded the financial strength rating of listed Kenya Reinsurance Corporation (Kenya Re) to B (Fair) from B- (Good). The long-term issuer rating was cut to bb+ from bbb-.

Its earnings from investments also grew marginally to hit Sh3.6 billion this year

The insurance-focused ratings agency, however, revised the outlook of Kenya Re's Credit Ratings (ratings) to stable from negative.

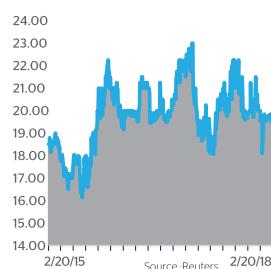
"The rating actions are the result of A.M. Best's concerns over the effectiveness of Kenya Re's enterprise risk management (ERM) in the face of expected business growth and increasingly sophisticated competition," explained AM Best in an assessment issued Tuesday.

"Additionally, there are uncertainties related to the company's ability to grow its capital resources at the same rate that it increases its revenue over the longer term."

The agency, however, noted

Kenya Reinsurance Share Price

THE REINSURER HAS BEEN DOWNGRADED OVER THE ENTERPRISE RISK MANAGEMENT



Kenya Re's risk-adjusted capitalisation—as measured by Best's Capital Adequacy

150

FIRMS
that Kenya Re offers cover

Ratio (BCAR)—is consistent with a strongest assessment, offsetting balance sheet strength factors.

These, it said, include "uncertainties related to the company's natural catastrophe exposure" and the financial system risk associated with Kenya's financial markets.

"Although A.M. Best expects risk-adjusted capitalisation to remain at the strongest level over the longer term, the company

is expected to face challenges in funding its expansion in its regional markets, should those markets continue to deliver high growth," said the agency.

"Kenya Re's ERM is developing from a low base, and A.M. Best believes that the risk management function's ability to evaluate measures relevant to financial strength and performance, generate corporate actions, and influence management decisions is weak."

Kenya Re had not responded to our queries on the assessment by the time of going to press. It posted a 3.7 per cent rise in 2017 half-year after-tax profit as its gross written premiums

and investment income grew marginally. The reinsurer, which offers covers to over 150 firms across the region, reported a net profit of Sh1.6 billion for the period to June 2017 compared to Sh1.56 billion last year.

Its gross written premiums went up to Sh7.5 billion, slightly higher than the Sh7.09 billion reported in 2016.

Its earnings from investments also grew marginally to hit Sh3.6 billion this year compared to Sh3.55 billion in the previous period.

Kenya Re attributed its half-year performance to stiff competition in the sector and undercutting in the reinsurance market.



Allears

NYERI Coffee farmers follow proceedings during the Rugi Co-operative Society Annual General Meeting at Giathugu Coffee Factory yesterday. The co-operative society recorded a decline in production, which was blamed on climate change and hawking. --GRACE GITAU

Coffee price jumps 75pc on high quality beans

Gerald Andae
gandae@ke.nationmedia.com

Coffee prices at the weekly Nairobi auction have risen 75 per cent since the first sale of the year following an increase in high quality beans.

The average price of a 50-kilo bag rose to a high of Sh38,784 in Tuesday's auction from Sh22,119 in the first sale of this year.

The value of the Kenyan coffee has been consistently on the

SH38,794

PRICE

of 50kg bag of coffee at latest auction

the main season crop in central Kenya.

The harvesting season starts in October with supply running all the way to March.

rise since the beginning of the year with Nairobi Coffee Exchange (NCE) saying the series of good prices should continue up to next month.

"We are getting good coffee from farmers and this has led to high demand of our coffee at the auction, a move that has helped to increase the value," said chief executive officer Daniel Mbithi.

The coffee currently trading at the auction is coming from

parts of the country leading to postponement of auctions at some point.

Coffee prices dropped 13 per cent in four months to January as low international prices and delay of coffee in getting to the market at the end of last year affecting the revenue.

Data from NCE indicates earnings dropped to register Sh4.7 billion (\$47 million) from Sh5.5 billion (\$55).

Seven more KTDA plants ditch Kenya Power electricity

ENERGY Move is meant to cut operating costs

Gerald Andae
gandae@ke.nationmedia.com

SH30M

MINIMUM
amount individual factories pay in power bills annually

factories.

"The cost of power has been going up over the years. With the SHPs, the goal is to have cheaper electricity in the medium term. This means lower operating costs for the factories and a better return for smallholder farmers who own these factories," said Japheth Sayi, KTDA Power Company general manager.

Another 12 factories are set to be connected by end of the year as more SHPs are completed and become operational.

Stations expected to be operational include Irarur (1.5MW),

South Mara (2.2MW), Lower Nyamindi (1.8MW), North Mathiyo (5.6MW) and Nyambunde (2MW). KTDA-managed factories that are in the same geographical areas have formed clusters (Regional Power Companies) to develop the hydropower stations, which then supply factories with electricity and the surplus sold to Kenya Power.

On average, individual factories spend between Sh30 million to Sh65 million annually

on electricity, depending on size, crop level and variable costs such as fuel cost adjustment and forex levy that Kenya Power uses to calculate electricity bills.

Imenti station, connected to Imenti Tea Factory and Chania SHP supplying Mataara and Ngere plants, are producing one MW apiece. Gura SHP with 5.8MW supplies Gathuthi, Gitugi, Iriaiani and Chinga tea

Accountants say tax breaks way to spur revenue growth

POLICY ICPAK believes that the current fiscal consolidation approach has failed

Charles Mwaniki
cmwaniki@ke.nationmedia.com

Kenya can raise domestic revenue and shrink growing fiscal deficit by using tax incentives to encourage investment in job-creating industries, which will widen the country's tax base.

The Institute of Certified Public Accountants of Kenya (ICPAK) chairman Julius Mwatu yesterday said the approach can work as an alternative to fiscal (cuts) consolidation through austerity measures, which has proven a futile effort in recent years.

Such incentives include tax holidays, exemption from duty and VAT on imports of raw materials and other imported

inputs for manufacturing and investment allowance on plant, machinery, equipment and buildings.

Employers can also get tax rebates for hiring fresh graduates, a scheme that is already being rolled out in the country.

"We want to have tax policies which encourage investment, not chase away investors so that we create jobs that will in turn raise tax revenue. The government must also work hard to seal the tax loopholes that cause revenue leakages," said Mr Mwatu on the sidelines of an economic symposium in Nairobi.

The Treasury also needs to address the issue of excesses in the recurrent budget, which is where the Integrated Financial Management Information System



REVENUE ICPAK chairman Julius Mwatu and vice chairperson Rose Mwaura during a Press conference on Public Debt, Budget Policy Statement at the Safari Park Hotel, Nairobi yesterday. —SALATON NJAU

(IFMIS) when fully implemented will play a big role since it will track public finance transactions all the way until payment."

Kenya's job creation has not kept up with the growing population, putting a heavier burden on those paying tax

to meet the needs of the larger number of non-contributing citizens.

Tax collection has therefore been failing to hit the target amid a rising budget, leaving the Treasury with no option but to borrow from both the

We want to have tax policies which encourage investment, not chase away investors "

JULIUS MWATU | ICPAK CHAIRMAN

domestic and external markets to cover the deficit.

Public debt now stands at Sh4.6 trillion, having more than doubled from Sh1.8 trillion five years ago.

Kenya's fiscal deficit stands at 8.9 per cent, with efforts to bring this down last year hampered by heavy spending on food and SGR imports, the former due to a biting drought.

Cutting the recurrent budget has also proved a difficult nut to crack for the Treasury, mainly due to an ever rising public wage bill and also partly due to the extra staff hired by counties.

ENERGY



PLAN A worker at Oserian farm. —FILE

Oserian seeks nod to produce solar power

James Kariuki
jkariuki@ke.nationmedia.com

Flower grower and exporter Oserian Development Company has applied for variation of its two megawatt (MW) geothermal power generation licence to include harnessing of solar energy.

The firm, which uses geothermal steam to power business—from lighting hundreds of staff houses to heating its greenhouses at night—plans to utilise roofs for laying solar panels.

It plans to submit its variation request in a fortnight and has invited individual or firms planning to oppose the plan to do so in writing. It will submit to the Energy Regulatory Authority the variation request on March 8.

Oserian becomes the second business to seek a licence to produce solar power on

a commercial scale after the 5,000-acre Tatu City in Kiambu.

Tatu City said its venture will help reduce the cost of power for residents and light industry operators as well as generate some income for the upcoming development.

The project will ensure power to Tatu City is guaranteed round the clock for all companies as they enjoy both the connection to the national grid and the alternative power source.

Oserian started producing its own geothermal power after Geothermal Development Associates (GDA) supplied a nominal two MW steam turbine generator installed by Sinclair Knight Merz (SKM) of New Zealand.

MODERN WAREHOUSING



The **Business Daily** newspaper is putting together a supplement on the hallmarks of a modern warehouse, covering such aspects as efficiency, convenience, flexibility and speed, and cutting-edge technologies that enhance these.

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BUSINESS DAILY

Import cover hits four-month high

Geoffrey Irungu
girungu@ke.nationmedia.com

The Central Bank of Kenya (CBK) foreign exchange reserves hit a four-month high of \$7.24 billion (Sh733.4 billion) last week.

According to CBK data, the reserves last exceeded this level on October 19 last year and have since been below \$7.24 billion. The amount achieved on February 15 is equivalent to 4.84 months of import cover, also the highest level since the same date last year.

The shilling has in recent times strengthened to below 102 units to the dollar

The reserves fell below \$7 billion on January 18, but have since been on the rise, the CBK indicated in the latest weekly report.

With the reserves having increased, the shilling has in recent times strengthened to below 102 and has even hit slightly above 100 units to the dollar, after mostly hovering above Sh103 for the better part of last year.

The increase in foreign ex-

SH733BN

LEVEL
of foreign exchange reserves as at February 15

change arsenal comes as the government engages with the International Monetary Fund (IMF) which has set a minimum figure or a floor of the reserves.

January 2016 IMF staff report indicated a figure of \$7.23 billion as the floor for net international reserves for the end of June last year. The multilateral lender had also set the reporting for the reserves to be on a monthly basis, such that data had to be sent within 20 days after each month ended.

In the most recent update, the IMF has said that access to the Sh152 billion insurance facility agreed on three years ago has been only on condition that Kenya completes a review of its economic developments since last year. The facility is therefore virtually suspended until the review is completed.

Oil crisis cost Nigeria state firm \$5.8bn in fuel imports

Nigeria's state oil firm said on Tuesday it had spent \$5.8 billion on fuel imports since late 2017, as it combats a fuel shortage that has left people queuing for hours at filling stations and hobbled an already-struggling economy.

"The corporation's intervention became necessary following the inability of the major and independent marketers to import the product because of the high landing cost which made cost recovery and profitability difficult," the Nigerian National Petroleum Corporation (NNPC) said in a statement.

The price of gasoline is a highly charged subject in Nigeria, Africa's largest oil exporter. Pres-

COMMODITIES

Oil falls as dollar firms, US output set to rise

GROWTH Oil prices fell yesterday, weighed down by a rebound in the US dollar from three-year lows hit last week and an expected rise in US oil production.

West Texas Intermediate crude futures were at \$61.07 a barrel, down 72 cents, or 1.2 per cent, from their last settlement. Brent crude futures fell 60 cents, or 0.9 per cent, from their last close to \$64.65 per barrel.

Wang Tao, Reuters technical commodity analyst, said Brent could fall into a range of \$63.92 to \$64.41 per barrel, as suggested by its wave pattern and a projection analysis.

The dollar index, which measures the greenback against a basket of six major currencies, rose for a second day yesterday, moving further away from the three-year lows reached last week.

Also pressuring prices is surging US production, now the world's second-largest oil stream at more than 10 million barrels per day, only slightly behind Russia and ahead of top exporter Saudi Arabia. "Bulging US production will weigh on prices," said Singapore-based Phillip Futures in a note yesterday.

Reuters



SHORTAGE People queue to buy fuel in Lagos. —AFP

ident Muhammadu Buhari in 2016 raised the top gasoline price to 145 naira (\$0.4603) per litre, a 67 per cent rise, but did not remove a cap for fear of hurting people on low incomes. The price cap makes it tough for

many importers to profit from gasoline and NNPC has imported as much as 90 per cent of the nation's gasoline needs over the past year.

Fuel shortages have gripped much of the country in the last

67%
PERCENTAGE

rise in price of top gasoline by President Muhammadu Buhari in 2016

few months.

An economic body that advises Nigeria's government has been in discussion with the state oil company to determine whether gasoline is appropriately priced in the country, a state governor said last week.

The relatively cheaper cost of Nigerian fuel combined with crude oil price rises in the last few months mean smugglers

can make more money selling fuel intended for the Nigerian market across borders, creating shortages in the West African giant.

Nigeria's refining system means it is almost wholly reliant on imports for the 40 million litres per day of gasoline it consumes.

Efforts by Buhari's predecessor, Goodluck Jonathan, to end expensive subsidies in 2012 led to riots in the streets because the move would have doubled gasoline prices, angering citizens who see cheap pump prices as the only benefit from living in an oil-rich country.

Reuters

INVESTMENT

Trump Jr says father's curbs hurt India deals

US President Donald Trump's elder son described India as an important market for The Trump Organisation but said the global company will lose out on new deals because of self-imposed restrictions put in place by his father since he took office.

Donald Trump Jr.'s comments, at the start of a trip to two buyers for his luxury residential projects in several Indian cities, appeared aimed at blunting criticism that there could be possible conflict of interest in pushing the Trump brand name.

Trump Jr. said new business would take a hit in India.

"Few years ago, I said it would become our largest

(market) because I really believed in the market... I think it will continue to be the same when I am able to get back in the market and focus on the business side, on new deals again in the future, once my father is out of office," Trump Jr. told television channel CNBC-TV18 late on Tuesday.

Shortly before taking office last year, Trump Sr. said he would hand off control of his business empire, which includes luxury homes and hotels across the world, to his sons Donald and Eric, and move his assets into a trust to help ensure that he would not consciously take actions as president that would benefit him personally.

Many government and private ethics watchdogs said he should have gone further, divesting himself of assets that could cause a conflict of interest.

His partners in India meanwhile are playing up the Trump brand.

In the days leading up to Trump Jr.'s visit, one of its development partners in Gurgaon, near the capital of New Delhi, launched an advertising campaign on the front page of India's most widely circulated newspapers to lure buyers.

Reuters

Japan automakers rethink discounts on slow US sales

GROWTH Car firms grapple with sliding sales from a record high 17.55 million vehicles in 2016

10.6%
PERCENTAGE

industry incentive that global automakers give buyers to boost sales in international markets

A second year of slowing growth in the US auto market is forcing Japanese automakers to look beyond discounts to grow market share and focus more on boosting profitability in their largest market.

Global automakers have been battling for dominance in the world's No. 2 market as annual sales continue to slide from a record high 17.55 million vehicles in 2016. Many have resorted to price cuts to boost market share in the growth segments for SUVs and pick-up trucks, while also shoring up sales in the struggling sedan segment.

The costs of US discounting has cut into operating profits at most Japanese automakers, including Toyota Motor Corp, and Mazda Motor Corp, where North American earnings are poised to fall for the third straight year this year.

Nissan Motor Co's profits in the region are on track to fall for the second consecutive year. In an interview earlier this month, Nissan CEO Hiroto Saikawa said the days of its high incentives would end once the automaker unloads inventories of 2017 models by the end of the financial year in March, as big discounts were unsustainable in a market

where growth had stalled. "Competition for sales will be difficult in this environment, and improving the quality of sales will be important. We can't compete only with incentives. We need to raise our marketing and brand value," he told Reuters.

After focusing on growing US sales aggressively since 2011, Nissan is putting the brakes on that strategy, though it is looking to grow strongly in China.

While Nissan's US growth strategy boosted its market share to around 9.2 per cent at the end of 2017, up from around 7.8 per cent in 2010, it has also raised its marketing expenses to levels which are among the highest in the industry.

Figures from data and analytics company JD Power show that in 2017, Nissan offered incentives averaging 16.7 per cent of the price of each vehicle sold – higher than an industry average around 10.6 per cent.

Nissan discounts in 2017 were second highest only to



INCENTIVES Nissan president and chief executive Hiroto Saikawa (left) bows at the start of a media briefing in Yokohama last November. —AFP

Hyundai Motor Co's 18.6 per cent, and were higher than 13.6 per cent at Ford Motor Co and 14.1 per cent at FCA. They were also significantly higher than 9.6 per cent for Toyota Motor Corp and 7.9 per cent at Honda Motor Co 7627.T.

Nissan says overproduction of its struggling Altima sedan before the release of the new 2018 model had led to a ramp-up in discounts, while it also cut prices on its Rogue line of SUV crossovers to gain market share in the popular segment.

Incentives are a key part of vehicle sales as they attract new business while also rewarding brand-loyal customers, but market experts say that incentive levels above 10 per cent are a cause for concern, as that can lower the residual value of vehicles.

Mazda, one of Japan's smaller automakers,

increased its spending on marketing promotion per car by 31 per cent last year, and acknowledged that spending to increase sales can only go so far. "Raising incentives beyond these levels won't necessarily translate into higher sales. We need to grow sales by promoting our products better," managing executive officer Yasuhiro Aoyama told reporters at a results briefing earlier this month.

While automakers flag the need for more discipline on discounts, industry experts are skeptical as to whether they can keep spending in check as an expected 2.3 per cent slide in annual sales to around 16.8 million vehicles this year will likely keep the race for market share fierce. Sales dropped 1.5 per cent to 17.2 million in 2017.

Reuters

MARKET DATA

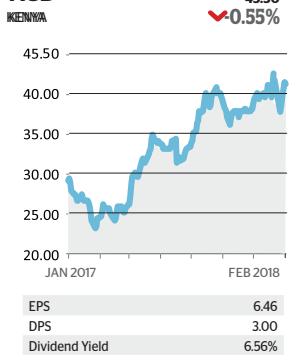
MOVEMENT AT NSE

FOR SELECTED COMPANIES

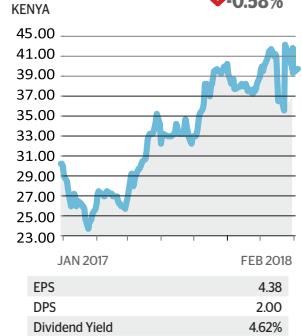
Safaricom



KCB



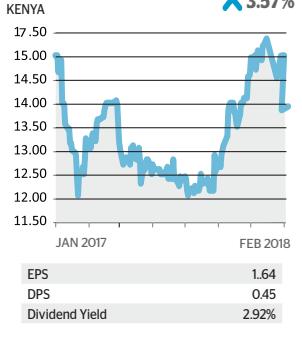
Equity



KENYA POWER



Kenol kobil



AGRO COMMODITIES MARKET

Early Morning Wholesale Commodity Prices February 21, 2018

COMMODITY	UNIT	KG	Nairobi	Mombasa	Kisumu	Nakuru	Eldoret
CEREAL							
Dry Maize	Bag	90	3000	2800	3600	2500	2300
Green Maize	Ext Bag	115	2500	4500	2600	2000	1800
Finger Millet	Bag	90	7650	9000	9600	6700	7200
Sorghum	Bag	90	4200	3300	4000	2700	6750
Wheat	Bag	90				3300	
LEGUMES							
Beans Canadian	Bag	90	7650		8800	7200	
Beans Rosecoco	Bag	90	7200	5600	7600	7200	7650
Beans Mwitemania	Bag	90	7000	5300		5500	7650
Mwezi Moja	Bag	90	6800			5500	
Dolichos (Njahi)	Bag	90	10800	5400		7200	11250
Green Gram	Bag	90	8550	6300	8000	6700	11700
Cowpeas	Bag	90	7650	8100	9600	8100	7200
Fresh Peas	Bag	51	2600	3250	2500	4000	3060
Groundnuts	Bag	110	12200	11700	10000	12000	11250
ROOTS & TUBERS							
Red Irish Potatoes	Bag	50	2000	2400	1500		2200
White Irish Potatoes	Bag	50	2200	2900	1500	2500	2000
Cassava Fresh	Bag	99	2300	2600	3000		
Sweet Potatoes	Bag	98	3200	3300	3000	3500	2800
VEGETABLES							
Cabbages	Ext Bag	126	1800	2500	2100	1500	2000
Cooking Bananas	Med Bunch	22	560	500	300	350	1200
Carrots	Ext Bag	138	2800	4600	3000	2500	1800
Tomatoes	Lg Box	64	5400	3800	5000	2500	6200
Onions Dry	net	13	910	1300	1300	1300	
Spring Onions	Bag	142	2500	3600	2400	1000	1400
Chillies	Bag	38	2280	3000	1400	3500	
Cucumber	Bag	50	2250	2000			
Capiscums	Bag	50	2750	2000	2400	3500	2000
Brinjals	Bag	44	2640	1100	1400	3500	
Cauliflower	crate	39	2340	4000			
Lettuce	Bag	51	2500	3000			
Kales	Bag	50	1350	2700	2600	2800	1800
FRUITS							
Passion Fruits	Bag	57	5130	4500	3000	5000	4560
Oranges	Bag	93	3800	4300	4000	5400	3500
Lemons	Bag	95	2830	3000	1500	2700	
Mangoes Local	Bag	126	2700	1400	2400	3000	2000
Mangoes Ngowe	Sm Basket	25	1300	1000	2000		600
Limes	net	13	1170	750			
Pineapples	Bag	13	1040	780	600	480	1105
Pawpaw	Lg Box	54	2700	1100	1000	3000	2430
Avocado	Bag	90	2200	4000	1800	2200	3300
Ripe Bananas	Med Bunch	14	620	400	300	750	700
OTHERS							

COMMODITIES

Effective Date: February 21, 2018

AGRO COMMODITY	CURRENCY	LAST	CHANGE
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Oil & Gas			
LIGHT CRUDE	USD	61.57	-0.22
NO 2 HT OIL	USD	1.93	0.00
BRENT CRUDE	USD	65.27	0.02
GAS OIL	USD	578.00	3.75
NATURAL GAS	USD	2.64	0.03
KEROSENE	JPY	6,640.00	400.00
Metals			
100 OZ GOLD	USD	1,326.80	-2.00
SILVER	JPY	60.00	0.00
HG COPPER	USD	319	0.00
PLATINUM	JPY	3,430.00	0.00
PALLADIUM	JPY	3,300.00	0.00
Softs			
SUGAR NO5	USD	356.70	-1.20
COFFEE	USC	118.45	0.25
COCOA	USD	2,146.00	0.00
RUBBER	JPY	179.00	4.00
FROZEN OJ CONI	USC	141.80	-4.60
COTTON	USC	78.34	0.83
Grains			
CORN	USC	369.00	1.50
MAIZE EUR	EUR	153.75	1.00
WHEAT	USC	460.75	3.00
ROUGH RICE	USD	12.02	0.00
Oilseeds			
SOY BEANS	USC	1,027.00	0.50
SOY BEAN OIL	USC	31.87	0.01
CANOLA	CAD	505.80	0.50
PALM OIL	MYR	2,264.00	-8.00



SOURCE: THOMSON REUTERS

MSCI

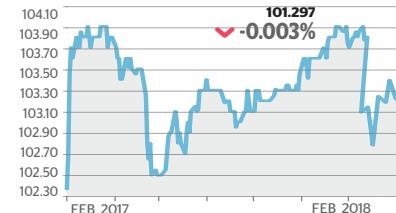
COMMODITY	LAST	CHANGE	%CHANGE	OPEN	HIGH	LOW	CLOSE
CI-UAE	396.58	-5.17	-1.29%	396.58	396.58	396.58	401.74
CI-AC AMER.	1418.56	1451.4	+11.40%	1418.56	1418.56	1418.56	1273.43
CI-BRIC	772.599	1175.5	+179.4%	772.599	772.60	772.60	655.05
BRIC	373.980	58.48	+18.53%	373.980	373.98	373.98	315.50
BRIC GROWTH	782.184	115.61	+17.34%	782.184	782.18	782.18	666.58
BRIC VALUE	542.434	84.02	+18.33%	542.434	542.43	542.43	458.42
CI-BAHRAIN	776.49	-0.28	-0.36%	776.49	776.5	776.5	779.3
CI-CHILE	5,602.426	403.72	+7.77%	5,602.426	5,602.43	5,602.43	5,198.70
CI-CHINA FREE	100.206	17.49	+21.14%	100.206	100.21	100.21	82.72
CI-COLOMBIA	2,722.156	189.78	+7.49%	2,722.156	2,722.16	2,722.16	2,532.37
CI-CZECH REPUBL	243.832	17.53	+7.75%	243.832	243.83	243.83	226.30
CI-EAFA+EM	380.425	23.53	+6.59%	380.425	380.43	380.43	356.89
CI-EU	531.481	10.75	+2.06%	531.481	531.48	531.48	520.73
CI-EM	64,977.799	7185.27	+12.43%	64,977.799	64,977.80	64,977.80	57,792.53
CI-EM X ASIA	1,439,054.944	125,771.94	+9.58%	1,439,054.944	1,439,054.94	1,439,054.94	1,313,283.00
CI-EGYPT	2,948.591	-94.70	-3.11%	2,948.591	2,948.59	2,948.59	3,043.29
CI-EUROPE	575.547	13.22	+2.35%	575.547	575.55	575.55	562.33
CI-FFE	149,665	15.71	+11.73%	149,665	149,67	149,67	133.96
CI-FEX JP	726.245	101.04	+16.16%	726.245	726.25	726.25	625.20
CI-GOLD DRAGON	230.538	31.99	+16.11%	230.538	230.54	230.54	198.55
CI-HUNGARY	1,879.152	159.46	+9.27%	1,879.152	1,879.15	1,879.15	1,719.69
CI-INDIAN. FREE	7,642.165	732.37	+10.60%	7,642.165	7,642.17	7,642.17	6,909.79
CI-INDIA	1,303.554	143.79	+12.40%	1,303.554	1,303.55	1,303.55	1,159.76
CI-JOEG & MA	1,595.948	53.19	+3.45%	1,595.948	1,595.95	1,595.95	1,542.76
CI-KOREA	773.579	48.49	+6.69%	773.579	773.58	773.58	725.09
CI-KUWAIT	524.103	22.36	+4.09%	524.103	524.10	524.10	546.46
CI-LBANKA	680.243	11.73	+1.76%	680.243	680.24	680.24	668.51
CI-MOROCCO	353.824	20.43	+6.13%	353.824	353.82	353.82	333.39
CI-MEUROPE	325.554	32.57	+11.12%	325.554	325.55	325.55	292.98
CI-FAR EAST	846.897	101.85	+13.67%	846.897	846.90	846.90	745.05
CI-EM ASIA	990.032	117.82	+13.51%	990.032	990.03	990.03	872.21
CI-EM EUROPE	5,783.849	626.35	+12.14%	5,783.849	5,783.85	5,783.85	5,157.50
CI-MEXICO FREE	47,707.731	400.13	+0.85%	47,707.731	47,707.73	47,707.73	47,707.60
CI-MALAYSIA FREE	649.076	38.70	+6.34%	649.076	649.08	649.08	610.37
CI-OMAN	560.322	-12.97	-2.26%	560.322	560.32	560.32	573.29
CI-PERU	3,407.664	457.16	+15.49%	3,407.664	3,407.66	3,407.66	2,950.50
CI-PAC. PAC.	158.537	15.69	+10.98%	158.537	158.54	158.54	142.85
CI-PHILIPP.FREE	1,471,586	82.91	+5.97%	1,471,586	1,471.59	1,471.59	1,388.68
CI-PAKISTAN	115,462						

MARKET DATA

CBK INDICATIVE GRAPHS

Effective Date: Feb 21, 2018 (Currency: KSh)

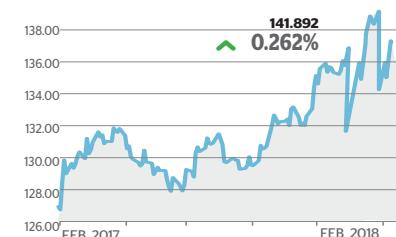
USD



EURO



GBP



UNIT TRUSTS

Effective Date: Feb 19, 2018

MONEY MARKET FUND	CURRENCY	DAILY YIELD	EFFECTIVE ANNUAL RATE
CIC	Sh	9.33%	9.67%
Madison Asset	Sh	9.18%	9.58%
ICEA	Sh	91.7%	9.60%
Dry Associates	Sh	91.7%	9.57%
Dry Associates	USD	2.44%	2.47%
Gencap Hela Imara Fund	Sh	7.61%	7.83%
Amana Capital LTD	Sh	8.79%	9.08%
Seriani asset managers	Sh	9.99%	10.46%
Sanlam Pesa+	Sh	7.32%	7.59%
Nabo Africa	USD	4.60%	4.79%

FIXED INCOME FUND	CURRENCY	BUY	SELL
CIC	Sh	8.31	8.52
Nabo Africa	USD	100.44	100.44
Balanced Fund			
Old Mutual	Sh	165.84	165.84
CIC	Sh	9.84	10.30
ICEA	Sh	137.48	144.72
Madison Asset	Sh	49.87	49.87
Dry Associates	Sh	1,160.79	1,160.79
Amana Capital LTD	Sh	133.78	133.78
Sanlam Chama+	Sh	14.22	14.66
Nabo Africa	USD	116.82	116.82

Old Mutual	Sh	396.47	396.47
Old Mutual EA Fund	Sh	158.19	158.19
CIC	Sh	10.60	11.15
Madison Asset	Sh	36.53	36.53
ICEA	Sh	141.99	149.46
Amana Capital LTD	Sh	148.25	148.25
Nabo Africa	USD	111.69	111.69

Old Mutual	Sh	99.14	99.14
ICEA	Sh	96.96	97.94
Sanlam Pata+	Sh	8.32	8.58

DAILY SHARE REPORT

GEMS AIMS

52 WEEK HIGH 52 WEEK LOW YTD % PRICE (KSH) 21 FEB '18 - 20 FEB '18 PRICE CHANGE DAILY DAILY TRADED SHARES SHARES ISSUED MKT CAP. KSHS MIN EPS LATEST 12MTH P/E TRAILING P/B TRAILING DPS LATEST 12MTH TOTAL DIVIDEND YIELD

AGRICULTURAL

Eaagads AIMS	28.00	20.25	-15.60%	23.00	23.00	0.00%	-	32,157,000	739.61	0.56	41.07	1.2	0.00	0.00%
Kakuzi	390.00	266.00	26.21%	355.00	390.00	-8.97%	100.00	19,599,999	6958.00	28.70	12.37	1.8	6.00	1.69%
Kapchorwa Tea AIMS	97.00	65.00	-10.00%	72.00	72.00	0.00%	-	78,240,000	563.33	-5.82	-12.37	-	5.00	6.94%
Limuru Tea AIMS	600.00	500.00	-5.66%	500.00	500.00	0.00%	600.00	2,400,000	1200.00	1.22	409.84	3.6	1.00	0.20%
Sasini	32.00	17.60	38.02%	25.50	26.50	-3.77%	1100.00	228,055,500	5815.42	1.52	16.78	0.4	1.00	3.92%
Williamson Tea AIMS	199.00	146.00	-14.61%	155.00	152.00	1.97%	1200.00	17,512,640	2714.46	23.77	6.52	0.5	40.00	25.81%

AUTOMOBILES & ACCESSORIES

Car & Gen	27.00	16.00	-7.41%	26.00	25.00	4.00%	100.00	40,103,308	1042.69	1.71	15.20	0.4	0.60	2.31%
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BANKING

Barclays	12.00	7.25	17.58%	10.75	10.70	0.47%	142,200.00	5,431,536,000	58389.01	1.31	8.21	1.2	1.00	9.30%
DTBK	212.00	102.00	77.97%	210.00	210.00	0.00%	752,300.00	279,602,220	5816.47	23.10	9.09	0.6	2.60	1.24%
Equity	45.00	24.00	441.7%	43.00	43.25	-0.58%	2,148,000.00	3,773,674,802	16226.80	4.38	9.82	1.0	2.00	4.65%
HF	13.40	9.25	-25.36%	10.25	10.45	-1.91%	13,500.00	352,416,667	3612.27	2.59	3.96	1.6	0.50	4.88%
I&M Holdings	130.00	74.50	33.33%	119.00	120.00	-0.83%	190,600.00	413,405,369	49195.24	18.56	6.41	0.9	3.50	2.94%
KCB	47.50	23.00	59.13%	45.50	45.75	-0.55%	1,752,900.00	3,066,056,647	13950.558	6.46	7.04	0.4	3.00	6.59%
NBK	12.25	5.40	16.67%	8.25	8.40	-1.79%	10,100.00	338,794,718	2795.06	0.50	16.50	0.2	0.00	0.00%
NIC Bank	41.00	20.50	35.58%	35.50	35.25	0.71%	278,500.00	639,945,603	22718.07	6.47	5.49	0.5	1.25	3.52%
Stanbic Holdings	85.00	81.00	14.89%	81.50	81.00	0.62%	92,000.00	395,321,638	32218.71	11.18	7.29	1.7	5.25	6.44%
Stan. Chart.	243.00	165.00	10.58%	210.00	209.00	0.48%	39,200.00	343,510,571	72137.22	25.85	8.12	1.4	20.00	9.52%
Co-Op Bank	18.00	11.30	29.17%	17.10	17.05	0.29%	3,132,000.00	5,867,179,554	100,328.77	2.22	7.70	1.0	0.80	4.68%

COMMERCIAL AND SERVICES

Atlas Development & Support Services Ltd GEMS	1.30	1.00	0.00%	1.05	1.05	0.00%	-	1,497,370,885	1572.24	-3.58	-0.29	-	0.00	0.00%
Deacons (East Africa) Plc AIMS	5.10	2.80	-51.24%	2.90	2.95	-1.69%	100.00	123,558,228	358.32	1.20	2.42	-	0.00	0.00%
Eveready EA	4.65	2.10	-8.51%	2.20	2.15	2.33%	8,300.00	210,000,000	462.00	1.27	1.73	1.6	1.00	45.45%
Express (K) AIMS	4.30	2.45	5.63%	3.75	3.75	0.00%	-	35,403,790	132.76	1.70	2.21	0.6	0.00	0.00%
KQ	18.50	2.10	177.78%	16.25	16.25	0.00%	3910.00	5,681,423,711	923,234.14	-7.53	-0.93	-0.2	0.00	0.00%
Longhorn Publishers AIMS	6.25	3.90	6.25%	5.15	5.10	0.98%	6,600.00	272,440,473	1403.07	0.49	10.51	1.6	0.38	7.38%
Nairobi Business Ventures	8.40	1.35	-63.92%	2.70	2.85	-5.26%	4,600.00	23,600,000	637.2	0.15	18.00	-	0.00	0.00%
Nation Media	125.00	73.50	12.90%	105.00	105.00	0.00%	8,700.00	188,542,286	19796.94	8.90	11.80	1.8	10.00	9.52%
Sameer	3.30	2.30	-10.71%	2.55	2.50	2.00%	1,900.00	278,342,393	709.77	-2.32	-1.10	0.3	0.00	0.00%
Standard Grp	39.50	17.15	104.55%	34.50	33.75	2.22%	100.00	718,100,000	2819.75	2.14	16.12	0.8	0.00	0.00%
TPS EA	38.00	18.05	70.73%	35.00	35.00	0.00%	-	182,174,108	6376.09	163	21.47	0.4	1.35	3.86%
Uchumi	5.00	2.00	-17.72%	3.25	3.25	0.00%	17,600.00	364,959,616	1186.12	-4.60	-0.71	0.9	0.00	0.00%
WPP Scangroup	25.50	16.05	-4.96%	17.35	17.25	0.58%	600.00	378,865,102	6573.31	112	15.49	0.8	0.50	2.88%

CONSTRUCTION & ALLIED

ARM Cement Ltd	25.25	10.80	-53.14%	11.90	11.95	-0.42%	20,700.00	959,940,200	11423.29	-3.30	-3.61	0.6	0.00	0.00%

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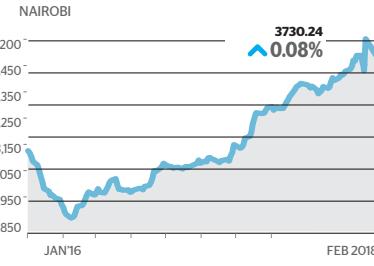
NSE INDICES

Effective Date:February 21, 2018

All Share Index (NASI)



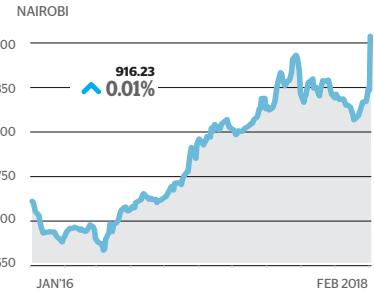
NSE 20 Share Index



NSE 25 Share Index



Sanlam 27 Index



SHARE PRICE PERFORMANCE SCORE CARD

Effective Date:February 21, 2018

NAME

NAME	PREVIOUS	CLOSE	%1D	%5D	%1M	%3M	%6M	%1Y
ATLAS DEVPTN & SPRRT SERV	1.05	1.05	0.00	0.00	0.00	0.00	0.00	0.00
ATHI RIVER MINING	11.95	11.90	-0.42	-3.25	-8.46	-14.70	-40.50	-39.97
BAMBURI	174.00	174.00	0.00	-0.57	17.5	-3.33	-12.56	19.18
BARCLAYS KEN	10.70	10.75	0.47	0.94	-0.46	7.50	3.86	29.52
BAT KENYA	786.00	786.00	0.00	0.13	1.42	0.77	-1.87	-13.53
BOC KENYA	105.00	105.00	0.00	0.00	2.78	-1.87	-2.78	17.98
BRITANNIA HOLDINGS	12.50	12.55	0.40	-2.33	-4.56	-16.33	-16.89	18.40
CAR & GENERAL	25.00	26.00	4.00	5.12	33.33	13.04	30.00	26.83
CARBAID INV	12.00	12.00	0.00	-0.83	-7.34	-14.29	-7.69	-12.41
CENTUM INV	46.00	46.00	0.00	2.22	0.55	8.86	7.60	-5.31
CFC STANBIC BANK	81.00	81.50	0.62	0.00	0.62	2.52	-1.21	24.43
CIG INSURANCE	5.40	5.45	0.93	3.81	-2.68	-7.63	-12.80	55.47
CO-OP BANK	17.05	17.10	0.29	0.29	2.09	0.88	3.95	42.50
CROWN BERGER	78.00	82.00	5.13	0.00	5.13	7.89	5.13	87.43
DEACONS EA	2.95	2.90	-1.69	1.69	0.00	-21.62	-34.09	98.11
DIAMOND KEN	21.00	21.00	0.00	0.48	5.00	10.53	10.53	-12.62
EA CABLES	5.60	5.50	-1.79	0.00	5.77	-4.35	-21.43	-9.09
EA PORT CEM	27.00	27.00	0.00	-3.57	3.57	8.00	-18.18	10.00
EAAGADS	23.00	23.00	0.00	-2.13	-7.07	-8.00	-8.91	6.98
EA AFRICREW	245.00	244.00	-0.41	2.01	1.67	2.52	-8.96	8.93
EQUITY BANK	43.25	43.00	-0.58	0.00	-2.27	1.18	0.00	59.26
EVEREADY EA	2.15	2.20	2.33	0.00	-4.35	-8.33	-12.00	2.22
EXPRESS KEN	3.75	3.75	0.00	0.00	0.00	15.38	4.17	10.29
FLAME TREE HLDNGS	4.60	4.50	-2.17	2.27	-4.26	-8.16	-10.00	-12.62
G WILLIAMSON	152.00	155.00	1.97	4.03	1.97	-6.63	-16.67	-2.52
HOMELAND AIRLINES LIMITED	1.15	1.20	4.35	-4.00	-14.29	9.09	9.09	20.00
HOUSING FIN	10.45	10.25	-1.91	-4.21	-6.39	-19.29	-2.84	-3.76
I&M HOLDING	12.00	11.90	-0.83	-0.83	2.59	-4.03	-5.56	55.56
JUJU LEE HLDGS	503.00	504.00	0.20	-0.20	-0.20	(0.77)	8.62	2.86
KAKUZI	39.00	39.50	-8.97	0.00	0.00	3.20	14.89	31.48
KAPCHORUA	72.00	72.00	0.00	0.00	0.00	1.41	-21.74	-7.69
KEN ORCHARDS	90.00	90.00	0.00	0.00	-5.26	-4.76	7.22	-5.26
KENGEN	8.35	8.45	1.20	0.60	3.05	-4.52	-8.65	290.01
KENYA AIRWAYS	16.25	16.25	0.00	1.25	1.88	206.60	242.11	177.78
KENYA COM BK	45.75	45.50	-0.55	0.00	0.55	5.20	2.82	87.63
KENOLKOBIL	15.40	15.95	3.57	6.33	8.50	6.69	2.90	16.42
KENYA POWER	8.25	8.20	-0.61	-1.80	-6.29	-23.72	-23.00	17.99
KENYA RE	19.35	19.45	0.52	-0.51	-3.95	-7.38	2.91	
KURWITU	150.00	150.00	0.00	0.00	0.00	0.00	0.00	0.00
LIBERTY HOLDINGS	13.00	13.15	1.15	5.20	0.00	1.15	-5.73	6.91
LIMURU TEA	500.00	500.00	0.00	0.00	0.00	0.00	-16.67	-0.20
LONGHORN	5.10	5.15	0.98	0.00	-5.50	-5.50	3.00	218.1
MUMIAS SUGAR	0.95	0.95	0.00	-5.00	-9.52	-17.39	-20.83	-9.52
NAIROBI BUSINESS VENTURES	2.85	2.70	-5.26	-8.47	-6.90	-22.86	-47.57	-67.86
NAIROBI SECURITIES	19.75	19.75	0.00	6.47	4.25	-1.25	-16.84	57.37
NATION MEDIA	105.00	105.00	0.00	-0.94	-0.94	-9.48	-6.25	24.26
NATL BANK KEN	8.40	8.25	-1.79	-7.30	-7.82	-18.32	-26.99	35.25
NIC BANK	35.25	35.50	0.71	0.71	-4.05	-4.05	-1.39	32.71
OLYMPIA CAPITAL	3.10	3.40	9.68	3.03	3.03	3.03	3.03	21.43
SANLAM	27.50	27.50	0.00	0.00	185	1.85	-9.09	3.77
SAFARICOM	29.75	29.75	0.00	3.48	0.85	11.21	20.20	65.28
SAMEER AFRICA	2.50	2.55	2.00	0.00	-3.77	-12.07	-1.92	-10.53
SASINI	26.50	25.50	-3.77	4.08	-4.67	-5.56	-4.67	21.43
STANLIB FAHARI I-REIT	10.60	10.45	-0.94	0.48	-1.41	-0.47	-13.93	-0.47
WPP SCANGROUP	17.25	17.35	0.58	1.46	2.06	-4.93	-26.95	1.76
STANDARD GRP	33.75	34.50	2.22	3.76	15.00	-6.76	2.99	81.58
STD CHART KEN	209.00	210.00	0.48	1.45	2.44	-4.55	-8.70	5.53
TOTAL KENYA	30.00	29.75	-0.83	-0.83	19.00	15.53	27.96	73.98
TPS (EA)	35.00	35.00	0.00	0.00	0.00	25.00	29.63	68.67
TRANSCENTURY	5.65	5.70	0.88	-4.20	-1.72	-16.18	-26.92	-9.52
UCHUMI SUPER	3.25	3.25	0.00	1.56	-7.72	-10.96	-18.75	16.07
UNGA GROUP	42.50	42.25	-0.59	0.00	52.25	29.01	34.13	34.13

DAILY CORPORATE BONDS

Effective Date:February 21, 2018

ISSUE DATE

MATURITY DATE

ISSUED VALUE IN MILLIONS

COUPON (%)

TRADED YIELD (%)

TOTAL VALUE TRADED

CENTUM BOND SENIOR UNSECURED FIXED RATE AND EQUITY LINKED NOTES					
CTNB.BD.08.06.20/13	15-Jun-15	8-Jun-20	3,899.22	13.00	
CTNB.BD.08.06.20/12.5	15-Jun-15	8-Jun-20	2,100.77	12.50	
CTNB.BD.08.06.20/12.5V	15-Jun-15	8-Jun-20	2,100.77		
CONSOLIDATED BANK OF KENYA LTD MEDIUM TERM NOTE PROGRAMME					
CON.BD-FX(DSN)/2012/7Yr	30-Jul-12	24-Jul-19	1,480.60	13.25	
CON.BD-FXD(SBN)/2012/7Yr	30-Jul-12	22-Jul-19	196.50	13.60	
CON.BD-FRS(N)/2012/7Yr	30-Jul-12	22-Jul-19	1.00		
SHELTER AFRIQUE MEDIUM TERM NOTES					
FXD 1/13/05Yr	30-Sep-13	24-Sep-18	4,239.70	12.75	
FR 1/13/05Yr	30-Sep-13	24-Sep-18	760.30		
KENGEN PUBLIC INFRASTRUCTURE BOND OFFER 2019					
FXIB 1/2009/10Yr	2-Nov-09	31-Oct-19	14,062.00	12.50	
HOUSING FINANCE MEDIUM TERM NOTE					
FXD (HFCK) 02/2012/7Yr	22-Oct-12	14-Oct-19	2,969.10	13.00	
I&M MEDIUM TERM NOTE					
FXD I&M-01/13/5.25	13-Dec-13	8-Mar-19	3,429.00	12.80	
FRN I&M-01/13/5.25	13-Dec-13	8-Mar-19	226.00		
BRITAM MEDIUM TERM NOTE					
BRTB.BD.22/07/19-0037-13	22-Jul-14	15-Jul-19	6,000.00	13.00	
UAP HOLDINGS MEDIUM TERM NOTE					
UAPBD.BD.22.07.2019	28-Jul-14	22-Jul-19	2,000.00	13.00	
NIC MEDIUM TERM NOTE					
NIC.BD.09/09/19-0039-12.5	8-Sep-14	9-Sep-19	5,514.50	12.50	
CIC INSURANCE GROUP LTD MEDIUM TERM NOTE					
CIC.BD.22.07.2019	8-Oct-14	2-Oct-19	5,000.00	13.00	
STANBIC MULTICURRENCY MEDIUM TERM NOTE					
CFCB.BD.08/12/21-0042-12.95	15-Dec-14	8-Dec-21	5,080.00	12.95	
CBA FIXED MEDIUM TERM NOTE					
CBAB.BD/14/12/20-00412.75	22-Dec-14	14-Dec-20	7,000.00	12.75	
EARL FIXED MEDIUM TERM NOTE					
EABB.BD/19/03/18-0043-12.95	23-Mar-15	19-Mar-20	5,000.00	12.95	
EABB.BD/28/03/22-0052-14.17	3-Apr-17	28-Mar-22	6,000.00	14.17	
CHASE BANK FIXED MEDIUM TERM					
CHBD.BD/02/06/22-0044-13.5	10-Jun-15	2-Jun-22	4,822.40	13.25	
REAL PEOPLE MEDIUM TERM NOTE					
RPBBD.BD/06/08/18-0046-13.65	10-Aug-15	6-Aug-18	270.30	13.65	
RPBBD.BD/03/08/20-0047-13.65	10-Aug-15	3-Aug-20	1,363.90	13.65	
FAMILY BANK MEDIUM TERM NOTE					
FBKB.BD/19/04/21-0049-13.75	26-Oct-15	19-Apr-21	1,297.10	13.75	
FBKB.BD/19/04/21-0051-2.5	26-Oct-15	19-Apr-21	600.70		
FBKB.BD/19/04/21-0050-14	26-Oct-15	19-Apr-21	121.00	14.00	

INTERBANK RATES

Effective date: Feb 20, 2018

MARKET DATA**CURRENCIES**

KENYA SHILLING			SOURCE: CBK
CURRENCY	MEAN	BUY	SELL
STG POUND	141.892	141.737	142.047
EURO	125.037	124.896	125.178
S FRANC	108.345	108.209	108.481
US DOLLAR	101.297	101.197	101.397
JPY (100)	94.533	94.427	94.640
CAN \$	80.337	80.245	80.429
AUSTRALIAN \$	79.939	79.835	80.043
SINGAPORE DOLLAR	76.825	76.740	76.909
KES / USHS	35.865	35.780	35.950
AE DIRHAM	27.577	27.546	27.608
SAUDI RIYAL	27.010	26.982	27.039
KES / TSHS	22.232	22.160	22.303
KES / BIF	17.472	17.331	17.612
DAN KRONER	16.788	16.770	16.806
CHINESE YUAN	15.957	15.930	15.984
HONGKONG DOLLAR	12.947	12.934	12.960
NOR KRONER	12.937	12.922	12.953
SW KRONER	12.524	12.509	12.538
SA RAND	8.622	8.611	8.632
KES / RWF	8.383	8.291	8.476
IND RUPEE	1.562	1.561	1.564

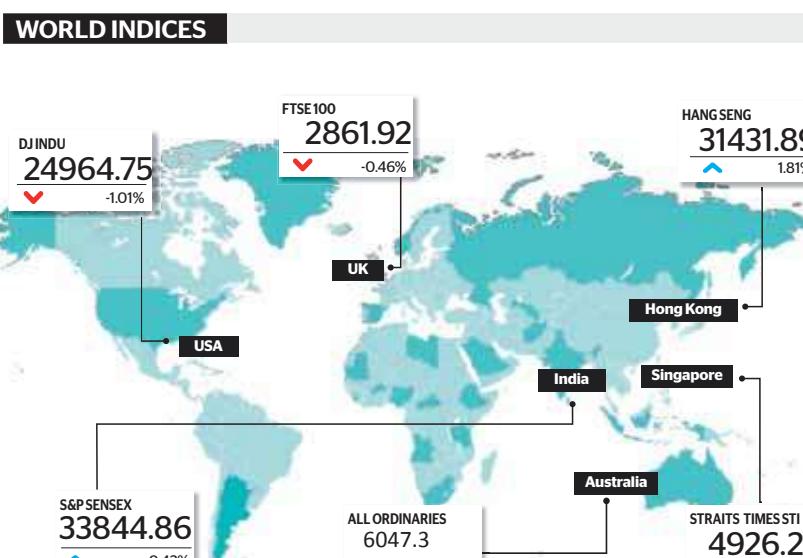
US DOLLAR SOURCE: REUTERS

BACKGROUND	BID	ASK
British Pound	1.3915	1.3919
Euro	1.2301	1.2306
Swiss Franc	0.9382	0.9384
Australian Dollar	0.7841	0.7846
Swedish Krona	8.1004	8.1034
Canadian Dollar	1.2674	1.2678
Japanese Yen	107.55	107.56
Chinese Yuan	6.3438	6.3525
Norwegian Krone	7.838	7.843
Bosnian Mark	1.5675	1.6103
Danish Krone	6.0518	6.0528
Russia Rouble	56.6305	56.6395
Indian Rupee	64.755	64.765
Turkish Lira	3.7884	3.7926
Iceland Krona	100.56	100.81
Polish Zloty	3.3801	3.3816
Czech Koruna	20.598	20.608
Hungarian Forint	253.6	253.85
Ukraine Hryvnia	26.985	27.01
Israel Shekel	3.5008	3.5028
Albanian Lek	106.75	107.7
Bulgarian Lev	1.5892	1.5899
Serbian Dinar	59.99	60.19
Cyprus Pound	0.3975	0.398
Estonian Kroon	11.6971	11.7076
Georgian Lari	2.45	2.48
Thai Baht	31.5	31.52
Gibraltar Pound	1.3989	1.3991
Croatian Kuna	6.045	6.048
Kazakhstan Tenge	319.43	319.51
Lithuania Litas	2.8536	2.8542
Latvian Lats	0.5078	0.5087
Moldovan Leu	16.62	16.72
Macedonian Denar	49.79	50.3
Maltese Lira	3.4077	3.4197
Romanian Leu	3.787	3.7926
Slovak Koruna	21.546	21.6
Serbian Dinar	95.8	96
Armenian Dram	479	481.75
UAE Dirham	3.673	3.674
Angolan Kwanza	209.61	210.12
Burundi Franc	175.049	1765
Congo Franc	1594	1650
Botswana Pula	0.1051	0.1053
Cape Verde Escudo	89.57	90.43
Djibouti Franc	176.83	177.05
Algerian Dinar	113.9064	114.2564
Egypt Pound	1769	17.74
Ethiopian Birr	27.2271	27.5983
Ghanaian Cedi	4.4675	4.4775
Gambian Dalasi	47.4	481
Eritrean Nakfa	15	15.15
Guinea Franc	9005	9050
Kenya Shilling	101.4	101.6
Comoro Franc	397.6	399.6
Liberian Dollar	128.19	133
Lesotho Loti	11.6611	11.6666
LIBYAN DINAR	1.3263	1.333
Moroccan Dirham	9.209	9.214
Malagasy Ariary	3125	3270
Mauritania Ouguiya	351	354
Malawi Kwacha	716.95	735.39
Mozambique Metical	61.35	62
Nigerian Naira	305.95	306.45
Rwanda Franc	861.94	865
SC Rupee	13.46	13.48
St Helena Pound	1.3992	1.4002
Sierra Leone Leon	7730	7850
Sao Tome Dobra	19855	19925
Somali Shilling	575	582
Swaziland Lilageni	11.663	11.673
Tunisian Dinar	2.4055	2.4305
Tanzania Shilling	2247	2257
Uganda Shilling	3635	3645
CFA Franc BEAC	553.29	556.72
CFA Franc BCEAO	527.2	534.2
Mauritius Rupee	32.6	32.9
South Africa Rand	11.6645	11.6695
Zimbabwe Dollar	378	381

GLOBAL INDEXES

NAME	DAILY CLOSE	CHANGE	%CHG	YTD %CHG	52-WEEK HIGH	%CHG	3-YEAR %CHG
GLOBAL							
THE GLOBAL DOW (WORLD)	3127.09	-17.22	-0.55	1.30	3232.74	17.20	6.60
THE GLOBAL DOW EURO (WORLD)	2385.92	-2.40	-0.10	-1.40	2522.21	0.10	3.70
DJ GLOBAL INDEX (WORLD)	402.05	-1.88	-0.47	1.20	425.41	16.60	6.60
DJ GLOBAL EX U.S.(WORLD)	269.31	-0.93	-0.34	1.00	285.34	19.00	4.80
ASIA PACIFIC							
ALL ORDINARIES (AUSTRALIA)	6045.60	1.60	0.03	-2.00	6241.50	3.60	11.0
S & P/ASX 200 (AUSTRALIA)	5940.90	-0.70	-0.01	-2.00	6135.80	2.60	0.30
DOW JONES CHINA 88 (CHINA)	341.82	---	CLOSED	0.40	378.99	24.70	6.50
SHANGHAI COMPOSITE (CHINA)	3199.16	---	CLOSED	-3.30	3559.47	-0.40	UNCH.
HANG SENG (HONG KONG)	30873.63	-241.80	-0.78	3.20	3315.42	28.80	750
S & P/BSE SENSEX (INDIA)	33703.59	-71.07	-0.21	-1.00	36283.25	17.20	4.90
JAKARTA COMPOSITE (INDONESIA)	6662.88	-26.41	-0.39	4.80	6689.29	24.70	7.30
NIKKEI 300 (JAPAN)	347.02	-2.75	-0.79	-2.90	375.99	11.80	4.50
NIKKEI STOCK AVG (JAPAN)	21925.10	-224.11	-1.01	-3.70	24124.15	1310	6.10
TOPIX INDEX (JAPAN)	1762.45	-12.70	-0.72	-3.00	1911.07	13.30	5.50
KUALA LUMPUR COMPOSITE(MALAYSIA)	1855.99	-1.33	-0.07	3.30	1870.52	8.80	0.90
S & P/NZX 50 (NEW ZEALAND)	8098.7	-16.99	-0.21	-3.60	8455.55	13.80	12.10
PSI (PHILIPPINES)	8722.70	12.48	0.14	1.90	9058.62	19.80	3.70
STRAITS TIMES (SINGAPORE)	3476.53	-11.35	-0.33	2.20	3609.24	12.40	0.40
KOSPI (SOUTH KOREA)	2415.12	-27.70	-1.13	-2.10	2598.19	14.80	7.20
COLOMBO STOCK EXCHANGE (SRI LANKA)	6577.84	12.21	0.19	3.30	6766.14	7.30	-3.50
WEIGHTED (TAIWAN)	10421.09	---	CLOSED	-2.10	11253.11	7.30	3.10
SET (THAILAND)	1801.02	-8.65	-0.48	2.70	1838.96	15.10	3.90
EUROPE							
STOXX EUROPE 600 (EUROPE)	380.51	2.27	0.60	-2.20	402.81	1.90	-0.20
STOXX EUROPE 50 (EUROPE)	3053.83	16.53	0.54	-3.90	3276.11	-1.20	-2.70
EURO STOXX 50 (EURO ZONE)	3435.08	27.29	0.80	-2.00	3697.40	2.90	-0.50
EURO STOXX (EURO ZONE)	382.17	2.59	0.68	-0.90	404.86	6.80	2.20
ATX (AUSTRIA)	3402.96	-6.30	-0.18	-0.50	3688.78	20.90	11.60
BEL-20 (BELGIUM)	3938.62	16.16	0.41	-1.00	4176.88	8.50	2.80
PX 50 (CZECH REPUBLIC)	110614	-4.07	-0.37	2.60	1140.00	13.50	2.90
OMX COPENHAGEN (DENMARK)	905.31	2.10	0.23	-2.30	952.52	8.50	5.40
OMX HELSINKI (FINLAND)	9968.79	72.89	0.74	5.20	10012.01	9.60	4.30
CAC 40 (FRANCE)	5289.86	33.68	0.64	-0.40	5541.99	8.20	3.10
DAX (GERMANY)	12487.90	102.30	0.83	-3.30	13559.60	4.30	4.20
BUX (HUNGARY)	38667.08	-339.27	-0.87	-1.80	41516.41	12.60	29.00
FTSE MIB (ITALY)	22673.56	104.64	0.46	3.80	23890.18	19.10	1.30
AEX (NETHERLANDS)	532.93	4.17	0.74	-2.10	570.82	6.90	4.30
ALL-SHARE (NORWAY)	906.28	2.97	0.33	-0.10	904.47	16.70	11.10
WIG (POLAND)	62858.56	54.91	0.09	-1.40	67529.39	5.90	6.10
PSI 20 (PORTUGAL)	5448.81	1316	0.24	1.10	5791.88	16.30	-0.10
RTS INDEX (RUSSIA)	1264.68	5.67	0.45	9.60	1311.21	8.90	11.60
IBEX 35 (SPAIN)	9895.30	89.10	0.91	-1.50	1135.40	3.50	-3.10
SX ALL SHARE (SWEDEN)	570.50	6.12	1.09	0.30	600.20	1.20	1.80
SWISS MARKET (SWITZERLAND)	8981.39	72.74	0.82	-4.30	9611.61	4.80	0.30
BIST 100 (TURKEY)	11342.85	-2449.11	-2.11	-1.60	12084.59	27.50	9.90
FTSE 100 (U.K.)	7246.77	-0.89	-0.01	-5.70	7778.60	-0.40	1.60
FTSE 250 (U.K.)	19802.91	149.34	0.76	-4.50	20932.56	5.50	5.00
AMERICAS							
DJ AMERICAS (AMERICAS)	650.47	-3.64	-0.56	1.30	687.75	13.50	790
Merval (ARGENTINA)	32825.94	-455.38	-1.37	9.20	35141.72	63.50	51.50
SAO PAULO BOVESPA (BRAZIL)	85803.96	1011.25	1.19	12.30	85803.96	24.30	18.80
S & P/TSX COMP (CANADA)	15439.44	-13.20	-0.09	-4.70	16412.94	-3.00	0.60
SANTIAGO IPSA (CHILE)	42861.4	33.57	0.79	1.80	4442.56	26.60	9.40
IPC ALL-SHARE (MEXICO)	48685.19	-243.29	-0.50	-1.40	51713.38	2.20	3.80

SOURCE: WSJ MARKETS



Life



MANAGEMENT

TEAM SUCCESS



BUSINESS TALK

SCOTT BELLOWS
Chair, Incubation and
Innovation Centre

Why do some teams thrive while others flounder? Google famously empowers teams that in turn perform and exceed targets. The firm even allows employees to spend 20 per cent of their time working on their own initiatives and creating their own teams. Over the past ten years, Google is known for its work teams generating innovative new products used by billions of global citizens.

On the other hand, Yahoo for years tried and tried and tried again to attract top human talent, form innovative teams, then tried to achieve renewed success. However, year after year, Yahoo failed to achieve its former glory and marked very few successes. Commensurate with its decline, the company even suffered repeated embarrassing security breaches in its signature web-based email product. Upon the security failures, Yahoo found it even more difficult to get their teams to perform.

Unfortunately for Yahoo, teams consist of individuals. Individuals

GOOGLE IS KNOWN FOR ITS WORK TEAMS GENERATING INNOVATIVE NEW PRODUCTS

on teams have psychological needs, perceptions, attitudes, intentions, and behaviours. Employees find it difficult to get excited and solve organisational problems when teams have lackluster histories. Instead of working feverishly to achieve institutional targets, the staff start working on their own selfish goals to protect themselves. They start networking, updating their CVs, and scouring job websites intensely looking to find more stable predictable employment. Workers fear that teams with a history of underperformance might get disbanded or shrink its workforce. Also, employees feel embarrassed to be associated with an underperforming team and instead strive to bolster their personal reputations to counter the team status.

Now please take out a pen and paper or get out your mobile device

BUILDING TEAMS THAT ARE KEEN TO WIN BIG

SOLUTION Manager has to overcome the psychological hurdles of prior mediocre performance



and record your perceptions of agreement on the following four statements. Rate your agreement on the following scale of five options with 1) strongly disagree, 2) disagree, 3) neither agree nor disagree, 4) agree, and 5) strongly agree for each statement individually:

My team achieves its goals; my team achieves high performance; my team makes a great contribution to the company; my team is very successful in terms of overall achievement.

Next take your agreement rating for each of the four statements and then

WRONG STRATEGY PAGE 29
SALES PITCH:
Exploiting customers' inexperience is a short-lived plan



FOOTBALL PAGE 31
MATCH
Barcelona earn vital draw at Stamford Bridge

total them together. Divide your total number and divide by four to arrive at your average rating. If your average rating comes in at four or higher, then you work on a successful contributory performing team. If your average rating falls between three and four, then you labour in a moderately performing team with nominal successes. In the event that your average comes in under a three, then your team abates as an underperforming group with unimpressive achievements.

As a manager, how do you start to overcome the psychological hurdles

of prior mediocre performance or uninspiring organisational influences? Create clear wins for your teams. Generate achievable targets to cheer in addition to the more challenging goals. Do not merely obsess on difficult broad targets. Then, when achieving even incremental success, celebrate accomplishments in meaningful ways to boost the morale and reputation of your team.

Dr Scott may be reached on scott@ScottProfessor.com or on Twitter: @ScottProfessor

Ten habits that hold back your success

ADJUSTMENT To realise our goals, we must adjust our attitudes, getting rid of everyone and everything that is a distraction

One of the greatest ways that you can improve your daily productivity is to cut out habits that drain your motivation. They give you less energy to tackle the day and decrease happiness levels. The challenge is that life is full of distractions.

That being said, letting the distractions consume you will make going through each day much more difficult. You should, instead, look for places in your life that you can change in order to have more energy and motivation. Doing so will increase your output and your well-being.

Here are 10 habits you can quit today that will dramatically increase your energy and motivation, which will lead you to a more productive lifestyle:

1. WORRYING ABOUT WHAT IS OUT OF YOUR CONTROL

There will be hard times and tough situations that you will find yourself in throughout life. Worrying about something that is out of your control, though, does not accomplish anything.

You cannot control the decisions that the government is making or an unlucky event that happened to you.

All you can do is decide what to do next. Although it is challenging to get rid of the angst and constant nagging in your mind, accepting whatever has happened as a given will free up a significant amount of mental space and energy.

2. ALWAYS BEING A PERFECTIONIST.

Not everything is going to be perfect. That is inevitable. There are times when perfection matters, but typically it does not. Therefore, do not let yourself become obsessed with perfection. It is draining because getting something from 95 per cent to 100 per cent can often be as much work as getting from one per cent to 95 per cent in the first place. Instead, pick your battles. You will free up energy and increase your motivation.

3. GETTING SUCKED UP IN WHAT OTHERS CARE ABOUT

There will always be people talking or complaining about something. When it is an event or situation that you do not care about, getting caught up in it is draining.

Even 20 minutes with your friends,

while they complain about their bosses, will take energy away from you. It is tiring to listen to negative people. You might even be influenced to think the same about your boss when that is not the case. Instead, avoid situations like that. Do not let yourself get distracted or tired from things that you do not care about.

4. HELPING PEOPLE WHO DON'T WANT TO BE HELPED

You might have a loved one that is going through a hard time. It is important to support them however you can. That being said, you

help when it will not achieve much.

5. PAYING UNDUE ATTENTION TO ALL THE SUBTLE ACTIONS AND WORDS OF OTHERS

The words and actions of others can get us down. In some cases, those words and actions can teach us things about ourselves that are valuable to know.

In most cases, though, we read too much into it. Do not worry about the tone of the text message that your friend sent or the small interaction you had with them the other day. They could have just been in a rush or in a bad place.

There are times to worry and think about these words and actions, but pick your battles and understand that the little things are often insignificant. When you are unsure, instead of letting it get to you, just ask.

6. SPENDING TIME WITH PEOPLE WHO BRING YOU DOWN

Over the past few years I'm surrounded myself with only people I really enjoy being around.

to manage your calendar to find a time where you can all be together in person. These times are some of the best times in my life. Times that I live for and get me through the hard times.

7. DOING WORK YOU DO NOT ENJOY

It is inevitable to have work we do not enjoy occasionally. If this is your full-time job, though, you should try and change your situation. We work, on average, 40 hours a week. Often, it is a lot more. Therefore, I highly recommend finding work that you love. Spending eight hours a day doing something that exhausts you without much in return is extremely counterproductive.

I'm not saying to quit your job, but, rather, to try and find something you enjoy more.

8. SKIPPING YOUR WORKOUTS

It is easy to hit snooze on your alarm or to go directly home after work instead of the gym. Doing so, though, will leave you worse off. Working out releases endorphins, it gives you time to decompress, and it leaves you feeling more healthy.

Missing workouts is an extremely negative habit because of all that it takes away from you. Instead, push yourself to workout a few times a week. It might be tough to motivate in the moment, but it is always worth it.

9. THINKING ABOUT UNFORTUNATE PAST EVENTS.

Harping on the past is easy. It gives us a place to point fingers, make excuses and wish for different outcomes. Similar to worrying about what is out of your control, though, thinking about the past does not accomplish anything. It just takes away motivation from the current moment. It will get you down about your situation and wishing that things had played out differently.

Instead, all there is to do now is move forward.

10. STRUGGLING TO SAY NO TO PEOPLE

We, overwhelmingly, feel a need to please those around us. That is why it is so tough to say no to others. Sometimes, this is good because it pushes us out of our comfort zone. Many times, though, it is harmful. You end up taking on responsibilities or doing things that you do not want.

The solution is to learn how to say no. The transition is difficult at first, but people will respect you for it. Plus, it will give you significantly more time and power to commit to other things.



cannot change them. The change has to come internally.

Plus, it is exhausting to support others through challenging times. Deciding who to help is at your discretion. In situations where you cannot help, though, it is illogical to try. Sometimes, people refuse to be helped. In these cases, you will only walk away frustrated, tired, and the other person will be no better off.

Look out for these times. Doing so will save you a lot of energy trying to

This wasn't always the case. When starting out my entrepreneurial career I surrounded myself with people who would make me money. This was the wrong approach to life. I hated myself each and every day. I dreaded not living up to their expectations. This would always bring me down.

Instead, surround yourself with people that lift you up. People that accept you for who you are. I would even go as far as

STRATEGY: There is need to leave room for career growth

EXPLOITING CLIENT INEXPERIENCE IS A SHORT-LIVED PLAN



SALES PITCH



JOHN KAGECHE
is lead facilitator,
Lend Me Your Ears
(sales training)
kageche@lendmeyo
urears.co.ke

I love my plumber. As for my (former) mechanic, not so much. Twice my plumber has refused a job, instead insisting that I resolve it myself. No, he wasn't being rude; just practical.

The first time was to remove an airlock; the second tighten a leaking joint. In both cases he had already showed me how to do it, I just wasn't

instructed and laughed hard at my folly having realised how simple the leak was to fix. He even told me what caused the leak and what to do to ensure it doesn't recur.

In a different economy that could pass for consultancy services and as such billable. And many formal sellers (consultants, for instance) would be happy to charge, than show you, how to resolve a problem you can, yourself.

Just as there are sellers who will decline accepting faulty goods sold insisting that you buy others. Or, an insurance company quick to deny a claim because the contract (policy) had lapsed by a day; yet the customer has never claimed in the eight years he's been with them.

These sellers are not much different from my former mechanic. He happily thrived in mercilessly exploiting my ignorance about matters vehicular. But to paraphrase a wise man; "You can fool some people some time, but not all the people all the time." His chicken came home to roost, and that's why he is now 'former'.

Exploiting the customer's inexperience for gain may appear good for short-term commissions but

not for long-term business. It would be easy for my plumber (just as with the mechanic) to keep showing up with every call and billing for it.

But what would that mean? First, caught in the trap of easy money, he would remain tethered to its allure.

His professional growth would be limited to fixing simple leaks and airlocks-he would have zero incentive to grow to complex plumbing and piping. Next, just as with the mechanic, he would most likely be 'former' if I had discovered for myself how simple fixing the problem was. This is because I would have felt cheated.

Finally, I have retained him for nine years now, and given him countless referrals, because he has gained my confidence and trust. He fixes problems (himself, or through me) conclusively. He also admits when he has made an error and won't charge for correcting it. In such instances though, being an effective salesperson occasionally he will politely state, *Kama fare ya kurudi itapatikana nitashukuru* (If you can, please give me fare).

What about you? How are you exploiting your customers? What will you do about it?

Necessary evil

SHORTER MEETINGS ARE MORE PRODUCTIVE

L ove them or hate them, meetings are part of life as an entrepreneur. The average professional spends 31 hours per month in meetings – that's more than 15 full days a year!

Meetings take up a lot of time, and it's not just the time you actually spend in the meeting; the prep, scheduling, note taking and follow-up that also occur can be an even bigger drag on your already-tight schedule and resources.

A recent study by Zoom of 1,000 professionals shows that incorporating some fast-improving technologies, including AI, can save you mountains of time. More than 78 per cent of people who have a lot of meetings (more than 10 hours per week) thought AI would save them at least an hour a week, with most estimating between one and five hours per week. That's up to 4.5 weeks per year that could be freed up for your real work.

Here's how to get that time back in your busy schedule.

RECORD MEETINGS

There are a lot of solutions out there that will record and transcribe your full meeting. That means you don't need to take notes, and you definitely don't need to designate a note taker. Instead, have your usual note taker work on a different, higher-value activity.

You can also use those transcripts to quickly review a meeting you might have missed and use keyword searches to zero in on the parts of the meeting you care most about rather than watch a recording of the entire meeting.

AUTOMATE YOUR MEETING SCHEDULING

Not everyone can afford to have someone scheduling meetings. If you're dealing with large groups and multiple time zones, this seemingly small activity could take a ton of time. Using self-scheduling apps like my company, Calendar, or AI assistants like Clara Labs can



save you from wasting precious time looking at calendars to set up a meeting.

PUSH YOUR TEAM TO IMPROVE THROUGH AI

Anyone who has sat through a long-winded meeting has witnessed the colleague who can't seem to express a point in less than 10 minutes. Tech platforms like Reason8 dig through transcripts to use natural language processing to figure out how teams could distill their talking points or to determine who spends the most time talking in any given meeting. Using AI as a coaching tool can help teams improve not only their efficiency, but also their own communication skills. These platforms can isolate action items more quickly and tie them together, helping teams see chance to do the same.

GO MOBILE

Sometimes, a meeting at the right time can prevent longer one later. I've taken meetings from everywhere, from the top of a mountain to an airplane. Entrepreneurs are always on the go. Don't wait to make a critical decision when you're back in the office.

Take meetings on the road, on-site, or anytime you can squeeze them in so you can keep moving faster than the competition. Between improved global bandwidth and video meeting technologies optimised to work on mobile, you don't have to wait for the office to get clear audio and video.

Entrepreneur

LIFE: WORKPLACE

OVERSIGHT Appointees must be more engaged, shrewd, enterprising than ever

Why it is no longer a joke to wear the director's hat

MANAGEMENT

IBRAHIM KITOO
Advocate of the High Court of Kenya

Louis Cabot once described his experience of serving on the board of Penn Central Railroad as it struggled through the 1970s and 1980s. He said: "We were treated like a rubber stamp. Board meetings would last only a half an hour. We'd start with the waiving of the minutes of the prior meeting, and then we'd have only a summary of those. Then we'd hundreds of different locations you never heard of....Then we'd turn to the financial reports. They weren't in any form I'd ever seen. They were summaries. They didn't show all the facts that later turned out to be crucially important" (Waldo, 1985, p. 4).

The above statement no doubt explains the way board affairs in Kenya have hitherto been conducted in a number of firms.

Luckily enough we now have The Companies Act, 2015. The Act draws heavily on the United Kingdom Companies Act, 2006. In particular, the Act has codified the duties of directors unlike before where reliance was placed on common law or what in legal parlance is referred to as precedent.

It now expressly provides for a variety of duties on the directors. Among them:- directors must act within powers granted to them by the Articles of the Company and any statutory authority.

This being the case any acts outside these powers are ultra



vires and the directors remain liable for them. In executing their responsibilities they must endeavour to promote the success of the company.

This encompasses putting into consideration the corporate value or long-term success of the company and other stakeholder interests. They must exercise independent judgment in their execution of duties, apply reasonable care, skill and diligence to their tasks and avoid conflict of interests.

Their responsibilities are to ensure that the corporation remains loyal to its corporate purpose, to exercise prudential judgment in carrying out these obligations while giving prominence and due regard to the interests of all shareholders (majority and minority) and for corporate value and sustainability.

The Act also introduced and codified the principle of derivative action. In essence, this means that the shareholders can take legal action on behalf of the company against directors who abdicate their obligations. Before the codification

LEADERSHIP
Board membership is not about receiving hefty allowances for mediocrity.
--FOTORESEARCH

for one to successfully file any suit against a director or directors on behalf of the company s/he had to rely on the common law exceptions.

We have before witnessed increased shareholder activism with minority shareholders asserting themselves to the point of putting in a rival bid. A case in point was in the Rea Vipingo Plantations takeover by REA trading Limited.

Indeed, last week we witnessed an objection by the minority shareholders of Unga Group Holdings Limited on the proposed takeover of Unga Group Holdings by the Seaboard Corporation of Delaware, US on the basis that the shares had been undervalued and that the takeover was in total disregard of natural justice, oppressive and prejudicial to their fiscal interests.

Board membership is a serious matter. It is not about padding a resume or receiving hefty allowances for mediocrity. It is not about filling the boardroom with people who will be rubber-stamps in the hands of executives.

It is about courageous, visionary and curious leadership that asks tough and many a times uncomfortable questions, insists on complete answers, and takes its role in the company and in society seriously.

They must be willing to ask the questions that will provide them with a complete understanding of the risks and rewards of any proposed plan of action and how it will affect the long-term viability and corporate success.

Proven tactic

HOW CHEATING CAN HELP YOU REACH YOUR GOALS

By February, many New Year's resolutions have already fizzled out - anywhere from a third to half of us have already given up by the second month of the year.

Several small studies underline that while more than 40 per cent of us set these kinds of goals, less than half stick with them over the course of the year. One survey found just eight per cent of respondents achieved their aspirations over any time period at all.

Although these resolutions are notoriously tough to reach, this doesn't

stop people trying. So here's a fresh tactic for setting - and sticking with - your goals.

'Low-cost cheating' could help people reach their goals. That's according to Marissa Sharif, an assistant professor of marketing at The Wharton School at the University of Pennsylvania.

How it's meant to work: An all-or-nothing approach to goals is all wrong, Sharif's research suggests. She says we should instead be building 'emergency reserves' into our goal-setting process. That is, a specific type of structured flexibility, such as cheat days, may

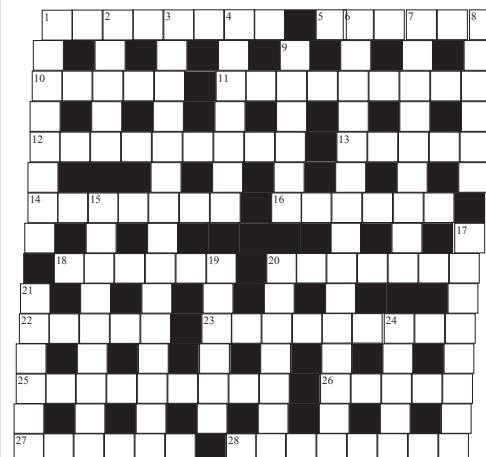
help us stay motivated.

Of course, those of us who follow fitness and savings programmes might already be familiar with the strategy of building in release valves to ease pressure on ourselves. This 'cheating' mindset helps people to keep sight of their longer-term vision, says Leena Rinne, productivity expert at US consultancy FranklinCovey.

Yet many people are far too rigid when goalsetting. By being too strict, we're making our goals less attainable, Sharif says.

BBC

TIMES CROSSWORD | 24,938



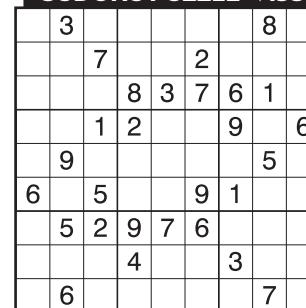
ACROSS

- Display of liveliness it's said by Leicester supporter? (8)
- School is the setting for my career (6)
- US agents grub around (5)
- Master flayed low back in sauna (5,4)
- After a time, seal entrance (9)
- Crossword design rejected by editor initially as lamentable composition (5)
- No longer a problem, one reveals (7)
- Return to start of film showing victory secured by communist (6)
- Apear cheerful after revolution (4,2)
- Pitch with new design (7)
- Dog basket carried round by husband (5)
- China, perhaps, is a distance to travel on horse, if short of time (9)
- Shortened "dogged" to "dog" (9)
- Have enough for one small animal, nothing more (3,2)
- Unkind piece of writing makes one burst into tears, unfortunately (6)
- Joiner keeping dull job secure so? (8)

DOWN

- Vehicle I parked at front of building disappeared (8)
- Writer introduced by governess (5)
- Latin teacher is worried about school principal's unrealistic expectations (7,2,3,3)
- More likely to become annoyed about computer technology setup (7)
- Drop in the ocean? Not so - get real! (4,4,2,5)
- River trip in which old family member takes part (3,6)
- Diminutive actor maybe in title role (6)
- Poster creating endless embarrassment, apparently, when put up (6)
- Man of means with power and unusual clout; not a nice person (9)
- Noted crooner performing at opening of Dome (2,6)
- Photograph deer going round preserve (6)
- Heroic knight saved youngster in distress (7)
- Spots old film star on board ship (6)
- Early signs of grief about cardinal who's passed away? (5)

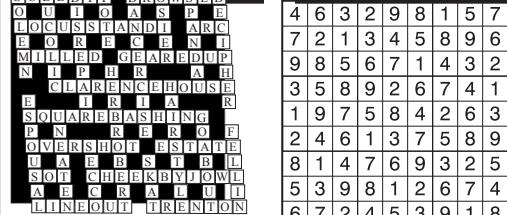
SUDOKU PUZZLE | 138



HOW TO PLAY

FILL THE grid so that every row, every column and every 3 by 3 box contains 1-9. You solve the puzzle with reasoning and logic and not mathematical ability.

SUDOKU | 137



To have Steve (Stricker) and Tiger (Woods) share the journey is important for me and for American golf."

US GOLF TEAM CAPTAIN JIM FURYK

CONTEST Chelsea had subdued Messi and the hosts looked like they would grind out a win

Lionel Messi's first goal in nine Champions League games against Chelsea gave Barcelona a potentially vital away goal as they rode their luck to earn a draw in this last-16 tie at Stamford Bridge.

Chelsea had subdued Messi and Willian had struck the woodwork twice in the first half before a fine low finish from the edge of the area made it third-time lucky for the Brazilian and gave Antonio Conte's side a deserved lead after 62 minutes.

Barcelona had barely threatened but a misplaced pass from Andreas Christensen gave Andres Iniesta the opportunity to allow Messi to end that 730-minute drought against Chelsea with a crisp left-foot drive 15 minutes from time.

It was cruel on Chelsea after an outstanding display - but gives Barca the advantage of an away goal for the return leg at the Nou Camp on Wednesday, 14 March.

The result at Stamford Bridge does mean that none of the English teams have lost in their last-16 first-leg ties so far.

Liverpool beat Porto 5-0, Manchester City defeated Basel 4-0 and Tottenham drew 2-2 at Juventus.

CONTE'S MASTER PLAN ALMOST PAY OFF

Chelsea and Conte knew they needed a performance of fierce tactical discipline and near perfection to establish a platform for progress from this Champions League last 16.

And they came so close to achiev-

Chelsea error gifts Barcelona vital draw



MATCH Chelsea take on Barcelona for a spot in the Champions League's quarter finals at the Stamford Bridge on Tuesday night. --AFP

ing it until that moment in the 75th minute that might yet prove decisive in this tie.

Conte's decision to play with Eden Hazard as a "false nine" and have plenty of bodies in and around Barcelona's brilliant creators worked superbly as Willian gave them the lead they fully deserved just after the hour.

Only ill luck and both posts had prevented the hosts from building an advantage earlier. And Chelsea's organisation and willingness to contest every situation frustrated Barcelona, even the world-class pairing of Messi and Luis Suarez.

And in Willian, Chelsea had the game's outstanding performer as he rattled both posts and ran Barcelona ragged with his pace and strong running.

Stamford Bridge was just beginning to contemplate taking a precious lead to the Nou Camp when Christensen, outstanding for Chelsea this season, misplaced a pass across his own area with catastrophic con-

sequences.

Iniesta picked the perfect pass for Messi to complete the formalities with a sweeping left-foot finish.

Chelsea's concentration may have been disturbed by penalty appeals a second earlier when Suarez tangled with Antonio Rudiger, but it was the sort of error that rarely goes unpunished by opposition of this quality.

Chelsea and the work of their manager, who said he had suffered sleepless nights working out a plan to combat Barcelona, deserves so much credit on a night when they put their recent struggles behind them and looked much more like last season's Premier League champions.

MESSI BREAKS CHELSEA DROUGHT

Chelsea had managed to establish an unlikely stranglehold on the genius of Messi... until he provided the emphatic finish that gave his side the crucial away goal on Tuesday night. The 30-year-old Argentina

forward had not scored against Chelsea in eight previous Champions League appearances - and for large portions of a high-quality game it looked like he would be frustrated once more.

Chelsea's prodigious work-rate ensured he either ran into a mass of bodies or out of room on countless occasions, although one darting run at lightning pace in the first half brought audible gasps from the Stamford Bridge gallery. Messi, along with Suarez, were kept at arm's length for much of this game, but it only takes one slip against this Barcelona team, even when they are out of sorts.

Iniesta was the creator on the left edge of the area and Messi did not even break stride before firing low past Courtois, causing even understated Barca coach Ernesto Valverde to show a flash of emotion.

Chelsea's players were a picture of obvious and understandable disappointment as they trooped off at the final whistle - but it was with the applause of the home support ringing in their ears.

This was in recognition of an outstanding team performance that did not get the reward it deserved and must serve as encouragement for the second leg in Barcelona. Chelsea, underpinned by Conte's tactical nous, proved they could both threaten and subdue Barcelona and they must do it again in the return leg.

BBC

BRIEFS

GOLF

WOODS, STRICKER NAMED RYDER CUP VICE-CAPTAINS

United States captain Jim Furyk has named Tiger Woods and Steve Stricker as his vice-captains for the 2018 Ryder Cup at Le Golf National in Paris.

America, who beat Europe in 2016 at Hazeltine, will be bidding to retain the trophy from 28-30 September.

Furyk had already named former captain Davis Love III as his first assistant.

"To win in Paris will be a great challenge. To have Steve and Tiger share the journey is important for me and for American golf," Furyk said.

"Their knowledge and experience will be an invaluable resource in our effort to retain the Ryder Cup."

Furyk will name additional vice-captains at a later date.

In last week's Genesis Open, Woods said he would be open to the role of a "playing vice-captain" despite missing the cut. Woods will be making his second appearance as a vice-captain, having been an assistant to Love in the 2016 victory alongside Furyk, Stricker and Tom Lehman. "I'd like to do what's best for Tiger," Furyk added.

BBC

FOOTBALL

AGUERO AVOIDS PUNISHMENT FOR FAN ALTERCATION

Manchester City striker Sergio Aguero will not be punished by the Football Association following a post-match confrontation with a fan after Monday's FA Cup defeat by Wigan.

Television footage appeared to show Aguero pushing a supporter and he later claimed he was spat and sworn at. Both clubs have been charged by the FA for failing to control their players after Fabian Delph was sent-off.

But no individual players or staff will face any disciplinary action. Delph's first-half red card led to a heated argument between City boss Pep Guardiola and opposite number Paul Cook in the tunnel at the break, but the FA said "no misconduct took place".

The clubs have until 18:00 GMT on Friday to respond to the charges, while Aguero has been "reminded of his responsibilities". Wigan and City have also been asked to provide their observations to the FA by Monday, after crowd trouble at the end of the game, which saw fans invade the pitch.

Some supporters at the DW Stadium ripped out advertising boards and threw them towards police. Police say two arrests were made.

BBC

I almost died after giving birth, says Serena

DANGER Tennis star was bedridden for six weeks from a series of complications



COMEBACK Serena Williams. --AFP

Serena Williams "almost died" after giving birth to her daughter last September, the former women's world number one tennis player wrote in a column for CNN that was published on Tuesday.

Williams had previously revealed some of the complications she had after giving birth but offered more details about an experience that

has since inspired her to speak out about the importance of affordable child care.

"I almost died after giving birth to my daughter, Olympia," Williams, 36, wrote in the opening line of

her article.

Williams was bedridden for six weeks from a series of complications, including a pulmonary embolism that led to multiple surgeries, after her daughter was delivered by emergency caesarean section.

"I am so grateful I had access to such an incredible medical team of doctors and nurses at a hospital with state-of-the-art equipment," said Williams.

"They knew exactly how to handle this complicated turn of events. If it weren't for their professional care, I wouldn't be here today."

Williams said her C-section wound popped open due to intense cough-

ing endured as a result of the embolism. She had surgery, where doctors found a large hematoma in her abdomen and returned to the operating room for a procedure that prevents clots from travelling to her lungs.

She went on to encourage people to donate to charities that help mothers and newborns around the world. Williams, who has won an Open-era record 23 grand slam singles titles, returned to competition nine days ago when she represented the United States in a Fed Cup doubles match.

Reuters

60 SECONDS YOUR MINUTE OF THE DAY

tomorrow ▶

BD Life
THE BUSINESS OF TAKING A BREAK

All the News You Need on the Go

AFRICA

ROBBERY

SIX KILLED IN ATTACK ON S.AFRICA POLICE STATION

An armed gang stormed into a rural police station in South Africa yesterday and stole firearms in an attack that left five officers and a soldier dead, police said.

The robbers entered the police station in the southern village of Engcobo shortly after midnight, opening fire on the officers and seizing two others, who were later shot and killed, police spokesman Vish Naidoo said.

"During the early hours of this morning six people were killed when robbers attacked Engcobo police station," Naidoo told AFP.

"Five of the six were on-duty police officers. Three police officers were killed at the police station when robbers attacked the station and randomly opened fire on the members."

Naidoo said the robbers made off with firearms and bundled two other officers into a police car. The bodies of the two were later found dumped on the side of a road. The attackers also shot and killed a soldier as they fled. Attacks on police are common in South Africa, which has one of the highest crime rates in the world.



Park renovated

NEW DELHI The renovated fountain area in Sunder Nursery, a 16th-century heritage garden complex adjacent to Indian UNESCO site Humayun's Tomb, in New Delhi. It reopened yesterday after years of painstaking conservation work, creating a new public park in India's sprawling and smog-choked capital. —AFP

SETTLEMENT

LIBERIA NOW CONFRONTS AGE-OLD LAND DISPUTES

Morris Kidir gestures at a wide expanse of dark-green land he says was earmarked for a school or clinic in his northern Liberian village, now covered in young oil palm trees. In October last year, he recalls, workers from Malaysian conglomerate Sime Darby arrived at the plot and began filling in the only gap left in a forest of palms that stretch as far as the eye can see.

Kidir, an elder in the village of Gbah, Bomi county, is on the front line of a national dispute over land ownership dating back to the mid-19th century that could now define the



presidency of George Weah, the ex-football star sworn in for a six-year term last month. "We beg you people to leave this land for us, for development," the frail villager recounts writing in a letter to the firm, one of four oil palm giants operating in Liberia. This country is one of the world's poorest, ranking 177th out of the 188 countries in the UN's Human Development Index. But its rubber, iron ore and more recently palm oil represent rare examples of foreign investment – and sources of tax revenue.

WORLD
TERRORISM

AS YEMEN FALLS APART, ONE BOOMTOWN DEFIES ODDS

The clang of jackhammers and excavators fills the streets of Marib, an oil-rich Yemeni boomtown once accustomed to the sounds of war, now a rare oasis of stability in a country torn by strife. Yemen is convulsed by the world's worst humanitarian crisis, with rampant disease, famine and a ruinous conflict pitting the Saudi-backed government of President Abedrabbo Mansour Hadi against Iran-aligned Houthi rebels.



But the fall of Yemen has coincided with the rise of Marib, once seen as an Al-Qaeda bastion, which has been spared much of the misery owing to its oil and gas reserves, proximity to Saudi Arabia and rare tribal cohesion that has helped repel Houthi incursions.

"We have managed to push the war far away from Marib," said provincial governor Sultan al-Arada. "Marib is untouchable," he told AFP.

DISASTER

RASH OF FOREST FIRES BREAKS OUT IN INDONESIA

Indonesia was battling a rash of forest fires yesterday as it raised an alert over the blazes which occur every year and emit choking smog that can envelop neighbouring Singapore and Malaysia.

Fires have broken out in four provinces – South Sumatra, Riau, West Kalimantan and Central Kalimantan – prompting them to declare "alert emergency" status, one notch below the most severe warning.

Hundreds of hectares of land have been destroyed over the past week and the government is stepping up efforts to contain the fires.

The blazes are frequently deliberately ignited by the farmers to clear land for cultivation.

Its a Sh73,000 uniform for public school in Tokyo

A public elementary school in Tokyo's upscale shopping district of Ginza has raised parents' eyebrows with a plan to adopt uniforms designed by Italian fashion brand Giorgio Armani for its students, media has reported.

Taimei Elementary School is introducing the uniforms for incoming pupils, each costing more than 80,000 yen (\$729), including optional items, or more than three times as much as current ones, the Huffington Post said.

Armani's Japan head office, located in Ginza, is just 200 metres (219 yards) away from the grade school.

"I was surprised, and wondered why such luxury brand-designed uniforms have been picked for

I'm worried a public elementary school," an unnamed mother was quoted by the Huffington Post assaying.

"I'm worried about a wrong notion that something expensive is good and something cheap is bad could be imprinted on children," said the woman, whose child is set to start at the school in April, when a new school year begins.

In a letter to parents last November, headmaster Toshitsugu Wada said Taimei was a landmark in Ginza, and the decision to adopt the Armani-designed uniforms aimed at creating an atmosphere suitable for such a school, the Huffington Post said.

Taimei officials were not immediately available for comment, but Wada posted a statement on the school's home page, promising to provide sufficient explanation on the plan for new uniforms.

—AFP

GLOBAL MARKET WATCH

DJ INDU	FTSE 100	XETRA DAX	CAC 40 INX	FTSE MIB	SMI PR	HANG SENG	SSE COMPOSITE	ALL ORD.	STRAITS	S&P SENSEX
24964.75	2861.92	12412.01	5276.06	22551.91	8939.58	31431.89	3199.48	6047.30	4926.27	33844.86
▼ -254.63	▼ -13.16	▼ -75.89	▼ -13.80	▼ -121.65	▼ -41.81	▲ 558.26	▲ 14.52	▲ 1.70	▲ 55.61	▲ 141.27

MARKET ACTIVITY

	Last	Previous
Market Cap in Sh Bn	2,676.86	2,677.39
Total Shares Traded	27,048,700	35,048,300.00
Equity Turnover in Sh	1,024,504,431	1,319,552,307.00
Bonds Turnover	1,952,162,899	4,307,616,905.00
Total Deals (equity)	1,173	1,283
Total Deals (bonds)	45	60
NSE 20 Share Index	3,730.24	3,727.33
NSE 25 Share Index	4,527.24	4,530.28
NSE All Share Index	181.71	181.74
FTSE NSE Kenya 15 Index	220.88	219.61
FTSE NSE Kenya 25 Index	230.20	228.58
FTSE NSE Kenya Bond Index	93.33	93.12
FTSE ASEAN Pan African Index	1,199.12	1,204.05



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The choices we make lead up to actual experiences. It is one thing to decide to climb a mountain. It is quite another to be on top of it."

HERBERT SIMON
AMERICAN POLITICAL SCIENTIST


CURRENCY RATES

Dollar	101.297	TSh 22,232
Euro	125.037	USh 35,865
Pound	141.892	ZAR 8,622

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