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## BRIEFING



### Kenya effects new shipping regulations to boost safety

Kenya has effected a new law that strengthens its control of foreign flagged ships calling at its ports to curb the risk they pose to health, safety or the environment.

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### Nice & Lovely owners in talks over stake sale

The owners of beauty firm Interconsumer Products—maker of nice and lovely products—has announced plan to sell their shares to an international company believed to be South Korean for undisclosed fee.

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### Rising loan default rate puts stability of lenders to test

Rapid growth of the Kenyan banking sector, which has outpaced overall economic growth in the past decade, is likely to test the industry's stability as borrowers find it hard to keep up repayments of their loans.

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### Safaricom seen raising dividend pay as debt falls

Safaricom shareholders could pocket higher dividends starting next year if projected drop in finance costs is realised, analysts at Kestrel Capital have predicted.

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## NEWS INDEPTH

### How developing countries are losing billions to tax dodging every year

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# Fresh row over Form One intake clouds KCPE results

## AWARDED



**Nairobi** AIG Kenya managing director Japh Olende (left) and assistant general manager, distribution and marketing, Catherine Igathe (right), present a trophy and certificate to Dawit Insurance Agency directors Selam Kairu and Ken Kairu during a ceremony to award top insurance agents at the Sankara Hotel on Friday. SALATON NJAU

Government wants pupils from private centres to take only 20 per cent of slots in national schools

BY MUGAMBI MUTEGI

A fresh dispute is simmering over the selection of pupils to join the 78 national secondary schools after the government disregarded proposals by a task force appointed last year to guide the admissions.

Correspondence seen by the *Business Daily* shows that the government wants only a fifth of the slots in national schools to be allocated to pupils who sat the 2012 examination in private primary schools. The association of private school owners, however, wants two fifths of the places reserved for its candidates.

"The proposals, if adopted, will see our students once again punished for performing well in a private school," said Peter Ndoro, the KPSA chief executive. "We have already informed the ministry of our disapproval and we hope that they will give us an audience."

An analysis of admission scenarios compiled by the association and based on the latest ministry guidelines indicate that about 3,094 students from private schools would get national school slots compared to 12,467 from public schools. This would represent an 80 per cent admission ratio in favour of public schools compared to 65 per cent last year.

The dispute is set to cloud celebrations by those of the 811,930 Kenya Certificate of Primary Education (KCPE) exam candidates who will qualify to take the 15,560 places available in national schools by merit when Education minister Mutula Kilonzo releases the results today.

"As much as the government is trying to advance equity, there is need to allocate the slots fairly **KCPE, Page 4»**

# Nominations earn parties millions

BY EDWIN MUTAI

The three major political coalitions collected at least Sh185 million in nomination fees arising from the recently concluded party primaries.

The amount is derived from charges paid by 1,510 candidates that the Coalition for Reform and Democracy (Cord), the Jubilee Alliance and the Amani Coalition collectively cleared to vie for various positions, excluding county representatives, in the March 4 General Election.

Parties should ideally use the money to fund their activities including the logistics of nominations such as pay-

ing transport, stationery and salaries for personnel.

"We used a huge chunk of it to print ballot papers. What remained, if any, has now gone to courts to pay lawyers who are handling petitions arising from the primaries," ODM Elections Board chairman Franklin Bett said.

However, the way the nominations were disorganised has raised concerns over how the money was used. "People think that parties collect huge amounts of money which is misappropriated but the money is not enough," Mr Bett said, adding that the party had to reprint burnt ballot boxes, 18 clerks in each

ward Sh500 for two days, presiding officers Sh2,000 and returning officers Sh5,000 per day.

The list of nominated candidates released by the Independent Electoral and Boundaries Commission (IEBC) last week shows that Cord cleared 616 candidates, Jubilee 498 and Amani 396 to run under their respective banners.

Based on nomination fees paid by presidential, gubernatorial, senatorial, parliamentary and women representative aspirants, Cord bagged Sh81.5 million, Jubilee Sh82.5 million and Amani Sh23.7 million. TNA charged Sh1 million **FEES, Page 4»**