That will place the shares in the market (underwriters).

Underwriter attempts to determine a price based on demand from institutional investors.

Agreement between government, enterprise and underwriters on the price per share.

Audit of assets to be bought.

Investigation (audit) of asset by the underwriters.

PRICE SET

Agreement between government, enterprise and underwriters on the price per share.

BUYER'S DUE DILIGENCE

Audit of assets to be bought.

BOOKBUILDING

Underwriter attempts to determine a price based on demand from institutional investors.

PUBLIC SALES CAMPAIGN LAUNCH

& road shows organized.

SELECTING BANKS

That will place the shares in the market (underwriters).

DUPLICATE DUE DILIGENCE

Investigation (audit) of asset by the underwriters.

APPROVAL

Government and public enterprise approve privatization plan.

SET PRICE

PRICE SET

BUYER'S DUE DILIGENCE

Audit of assets to be bought.

BUYER CHOSEN

Audit of assets to be bought.

OPENS AUCTION

BUYER'S DUE DILIGENCE

Audit of assets to be bought.

PUBLIC SALES

ON THE MARKET

STOCKS ARE SOLD

PAYMENT AND CLOSING

FINISH

* Big 4: Deloitte - KPMG - PricewaterhouseCoopers - Ernst & Young

Inspired by A beginner's guide to privatisations published by the Auditing Firm PricewaterhouseCoopers

HOW TO PRIVATISE?

CHOOSE YOUR PRIVATISATION STRATEGY

Financial advisors prepare a privatization plan.

INFORMATION MEMORANDUM

Sent to potential buyers.

EXPRESSIONS OF INTEREST

Containing non-binding prices.

SHORTLIST OF BIDDERS

Which sign a confidentiality agreement.

BINDING OFFERS

Bidders submit binding offers.

OPEN AUCTION

BUYER CHOSEN

Audit of assets to be bought.

POTENTIAL DANGER

Corruption

Conflict of interest