REPUBLIC OF KENYA

MINISTRY OF TOURISM

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ON

ENHANCING SUSTAINABLE TOURISM IN KENYA

FOREWORD

Environment and natural heritage in Kenya are valuable national assets that must be sustainably managed for present and future generations. They offer a range of benefits and opportunities for local and national economic development and improved people's livelihoods as well as provision of environmental goods and services. These natural heritages and the people are vital key drivers of Kenya's vibrant tourism industry.

Tourism remains the cornerstone of the economy, and a leading foreign exchange earner for the country. Moreover, the sector has high multiplier effects as its growth stimulates further development in other activities.

Over the years, tourism has become an extremely competitive business. This necessitates a paradigm shift in the investment and management of the sector. The focus must shift from the traditional tourism products to sustainable tourism. As such, it would be vital to invest in sustainable tourism products and services if the country has to deliver an environmentally sustainable and socially responsible tourism and to the aspirations espoused in Vision 2030. Furthermore, it is imperative to harness the cultural diversity in the country to promote cultural tourism, which is currently practised on a limited scale, but has the potential of becoming a major attraction to Kenya as a tourist destination.

This National Tourism Policy proposes a broad range of measures and actions responding to key tourism issues and challenges. It seeks to mainstream tourism concerns into all sectors of society throughout the country. The Policy is divided into eight chapters.

Chapter one underscores the importance and contribution of the tourism sector to the local and national economy and employment creation. This section also highlights the existing policy instruments and the rationale for a new National Tourism Policy.

Chapter two reviews the status of tourism sector in the country and highlights the key issues and challenges in the sector.

Chapter three spells out the goal and objectives of the Policy. In addition, it espouses fundamental guiding principles that should inform the implementation of this Policy.

Chapter four deals with actions that would enhance sustainable tourism, in particular: tourism products and services, ethics, standards, pricing, research, information management, infrastructure, safety and security.

Chapter five discusses tourism development, promotion and marketing and proposes innovative ways of making Kenya a preferred tourist destination.

Chapter six deals with legal and institutional framework for effective coordination and management of the sector.

Chapter seven provides tools for enhancing cross and inter-sectoral linkages as well as building of public private partnerships.

Chapter eight outlines strategies and actions that will ensure effective implementation of this Policy.

This Policy was developed through a consultative process involving all stakeholders under the guidance of the Ministry spearheaded by the Permanent Secretary. It provides the foundation upon which development of tourism in the country will be undertaken.

I hope Kenyans will take advantage of the opportunities that come with this Policy.

HON. NAJIB BALALA, EGH, M.P
MINISTER FOR TOURISM

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ACRONYMS AND ABBREVIATIONS

COMESA	Common Market for Eastern and Southern Africa
CTDLT	Catering and Tourism Development Levy Trustees
DFI	Development Financial Institution
DoT	Directorate of Tourism
DTCK	Domestic Tourism Council of Kenya
EAC	East African Community
EIA	Environmental Impact Assessment
EMS	Environmental Management System
ERSWEC	Economic Recovery Strategy for Wealth and Employment Creation
E-Tourism	Electronic Tourism
GDP	Gross Domestic Product
HIV/AIDS	Human immunity Virus/Acquired Immuno-Deficiency Syndrome
HRA	Hotels and Restaurants Act
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
KICC	Kenyatta International Conference Centre
KTB	Kenya Tourist Board
KTDC	Kenya Tourism Development Corporation
KUC	Kenya Utalii College
MICE	Meetings, Incentives, Conferences and Exhibitions
MSF	Multi-Stakeholder Forum
NEMA	National Environment Management Authority
NTIMS	National Tourism Information Management System
SWAP	Sector-Wide Approach
TPU	Tourist Police Unit
TSV	Tourism Service Vehicle
TTF	Tourism Trust Fund
UFTAA	Universal Federation of Travel Agents Associations
UNWTO	United Nations World Tourism Organization

1.0 INTRODUCTION

1.1 Background

1.1.1 Kenya's environment and natural heritage is unique. From pristine beaches, snow-capped mountain to varied landscapes such as the Rift Valley, lake basins, forests and vast savannah and rangelands beaming with wildlife to cultural diversity, makes it a country of contrasts. The natural heritage and the people are vital key drivers of Kenya's vibrant tourism industry. Examples of Kenya's natural wonders include the famous Maasai Mara's annual wildebeest migration, unique landscapes and many other activities of touristic interest.

1.1.2 The tourism industry significantly contributes to the economic and social well-being of all Kenyans. For example, in the 2007/08 Financial Year, the tourism sector contributed 10 percent of the Gross Domestic Product (GDP) employing about 9 percent of the total workforce in the country with a high multiplier effects. This compares favourably with 12.3 percent and 10.5 percent tourism contribution to the economies of United Kingdom and United States of America, respectively.

1.1.3 There is great potential for Kenya to grow its tourism industry to double its contribution to GDP and foreign exchange earnings by the year 2012. For instance, a growth of 20 percent would generate in excess of one million jobs, thereby, accounting for close to 30 percent of the total national workforce. Other benefits would include stimulation of demand for local products and services leading to high multiplier effects in other sectors. In addition, the sector has the potential to spur economic growth and contribute to peace and stability through beneficial usage of common tourism resources in less developed regions of the country as well as the growth of the small and medium size enterprises (SMEs).

1.1.4 Over the years, tourism has become a fiercely competitive business. This necessitates a paradigm shift in the investment and management in the sector. The focus must shift from traditional

tourism products to sustainable tourism. As such, it would be vital to invest in products and services that deliver environmentally sustainable and socially responsible tourism. Also, it is imperative to harness the cultural diversity of the country by promoting cultural tourism, which is currently practised on a limited scale, but has the potential of becoming a major attraction.

1.1.5 Domestic tourism has the potential of playing a greater role in Kenya's tourism industry. This market is destined to grow as more Kenyans become aware of available tourism products and engage in travel and leisure. With strong regional institutions such as East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA), a focus on regional tourism is essential. In addition, the business travel market as well as meetings, incentives, conferences and exhibitions (MICE) will play an important role in the future of Kenya's tourism industry.

1.1.6 It is important to recognize that Kenya's tourism industry is closely linked to the ecologically sustainable development of the country's natural and heritage resources. Over the years, these valuable resources have suffered erosion and degradation through neglect and poorly planned developments. The industry should strive to build upon the increasing awareness of the interdependence of environmental concerns and promote sustainable tourism. In order to achieve this, an enabling environment is of necessity, hence this Policy.

1.2   *Existing Tourism Sector Policy Instruments*

The first statement of Kenya's National Tourism Policy was set out in Sessional Paper No. 8 of 1969. The Policy established growth targets for the industry and further spelt out strategies on the role of Government and encouraged participation by the private sector in tourism development. The subsequent policies articulated in the various development plans, the *Economic Recovery Strategy for Wealth and Employment Creation (ERSWEC)* and the *Vision 2030* have recognized the contribution of the tourism sector to the country's economic growth, environmental sustainability and creation of job opportunities.

1.3   *Rationale and Justification for a new National Tourism Policy*

The need for a new National Tourism Policy arises from the country's commitment to streamline and develop a sustainable tourism industry. In particular, the need to:

(a) Provide policy direction for development of sustainable tourism throughout the country;
(b) Mainstream tourism-related issues into the national development planning, budgeting and decision-making processes;
(c) Harmonize conflicting policies in key sectors such as environment, forestry, wildlife, water, fisheries, agriculture and infrastructure-related sectors with Tourism Policy with a view to enhancing cross- and inter-sectoral linkages;
(d) Provide a framework for public-private partnerships in the tourism sector with a view to attracting investments.
(e) Enhance community participation in tourism activities;
(f) Improve the quality and breadth of the country's tourist offerings including, at the coast, in game parks, heritage, culture, sports, adventure, ecotourism, rural and agro-tourism, health and expansion in conference tourism;
(g) Promote and encourage domestic and regional tourism; and
(h) Create an environment to make Kenya a premier tourist destination where tourists spend more per visit.

1.4   The Tourism Policy Formulation Process

1.4.1 In developing this National Tourism Policy, the Ministry of Tourism pursued a consultative approach that involved a number of measures in order to achieve the following:

(a) Identify key tourism challenges and opportunities;
(b) Define national tourism goal, objectives and guiding principles that would enhance environmental sustainability and encourage mutual respect for cultures;
(c) Place stewardship of the Policy in the public domain so as to enhance sharing of responsibility by government, private sector, civil society, local communities and other stakeholders;
(d) Build a common understanding among stakeholders and thus establish public confidence in the formulation process to enhance chances of its successful implementation;
(e) Establish synergies and areas of complimentarity with relevant sectoral policies and institutions; and
(f) Enhance the safety and security of hosts and visitors; and
(g) Identify relevant regional and international instruments that support development of regional and international tourism.

1.4.2 The process was guided by a National Task Force with representatives from key tourism sector stakeholders supported by an Advisory Panel through the following consultative activities:

(a) Technical committee comprising of experts from public and non public sectors;
(b) Provincial stakeholder meetings countrywide during which oral submissions were made by various stakeholders;
(c) National stakeholder workshops;
(d) Consultative sessions with key tourism sector stakeholders and lead agencies; and
(e) Submission of written memoranda.

2.0 STATUS OF TOURISM SECTOR

2.1 The State of the Tourism Sector

2.1.1 Kenya's resource base for tourism is enormous. The country's tourism attractiveness stems from its diversity. Some of the features which make Kenya a preferred tourism destination include wildlife, beaches, varied and aesthetic scenery, favourable weather, diverse cultures and heritage, hospitality, as well as developed tourist circuits with an international airline hub.

2.1.2 The country offers unparalleled opportunities for other touristic activities such as a wide range of sporting activities, filming, bird watching, conferencing and health facilities as well as an opportunity to experience the wildebeest migration in the famous Maasai Mara Ecosystem - a Seventh Wonder of the World. The variety of these attractions, especially the proximity of the country's beaches and wildlife areas, permits combinations of beach and safari holidays among other packages.

2.1.2 Tourism currently accounts for about 10 percent of the Gross Domestic Product (GDP), making it the third largest contributor after agriculture and manufacturing. In the last five years, the country witnessed a gradual rise in both the number of international visitor arrivals and tourism earnings. The number of visitor arrivals to the country grew by 13.5 percent , from about 1.6 million recorded in 2006 to slightly more than 1.8 million in 2007. Total earnings from tourism rose from Kshs. 25.8 billion in 2003 to Kshs. 65.4 billion in 2007. This was as a result of continued efforts in product development and diversification, aggressive marketing, opening up of new tourism circuits and the introduction of long haul carriers and growth in conferencing and sporting activities.

2.1.3 The tourism sector is a major source of employment. During the period between 2003 and 2007, the sector's contribution to employment generation grew at rate of 3 per cent annually, while earnings per employee rose by 18 per cent. The sector is also a major source of Government Revenue. The wide spatial distribution

of tourist attractions also contributes to equity in the distribution of economic and infrastructural development.

2.1.4 Tourism is a competitive business and Kenya's competitiveness lies in well developed wildlife safaris and beach tourism infrastructure, niche products, hospitality, quality service as well as domestic and regional tourism. In addition, medical and health tourism is a rapidly growing phenomenon as the country has attractive and advanced medical care facilities, highly qualified medical professionals and affordable specialized medical care.

2.2 Tourism Sector Issues and Challenges

2.2.1 *Product quality and diversity:* Wildlife tourism in Kenya is currently concentrated in only 7 parks, which receive 80 per cent of the total number of visitors. There is, therefore, great potential in targeting the under-visited parks and reserves. In addition, only 18 per cent of Kenyan hotels are 4-5 star categories, which is significantly lower than the average 40 per cent in competing long-haul destinations. To increase competitiveness, there is need to expand product choice and improve on quality of facilities and services. There is also need to address the unexploited and underdeveloped products.

2.2.2 *Hotel/bed capacity:* With the increase in visitor arrivals, the bed occupancy levels during the peak season are close to full capacity and the reverse occurs during the low season. As a result, the country has to grapple with the rapid growth in demand, principally due to limited investment in tourist accommodation. It would be imperative to substantially increase investment in accommodation in order to meet the ever increasing demand for the Kenyan products.

2.2.3 *Infrastructure:* Despite some improvement in the state of infrastructure, there is need for further investment particularly in roads, railways, waterways, airports, airfields and telecommunications as well as aesthetic development of our cities.

2.2.4 *Marketing:* Marketing Kenya's tourism products is critical in enhancing sustainable tourism. This calls for integrated and coordinated campaigns to inform potential tourists about Kenya's attractions and facilities.

2.2.5 *Safety and security:* In the past, Kenya's tourism sector suffered from incidents of insecurity. One of the major sources of this insecurity has been political instability in the region, which has led to increasing cross-border traffic in small arms. Other sources of insecurity include cattle rustling, income inequalities, and unemployment. The Police needs to be strengthened to support the tourism sector in addressing safety and security issues.

2.2.6 *Negative travel advisories:* It is important that the country upholds its positive image internationally.

2.2.7 Climate change: Globally, the climate is changing resulting in direct impacts on the environment. Adverse impacts arising from changes in climate are already being observed as evidenced by vanishing glaciers on Mt. Kenya and Kilimanjaro. People and the environment are increasingly suffering from the effects of natural disasters such as floods, landslides and prolonged droughts.

3.0 GOAL, OBJECTIVES AND GUIDING PRINCIPLES

3.1 Goal

The goal of this Policy is to **achieve sustainable tourism that contributes to a better quality of life for all people**

3.2 Objectives

The objectives of this Policy are to:

(a) Provide a framework for integration of tourism sector considerations into the various sectoral policies and national development planning as well as decision making processes.

(b) Strengthen the legal and institutional framework for effective coordination and management of the tourism sector.

(c) Ensure adoption of sustainable tourism that enhances economic development, environmental sustainability and social justice.

(d) Promote and support the provision of incentives and other economic instruments that enhance investment in the sector.

(e) Promote and enhance collaboration, cooperation, synergy, partnerships and participation in the tourism sector by all the stakeholders.

3.3 Guiding Principles

The following guiding principles will underpin this Policy:

(a) **Community Values:** Tourism should represent the past, present and future aspirations of Kenyans while respecting positive natural and cultural values.

(b) **Code of Practice:** A code of practice should be established for tourism at all levels benchmarked on internationally accepted standards.

(c) **Environmental Assessment:** Guidelines for tourism operations, impact assessment, monitoring of cumulative impacts and limits to acceptable change should be established.

(d) **Benefits:** Tourism is an economic and social development tool and must take into account the benefits to the host communities, visitors and investors.

(e) **Value for Visitors:** Tourism will be undertaken in a manner that it provides value for money, excellence, convenience and quality service to the visitors.

(f) **Sustainable Use:** Tourism will be undertaken in a manner that does not compromise the quality and value of the resource, or degrade the carrying capacity of supporting ecosystems.

(g) **Inter- and Intra-generational Equity:** Tourism management will be based on long term objectives where present generations make choices that will benefit future generations.

(h) **Conservation:** A mutually beneficial alliance between tourism and conservation should be developed.

(i) **Public Participation:** A coordinated and participatory approach to tourism should be enhanced to ensure that the relevant government agencies, local authorities, private sector, civil society and communities are involved in planning, decision making and implementation processes.

(j) **The Principle of Subsidiarity:** Tourism management will be undertaken through decentralization and devolution of authority and responsibilities at the lowest level possible.

(k) **The Precautionary Principle**: Where there are credible threats of serious or irreversible damage by tourism, lack of full scientific certainty will not be used as a reason for postponing cost-effective measures to prevent such damage.

(l) **The Polluter and User Pays Principle:** The polluter and users of natural heritage should bear the full environmental and social costs of their activities.

(m) **Capacity Building:** Community involvement, participation and collaboration with stakeholders should be continually encouraged to enhance local capacity.

(n) **International Cooperation:** Bilateral agreements as well as regional and multilateral instruments should be domesticated and implemented.

4.0 ENHANCING TOURISM DEVELOPMENT

4.1 Tourism Products and Services

4.1.1 Kenya has traditionally been regarded and developed as a beach, wildlife safari and to a limited extent a conference tourism destination. While these are likely to remain her core products and services, it will be prudent to diversify to other tourism products.

4.1.2 A range of eco-tourism and community-based projects should form part of a diversified and enhanced tourism product, including home stays and agro-tourism. Potential also exists for spreading tourism to new areas away from the most-visited and at times crowded destinations. In addition, Nairobi, as the commercial centre for East and Central Africa with superior facilities, and other centres are well-positioned to attract the business travel market, meetings, conferences, exhibitions, shopping and entertainment. There are also opportunities for further development and promotion of local handicrafts.

To ensure provision of high quality tourism products and services, the Government, in collaboration with stakeholders will endeavour to:

1. Diversify*, develop and implement innovative tourism products that enhance economic growth, environmental sustainability and preserve heritage.*
2. *Ensure high quality standards of tourism products and services.*
3. *Establish carrying capacities for each tourism area.*
4. *Provide incentives for investment in tourism products and services.*

4.2   Tourism Ethics and Standards

Ethics and standards are important constitutive aspects of sustainable tourism. Sustainable tourism obligates all actors to respect and adhere to established norms, practices and standards, particularly with respect to the environment and culture of the country. For example protection from commercialization of culture as well as pornography and child sex exploitation requires joint efforts. Furthermore, improvement of standards of service is critical to the sustainability of Kenya's tourism and a cornerstone of its image. In this regard, the Government in collaboration with stakeholders will:

1. *Develop and implement a Code of Practice for the tourism sector that sets out the minimum standards and guidelines of best practices.*
2. *Promote the development and implementation of quality tourism standards.*
3. *Review and reform the existing structure, criteria and system of standards and classification of accommodation establishments and restaurants to make the process more effective.*
4. *Encourage tourism private sector operators and communities to form umbrella associations with codes of practice that enhance self-regulation.*

4.3   Tourism Pricing

Tourism industry is highly competitive with limited flexibility to set prices. Despite this apparent lack of flexibility, however, the uniqueness of tourism products actually enables producers to establish prices. This uniqueness stems from a number of product attributes, including locality, surrounding natural environment, the types of facilities offered and real and perceived differences in the quality of the products. Therefore, the ability of Kenya as a destination to compete globally depends largely, along with other conditions, on the mixture, quality and prices of the facilities and services offered.

To ensure competitiveness, the Government in collaboration with stakeholders will endeavour to:

1. *Adopt a consumer sensitive pricing strategy.*
2. *Encourage online payments.*

4.4 Tourism Research and Information Management

4.4.1 Sound tourism research and statistical base is critical to improving the sector's competitiveness and to making informed policy decisions. It is important that tourism research, intelligence and information management is bolstered in order to provide accurate and reliable information and forecasts to better support tourism planning, product development and decision making.

4.4.2 The external shocks that Kenya's tourism industry has experienced in recent years have highlighted the deficiencies in the existing tourism information system and the country's inability to predict and accurately evaluate the immediate impact of such events and their likely implications for the country's economy in the short and medium term. This underlines the need to improve tourism information systems. Quantitative and qualitative research is needed to answer key questions about the performance and impact of the tourism industry in the country.

1. *Establish a National Tourism Research agency to undertake and coordinate tourism research and information management.*
2. *Develop and implement harmonized tourism data collection, processing and reporting standards and methodologies.*
3. *Establish a comprehensive tourism database at all management levels for use in the tourism planning, product development and decision making processes.*
4. *Develop and maintain a National Tourism Information Management System (NTIMS).*
5. *Encourage regional harmonization and standardization of statistics on tourism.*

4.5 Infrastructure and Transport

The existence of good and well-functioning infrastructure and transport such as road, rail, air, water transport, telecommunication, ports and electricity as well as water and sanitation is vital for a competitive tourism industry.

4.5.1 Roads

All visitors use road transport. The poor quality of roads directly diminishes tourism competitiveness through delays in transportation and high operational costs. Maintenance and improvement of the existing road network is of paramount importance. Furthermore, the quality of tourist vehicles impacts on the visitors' safety and comfort. The tourism sector lacks effective guidelines for regulation of the tourist service vehicles (TSVs) and the operators.

The Government in collaboration with stakeholders will endeavour to:

1. *Ensure that tourism circuit roads are mainstreamed into the National Roads Investment Plan.*
2. *Give high priority for upgrading, rehabilitation and periodic maintenance and signage for access roads to regional and local tourist destinations.*
3. *Establish, in collaboration with Ministry of Transport regulations, guidelines and measures for licensing Tourist Service Vehicles (TSVs) and operators.*

4.5.2 Air

4.5.1 Most international and regional visitors are highly dependant on the international and domestic aviation. Kenya has several international airports as well as domestic airports and airstrips. These facilities require improvement and provision of sound operations equipment to make them more competitive and safe. In addition, the airport service charges and taxes as well as aviation fuel should be competitive. It is also important that all aircraft and balloon operations are carried out in a safe manner.

4.5.2 Most tourists visiting Kenya require visas. These visas can be a barrier to tourism especially where there are restrictions. For example, visas for nationals from some African countries have considerable restrictions, which put significant limitations on the development of regional tourism.

The Government will endeavour to:

1. *Ensure that all international and domestic airports are expanded, properly services and well maintained and where applicable construct new ones through public private partnerships.*
2. *Ensure that airstrips in designated tourism circuits are serviceable, secure and properly maintained.*
3. *Encourage competitive airport service charges, taxes and aviation fuel cost to attract more international and regional air operators.*
4. *Promote coordination of inter-regional airline schedules.*
5. *Encourage bilateral and multilateral agreements on air travel with a view of opening up airspace for both scheduled airlines and charters.*
6. *Ensure all aircraft and balloon operations are done in accordance with international standards.*

4.5.3 Railway and Port Services

4.5.3.1   The rail transport plays a very important role in tourism. Over the years, the transport system has deteriorated due to erratic passenger transport schedules and inordinate delays as a result of frequent derailments. Consequently, it has become an unattractive mode of travel, even though it should be one of the safest modes of transport.

4.5.3.2   Ports are major gateways into the country. Efficient port operations would improve clearance and movement of goods, water transport as well as enhance cruise tourism.

The Government will endeavour to:

1. *Modernize and revamp the railway system so as to make it a preferred mode of passenger travel.*
2. *Encourage public private partnership investments in railway trams in cities and other urban centres.*
3. *Streamline operations at the ports of entry to enhance business tourism.*
4. *Ensure that coastal and inland water ports become international and regional hub for cruise tourism by provision of appropriate incentives and facilities.*
5. *Provide a regulatory framework to ensure safe operations of water vessels used in tourism activities.*

6. *Provide incentives for investment in water passenger vessels, ferries and leisure boats including vessels used in tourism activities.*

4.5.4 Telecommunication

Telecommunications is considered as a constraint to doing business in Kenya as opposed to other countries in the region. There is need to modernize the telecommunication systems to compare favourably with those of modern economies to enhance tourism business in the country.

1. *Modernize, improve and upgrade the telecommunications facilities, in particular, broadband and efficient internet, to effectively service the tourism sector.*
2. *Encourage e-tourism.*

4.5.5 Water and Electricity

4.5.5.1   Water supply and sewerage networks are generally poor as a result of underinvestment in the necessary infrastructure. In addition to water supply from the mains, majority of tourist hotels have had to invest in boreholes and septic tanks.

4.5.5.2   Electricity is a major constraint to business operations in Kenya. A comparison of electricity costs between Kenya and other countries shows that the country is quite uncompetitive on cost and provision of power. Majority of hospitality and tourism establishments invest in generators and power stabilizers with corresponding high production costs.

The Government in collaboration with stakeholders will endeavour to:

1. *Provide efficient clean water supply and sewerage services in all tourist areas.*
2. *Encourage recycling of water and appropriate disposal of waste.*
3. *Promote installation and use of renewable energy such as solar, wind, biogas and micro-hydro as sources of energy by tourism enterprises.*
4. *Provide incentives for investment in alternative sources of energy.*
5. *Ensure electricity charges are competitive.*

4.6   Safety and Security

Safety and security of both the hosts and visitors are pre-requisites to a growth of sustainable tourism. In this regard, it is vital that every effort is made to foster and maintain an environment that provides assurance to visitors on their security and safety.

1. *Establish a well equipped independent Tourism Service to provide safety and security of host and visitors in tourist.*
2. *Strengthen the capacity of the police to bolster the responsibilities undertaken by the Service.*
3. *Enhance collaboration and partnerships between relevant Government security agencies, private sector and local communities in provision of security and safety to both hosts and visitors.*
4. *Ensure appropriate tourism sector safety guidelines, procedures and measures are developed and implemented.*
5. *Encourage tourists to take insurance covers.*
6. *Establish and strengthen Tourism Sector Safety, Communication and Crisis Management Centre through public private partnership.*

5.0 TOURISM DEVELOPMENT, PROMOTION AND MARKETING

As markets become more segmented, with various groups within a single market seeking different experiences, the need to better align tourism products and experiences with consumer demand is necessary.

5.1 Tourism Development

Tourism is the fastest growing industry in the world. Tourist activities involve the transportation and hosting of visitors in the destination where the product is consumed. The industry is structured in such a way that the consumer is brought to the product. This structural difference produces a special relationship between the consumer and the product. Kenya offers a wide range of tourist products, whose development requires stakeholder partnerships. Furthermore, the conservation of tourist attraction assets is critically important for the long term sustainability of the industry. Developments which adversely impact the environment should be avoided.

1. *Promote investment in sustainable tourism development by providing conducive environment in form of enabling policies and incentives.*
2. *Establish a specialized financial institution to provide financial assistance and business advisory services to the tourism sector.*
3. *Develop and implement criteria for standardization and classification of tourism facilities and services.*
4. *Ensure that the quality of tourism products and services meet the expectations of both the host and the visitor.*
5. *Ensure that all tourism areas implement integrated tourism development area plans developed through a participatory process.*
6. *Ensure that all tourist establishments put in place formal environmental management systems (EMS) to enable them detect and address adverse economic, environmental and social impacts.*
7. *Ensure that the development of tourism facilities provide for the needs of persons with disabilities.*

5.2   Tourism Promotion and Marketing

5.2.1 International Tourism

The success of sustainable tourism is dependant upon effective and creative marketing and promotion of the country as a destination. This calls for a coordinated and structured approach that builds on cooperation between the government and stakeholders. To enhance international tourism, the Government in collaboration with stakeholders will endeavour to:

1. *Enhance and promote public private partnerships in promotion and marketing the country as the premier tourist destination and through effective branding of Kenya.*
2. *Strengthen the national tourism marketing agency responsible for promotion and marketing.*
3. *Ensure Kenya Missions abroad are well equipped to handle tourism issues.*
4. *Enhance collaboration between the national tourism marketing agency and the Kenya Missions abroad on destination marketing.*
5. *Establish a national agency to be responsible for MICE and associated facilities.*
6. *Establish mechanisms for feedback and to monitor the effectiveness of tourism promotion and marketing efforts.*
7. *Eliminate barriers in the issuance of visas to foreign nationals intending to visit the country without compromising national security.*

5.2.2 Domestic and Regional Tourism

5.2.2.1 Domestic tourism is the future of Kenya's tourism industry with immense potential to become a strong sub-sector through education and awareness creation.

5.2.2.2 Regional tourism is an important market segment for the country's tourism sector. Kenya is well placed to harness this market segment through cooperative marketing and regional partnerships. However, joint tourism activities have been hampered by differential policies.

In order to enhance domestic and regional tourism, the Government, in collaboration with stakeholders, will endeavour to:

1. *Develop and implement a Domestic Tourism Strategy and strengthen the capacity of In-Country Regional Boards for effective implementation.*
2. *Encourage investment in budget-priced tourism facilities.*
3. *Harmonize regional policies dealing with tourism development, promotion and marketing.*
4. *Promote and support the development of a regional strategy for tourism promotion and encourage regional tourism promotional activities for the development of the industry.*
5. *Encourage intra-Common Market tourism and strengthen the East African Tourism Council.*
6. *Adopt a common approach to tourism research, standards, classification and training.*
7. *Promote the establishment of transboundary and transfrontier conservation areas as a tool for enhancing regional tourism integration.*
8. *Eliminate barriers on visa and travel restrictions for bona fide visitors within the region.*

5.3   Human Resource Development and Training

Human resource development and capacity building is important for efficient and effective tourism management. As a labour-intensive industry, the sector has the potential to substantially contribute to the labour market. Appropriate training and development is required to ensure that service delivery is of the highest possible standard.

To enhance human resource capacity and training, the Government, in collaboration with stakeholders will endeavour to:

1. *Promote the development of a critical mass of well-trained personnel in the tourism sector.*
2. *Improve and expand the existing national hospitality and tourism training facilities.*

3. *Develop and implement a hospitality and tourism industry curriculum, standards and certification in consultation with the Ministry of Education.*
4. *Regulate the hospitality and tourism training institutions.*
5. *Improve access to training opportunities through a system of scholarships, revolving loans and incentive schemes.*
6. *Encourage technical know-how and student exchange programmes within and outside the region.*

6.0 LEGAL AND INSTITUTIONAL FRAMEWORK

Tourism must be developed with long term sustainability hence the existing legal and institutional framework needs to be reviewed.

6.1 Legal Framework

The existing legal framework for the tourism sector is fragmented into several Acts of Parliament and Kenya Gazette Notices. These include Hotels and Restaurants Act (Cap. 494), Tourist Industry Licensing Act (Cap 381) and Kenya Tourism Development Corporation Act (Cap. 382) of the Laws of Kenya. Other institutions have been established vide Kenya Gazette. These include Kenya Utalii College (Legal Notice No. 317 of 24 November 1987), Kenya Tourist Board (Legal Notice No. 14 of 7 February 1997), Kenyatta International Conference Centre (Legal Notice No. 77 of 9 July 2004) and Bomas of Kenya (incorporated under the Companies Act). To address the inadequacies of the existing legal framework, the Government will endeavour to:

1. *Put in place a comprehensive tourism law that will consolidate all the existing tourism-related legislation for regulation of the sector.*
2. *Ensure that the Policy and enabling legislation are reviewed regularly to be in tandem with emerging tourism issues.*

6.2 Institutional Framework

The current institutional arrangement obligates the Ministry to perform the functions of policy development, regulator as well as tourism promotion and marketing. In this regard, there is need for a paradigm shift to rationalize the functions of the Ministry and the institutions under it. This will avoid overlapping, duplication and conflicting mandates and responsibilities. To streamline institutional arrangement within the tourism sector, the Government will endeavour to:

1. *Restructure, reorganize and strengthen the capacity of the Directorate of Tourism at the Ministry.*

2. *Establish a national tourism regulatory agency with overall responsibility of regulating the tourism sector.*
3. *Establish a Tourism Tribunal to arbitrate on all disputes relating top the tourism sector.*

6.3   Financing Tourism

6.3.1 The tourism sector requires sufficient and sustainable financing to successfully achieve its desired goal. The current allocation to the sector is inadequate. There is therefore urgent need to complement Government funding by harnessing additional funding from multilateral funding mechanisms, development partners, private sector and civil society organizations.

6.3.2 The Catering & Tourism Development Levy Trustees (CTDLT) which is established under HRA, Cap 494 collects the 2% levy which funds training through the Kenya Utalii College, and provides additional funding to KTB for marketing and promotion. The levy collected is however inadequate. The Kenya Tourism Development Corporation (KTDC) was established as a development financial institution (DFI) to support the promotion and development of the tourism sector. As such, it will be essential to bring the institution into broad compliance with the core principles and standards as set out by the Ministry of Finance.

6.3.3 The Tourism Trust Fund (TTF), a joint initiative between the Government of Kenya and the European Union, has been instrumental in providing the requisite resources for tourism diversification and sustainable development programme for funding sustainable tourism activities; and tourism institutional strengthening marketing promotion programme which is specifically for funding KTB. The Fund is however time-bound.

The Government in collaboration with stakeholders will endeavour to:

1. *Provide adequate resources for tourism development, promotion and marketing through the annual Government budgetary allocation.*
2. *Promote participation of the private sector, communities, individuals and marketing through provision of fiscal incentives.*

3. *Broaden the revenue and funding base to ensure the financial sustainability of tourism sector.*
4. *Establish a broad-based Tourism Fund for the sector which will encompass the role currently played by TTF and CTDLT.*
5. *Establish a specialized financial institution to provide financial assistance and business advisory services to the sector.*

6.4 International Cooperation

Tourism is greatly influenced by international instruments such as UN WTO, IATA/UFTAA and ICAO. Significant benefits can be realized and increased through such cooperation. To enhance international cooperation on tourism matters, the Government will endeavour to:

1. *Establish and strengthen coordination mechanisms to ensure consistent negotiations and implementation of tourism-related bilateral and multilateral agreements.*
2. *Ensure domestication of regional and international tourism-related instruments.*

7.0 LINKAGES WITH OTHER SECTORS

To achieve sustainable tourism it is imperative that tourism considerations are incorporated into all sectors of the economy. Special attention must also be given to cross cutting issues such as mainstreaming needs of persons with disabilities, gender, youth and HIV/AIDS.

7.1 Linkages with other sectors

Tourism permeates every sector of the economy. Consequently, an agreed framework between sectors and across sectors on the coordination of tourism development at all levels will assist in clarifying the roles and responsibilities. To enhance linkages between the tourism sector and other sectors, the Government will endeavour to:

1. *Establish an Inter-Ministerial Committee on Tourism to ensure cross- and inter-sectoral coordination and policy integration of tourism considerations into sectoral policies, programmes and plans.*
2. *Encourage roundtable meetings with various stakeholders to enhance dialogue and partnerships.*
3. *Encourage appropriate use of the sector-wise approach (SWAP) as a tool for coordinated planning that will ensure incorporation of tourism concerns.*
4. *Ensure that tourism-related policies, programmes and plans are subjected to strategic environmental assessment (SEA).*
5. *Ensure that all tourism development activities, whether by Government, foreign direct investors or otherwise, undertake environment impact assessment (EIA) before approval and implementation.*
6. *In consultation with the National Environment Management Authority (NEMA), develop and implement tourism sector environmental impact assessment guidelines.*

7.2   Partnerships and Stakeholder Involvement

The private sector plays a critical role in the development and promotion of tourism. It bears the risks of investment as well as the responsibility of satisfying the visitor. The sector is well placed to promote the involvement of local communities in tourism ventures by, *inter alia,* establishing the appropriate partnerships. To enhance partnerships and stakeholder involvement, the Government in collaboration with stakeholders will endeavour to:

1. *Provide an enabling environment and appropriate incentives to enhance public private partnerships.*
2. *Provide an opportunity for private sector and communities to participate actively in developmental planning and implementation of sustainable tourism development.*
3. *Encourage formation of an umbrella association for the tourism sector as a platform for a common voice and self regulation.*
4. *Involve local (host) communities in the tourism industry by establishing partnership venture, out-sourcing and purchase of goods and services.*

7.3   Tourism Education and Public Awareness

Sustainable tourism must be encouraged through coordinated and structured education and public awareness programmes. In this regard, the Government in collaboration with stakeholders will endeavour to:

1. *Support the development and implementation of a tourism education and public awareness strategy.*
2. *Encourage travel by the public and students to tourism destinations.*
3. *Encourage establishment in-country regional tourism boards.*

8.0 IMPLEMENTATION STRATEGIES AND ACTIONS

The main responsibility for following up this Policy and ensuring its realization rests with the Government. The proposed implementation strategies and actions presuppose active participation of stakeholders at all levels. In this regard, the following strategic actions will guide the implementation of this Policy:

8.1 Integration of Tourism Concerns in Sectoral Policies, Development Planning and Budgetary Processes

Integration of tourism considerations in all relevant sectoral policies, planning and development processes is critical for this Policy to achieve the set Goal and Objectives. In order to operationalize this Policy, the Ministry responsible for tourism has to take the leadership role in ensuring that all sectoral policies, planning and development processes   mainstream tourism considerations. The following specific actions will be taken:

1. *Establish an Inter-Ministerial Committee on Tourism to provide a platform for identifying and integrating tourism considerations into relevant sectoral and cross-sectoral policies, development planning and budgetary processes.*
2. *Enhance coordination among ministries and lead agencies.*
3. *Coordinate the development of tourism products.*
4. *Strengthen mechanisms for coordinating and harmonizing the development and implementation of the integrated tourism development area plans.*
5. *Strengthen and facilitate ministry's engagement with actors in the tourism sector.*
6. *Establish and maintain a Tourism Sector Safety, Crisis Management and Communication Centre through public private partnership.*

8.2   Comprehensive Tourism Legislation

There remains a considerable degree of crossover, duplication and conflict over the governance of many key issues relating to the tourism sector. These problems will be tackled by addressing the inadequacies of the existing legal and institutional framework. In this regard, the following specific actions will be taken:

1.   *Enact a Comprehensive Tourism Legislation.*
2.   *Promulgate appropriate regulations, guidelines, Code of Practice and standards   for the sector.*
3.   *Strengthen and facilitate the tourism sector umbrella association.*

8.3   Clarifying Roles and Responsibilities

Implementation of this Policy will involve different groups, including Government agencies, private sector, civil society organizations, local communities and the public. A key element is defining the roles and responsibilities of each group. The table below shows various roles and responsibilities to be performed by the institutions under the Ministry.

Institution	Role and Responsibilities
Ministry of Tourism Directorate of Tourism	• Overall oversight of the tourism sector: ✓ Policy development and monitoring ✓ Bilateral and multilateral agreements ✓ Development of National Tourism Strategy ✓ Development of integrated tourism development area plans ✓ Tourism information centres ✓ Inter-ministerial coordination ✓ Tourism Business Council

	✓ Roundtables ✓ Coordination of tourism product development and marketing ✓ Multistakeholder Forum ✓ Responsible for in-country regional boards

National Tourism Regulatory Agency	• Regulation of the tourism sector
	  ✓ Licensing
	  ✓ Inspection
	  ✓ Development and enforcement of standards
	  ✓ Regulation training institutions

National Tourism Training Agency	• Tourism and hospitality training and capacity building
National Tourism Protection Service	• Safety of visitors and hosts in all tourist destinations

Development Financial Institution	• Specialized financial institution and business advisory services in tourism sector
	  ✓ Investment support
	  ✓ Financial and business services

Tourism Fund	• Diversified funding sources
	  ✓ Levy
	  ✓ Grants under partnership, MoU
	  ✓ Other sources
	• Disbursements
	  ✓ Tourism marketing
	  ✓ Research and information system
	  ✓ Tourism product development
	  ✓ Training and capacity building
	  ✓ Tourist Safety, Communication and Crisis

	Management Centre ✓ Tourist and host safety

National Tourism Research Institution	• Research and Development
	   ✓ Comprehensive tourism database
	   ✓ Tourism product development
	   ✓ Tourism market intelligence
	   ✓ National tourism information management system

Tourism Tribunal	• Dispute resolution • Appeals
National Tourism Marketing agencies	• Tourism marketing • MICE • Cultural tourism

GLOSARY OF TERMS

"ecotourism" refers to responsible travel to natural areas that conserves the environment and improves the well-being of local people.

"sustainable tourism" means tourism development meeting the needs of present tourists and hosts while protecting and enhancing opportunity for the future.