



*Making Kenya's hospitality globally competitive*  
KENYA ASSOCIATION OF HOTEL KEEPERS AND CATERERS



Report of the

**2024**

**Kenya Association of Hotelkeepers  
& Caterers (KAHC)**

**SYMPOSIUM**



THEME:

∞ **THE NEXT TWENTY** ∞

**24-25 June 2024**

**Neptune Paradise Beach Resort & Spa**

**Host:**

**Mike Macharia, Chief Executive Officer, KAHC**

**Co-Host:**

**Cathrine Murage, KAHC Finance Chairperson**



## Partners



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## Abbreviations and Acronyms

AI	Artificial Intelligence
HR	Human Resources
IHTI	International Hotel and Tourism Institute
KAHC	Kenya Association of Hotel Keepers and Caterers
KTB	Kenya Tourism Board
KUC	Kenya Utalii College
NSSF	National Social Security Fund
RBA	Retirement Benefit Authority
TF	Tourism Fund
TRA	Tourism regulatory Authority
TVET	Technical and Vocational Education and Training Authority
VAT	Value-Added Tax



## Welcome Remarks



**By Mr Mike Macharia**  
Chief Executive Officer, KAHC



Mr Mike Macharia stated that the 20th Annual KAHC Symposium marked a significant milestone, having started as a small gathering of investors in Diani in 2002. He recognized the following KAHC pioneers/officials present at the first Symposium and now present at the 20th Symposium: Mr. Harald Kampa, Mr. Ken Ayoti, Mr. Wasike Wasike, Mr Mohammed Hersi, and Ms. Lucy Karume from Jacaranda Hotels. Over the years, the Symposium has evolved into a fully-fledged tourism symposium. It has brought in various partners that include, among others, the Ministry of Tourism and Wildlife and parastatals such as the Tourism Fund (TF), Kenya Tourist Board (KTB), Tourism Regulatory Authority (TRA), Kenya Utalii College (KUC), and Bomas of Kenya.

He noted that numerous issues have been discussed over the years at the Symposium, turning it into a workshop that has achieved many successes despite existing challenges that hindered the growth of the tourism sector, such as the poor road network in the country. This has since changed with the building and upgrading of roads across the country.

Mr. Macharia highlighted key developments in the tourism sector, including the formation of KTB in 1997, the passage of the Tourism Act in 2011, the establishment of various institutions focused on tourism, and the creation of a crisis committee that evolved into a global resilience center, among other advancements.

He mentioned that the Symposium would reflect on past experiences, learning from them, and planning for the future over the next two days. KAHC, he said, has undergone a Strategic Workshop, with its Board deciding to plan beyond five years and instead look into the next 20 years, which is the Symposium's theme. The KAHC Strategic Plan will be based on ten-year blocks, with annual reviews carried out.

Mr Macharia explained that the KAHC Symposium is a platform for work, networking, golf, and charity work at Nairobi and Coast Hospice. In this regard, he recognized the following as the partners of the 20th KAHC Symposium:

- APA Assurance
- International Hotel and Tourism Institute (IHTI)
- Kenya Tourism Board (KTB)
- MultiChoice Kenya
- Sasini Tea
- Brookside Dairy
- Kenya Development Corporation (KDC)
- Kenya Utalii College (KUC)
- National Social Security Fund (NSSF)
- Tourism Fund (TF)

In closing, Mr. Macharia thanked the County Government of Kwale for hosting the 20th Symposium and its officials for their presence.

2.0

## Introductions



**By Mr. Christopher Musau**  
KAHC National Chairman



Mr. Christopher Musau, the National Chairman of KAHC, welcomed all participants to the 20th Annual KAHC Symposium themed “The Next 20”. He expressed his gratitude to the KAHC members for their support, loyalty, and commitment, often going beyond their call to duty, which usually goes beyond what is expected.

In his capacity as the KAHC National Chairman, Mr. Musau introduced the following Board Members present at the Symposium:

- Mr. Francis Msengeti, Coast Chair
- Mr. Harald Kampa, Coast Region Chairman
- Mr. Jimi Kariuki, Board Member
- Mr. Ken Ayoti, Board Member
- Mr. Vickram Korla, Board Member
- Mr. Wasike Wasike, National Vice Chairman
- Ms. Cathrine Murage, Board Member
- Ms. Maureen Awuor, Kilifi Region Chairperson

Mr Musau addressed the issue of the recent protests that turned out violent and resulted in rocking the country to the core. In this regard, he affirmed KAHC’s position on respecting the country’s constitution and collectively upholding it as Kenyans. The right to express and protest is entrenched in the country’s constitution. He urged the government and protesters to exercise their rights carefully, avoiding loss of lives, injuries, and property destruction. He also called on the police to exercise restraint in maintaining law and order. Mr. Musau expressed KAHC’s sadness over the incidents that have resulted in injuries, destruction of property, and loss of lives. He thanked President Honorable William Ruto for withdrawing the Finance Bill 2024, which he believed would prevent further escalation. He encouraged young people to accept the President’s olive branch.

Turning to the Symposium theme, Mr. Musau appreciated the government of Kenya for allocating Kshs 4.5 billion to the Tourism Fund and Kshs 2.2 billion to the Tourism Promotion Fund in the 2024-2025 budget. Mr. Musau highlighted the robust performance of the tourism sector in 2023, noting an increase in tourism arrivals from 1.4 million in 2022 to 1.95 million in 2023, with a 31.5% increase expected in 2024. He emphasized the need to grow the sector by, among other approaches, increasing air capacity at Jomo Kenyatta International Airport (JKIA) and Mombasa and building convention centers in Nairobi and Mombasa.

He described the 20th Symposium as a celebratory meeting that has facilitated rich discussions



on tourism over the past 20 years; the focus, he said, is on the next 20 years. He mentioned the new strategic direction for KAHC in 2024 and the strides it has made within the East African community and globally. He cited participation in international trade fairs like the World Travel Market (WTM) and involvement with organizations such as the International Labour Organization (ILO) and the United Nations World Tourism Organization (UNWTO).

Mr. Musau noted that the lineup of speakers at the Symposium reflected KAHC's desired direction, providing opportunities to enhance the hospitality sector. He emphasized the sector's limitless opportunities for growth, investment, and job creation.

On behalf of the KAHC Board of Directors, Mr. Musau wished all participants a productive Symposium.

3.0

## Welcome to Kwale County



By H.E. Fatuma Achani  
Governor, Kwale County



H.E. Fatuma Achani, Governor of Kwale County, welcomed participants to Kwale County during the 20th anniversary celebration of KAHC. She appreciated hoteliers and investors present for choosing Kwale County for their tourism investments. The Governor highlighted that Kwale's tourism development is based on its beaches, marine parks, game reserves, wildlife, and local culture. Diani Beach, she said, was voted Africa's leading beach destination in 2023 by the World Travel Awards, an award it has previously won six years in a row. In addition, several properties were feted for their resilience, product development, and dedication to creating magical experiences for all their guests in 2023. Various properties in Kwale, including Diamond Leisure Beach Golf Resort, Swahili Beach Resort, Baobab Beach Resort and Spa, and Leopard Beach Resort and Spa, received accolades for their resilience and dedication in 2023. She informed participants that on 18th October 2024, Diamond Leisure Beach and Golf Resort will host the 2024 World Travel Awards Africa ceremony, a prestigious international event.

In collaboration with KTB, hoteliers, and tour operators, the county has made significant investments in infrastructure, including beach access roads, walkways, street lights, lifeguards, tourism enforcement officers, and marketing to promote the county as a prime tourist destination. Capacity building of beach operators and driver guides to enhance the provision of quality services has also been carried out. Governor Achani further acknowledged the national government's support for the county's tourism sector, citing the expansion of Ukunda Airport, the tarmacking of the Samburu-Kinango road, and the near completion of the Dongo-Kundu bypass.

She emphasized the bright future of tourism in Kwale, noting that partnerships with stakeholders will contribute to the country's success. The county, she said, is also sourcing partners to build a Heritage and Convention Centre that will attract both domestic and international visitors.

Governor Achani, in closing, expressed profound gratitude to the national government and the Cabinet Secretary of Tourism and Wildlife, *Hon. Dr. Alfred Mutua*, for their unwavering efforts in enhancing the visibility of Kwale's tourism sector. In conclusion, she applauded the industry for their commitment to improving tourism in Kenya and expressed confidence that the upcoming awards would further prove Kenya's status as a top tourism destination.

## Key Note Address



**By Hon. John Ololtuaa**

Principal Secretary, Ministry of Tourism and Wildlife, representing  
Hon. Dr. Alfred Mutua, Cabinet Secretary, Ministry of Tourism and  
Wildlife



Hon. John Ololtuaa, Principal Secretary, Ministry of Tourism and Wildlife, began his remarks by praising KAHC for the vital role it is playing in the tourism industry. He emphasized that the association has been crucial in addressing hospitality issues, engaging with the government at national and county levels, and collaborating with stakeholders to promote tourism in Kenya and beyond. He commended KAHC on behalf of the Cabinet Secretary and the Kenyan government.

Hon. Ololtuaa highlighted the importance of the KAHC Symposium as a forum for dialogue, collaboration, and innovation in the tourism sector. He noted that key issues for discussion should include the Open Sky policy and infrastructure development related to hotels and tourist attractions. He affirmed that the government recognizes the hotel industry's critical role in job creation and its positive ripple effect on the economy. He observed that there has been growth in the hotel sector in 2023 and 2024, with new hotels like JW Marriott opening in Nairobi, thereby enhancing the attraction of international and domestic tourists.

Hon. Ololtuaa reported that there has been substantial growth in the tourism sector, with tourist numbers increasing from 1.4 million in 2022 to over 2 million currently. The government aims to grow this number to 3 million by the end of 2024 and 5 million by 2027. He emphasized the private sector's role in driving tourism growth and the government's efforts to connect with the diaspora community to attract more tourists. He stated that KTB and Kenya's Missions abroad are preparing a network to engage the diaspora in promoting Kenya as a tourism destination.

He expressed confidence in increasing tourism through a program initiated by Cabinet Secretary *Hon. Dr. Alfred Mutua*, which involves close collaboration with county governments to develop unique tourist attractions. In Kwale County, the government is ready to co-fund the construction of a cultural, heritage, and Convention Centre. He urged all counties to consider similar projects in partnership with the national government to attract tourists and conferences.

The government is focusing on several areas to attract tourists, including wildlife, beaches, landscapes, historical and heritage sites, sports, medical, desert, and MICE tourism. Hon. Ololtuaa emphasized continuous marketing of Kenya's offerings, with the government working closely with KTB on digital and data-driven marketing insights. Infrastructure and legislation support are also being reviewed to enhance the tourism and investment environment.

Current government actions include:

- *Review of the National Tourism Policy and Tourism Act:* Aligning with the bottom-up transformation agenda and seeking stakeholder input.
- *Training:* Ensuring Kenya Utalii College and private hospitality institutions offer training to up-skill and certify experienced but undocumented workers in the hospitality sector.
- *Accreditation:* Launching a national hotel classification program in 2024-2025 to map quality standards.

In closing, Hon. Oloituaa called for stakeholder collaboration to transform the tourism sector and urged for constructive dialogue to help promote Kenya's image to the world. He then declared the 20th Annual KAHC Symposium officially opened.

## Plenary Discussion (1)



The following were the outcomes of the discussions whereby participants asked questions to the Governor and the Principal Secretary.

1. *Incentives the Ministry has for the private sector to revive or restore their products in line with international markets:* The government continues giving waivers through the tourism regulatory authority on some imported items classified for setting up hotels. Additionally, the Kenya Development Corporation, formerly the Tourism Finance Corporation, is offering soft loans to cushion the industry when needed. The Ministry is also discussing changes in laws to provide further support to investors and cushion hotels.
2. *Beach endangerment through sand harvesting and port expansion:* The government stands firm in its position against sand harvesting. It has further requested that the Kenya Ports Authority first involve the public in its expansion and its detrimental effects on the ocean.
3. *Improving accessibility to the Kenyan coast by air, connecting through Dubai or Ethiopia to Nairobi,* is not making sense, and businesses are being lost to alternative destinations. The Ministry of Tourism and Wildlife is in discussions with the Ministry of Roads and Transport on approaches towards having more direct flights to the coast and other parts of the country. Recent direct flights have been launched, and there is a keen interest in supporting more direct air access.
4. *Undeveloped beach plots in Kwale County and their exorbitant prices:* Most of the leases for these beach plots have expired and been renewed fraudulently. The Kwale County government is working to repossess this land. Genuine titles will be respected, but fraudulent ones are being dealt with legally to ensure idle land is utilized.
5. *Subdivision of beach plots reduces the commercial viability of an area:* The county government of Kwale is aware of the issue and has so far stopped construction activities on some subdivided plots to ensure the area's commercial viability is retained. The county is also in the process of developing a law to prevent the subdivision of beach plots. The national government is keen to partner with county governments on beach sanitation programs, beach cleanup, and organizing beach operators into SACCO's.
6. *Opening of the Dongo-Kundu bypass:* An announcement is expected to be made by H.E. President William Ruto during the Blue Invest Conference to be held in Kwale County.
7. *National Police harassment of tourist at the airport even after being cleared by immigration:* The P.S. Tourism and Wildlife to discuss this issue with the P.S. for Interior for clarification. The National Police Service is expected to be professional in undertakings; any misconduct will be investigated and rectified.
8. *Restoring air access to Mombasa to pre-COVID levels, such as bringing back Turkish Airlines and Qatar Airlines:* The Ministry of Transport is already reviewing requests for restoring flights. It is hoped that assessments will allow these flights to return to enhance accessibility.



9. *Merging KTB with other parastatals will disadvantage Kenya from competing with other tourist destinations.* The tourism industry has also presented a strong case for retaining KTB as a unique entity focused purely on tourism. Ongoing discussions are expected to yield an appropriate outcome.
10. *The Tourism Police Unit:* There will soon be a Memorandum of Understanding signed to strengthen the tourism police unit and make it more functional. The unit will be expanded to reach more towns, enhancing security for tourists.





6.0

## Panel Discussion – KAHC over the last 20



Moderator: Mike Macharia



### List of Panelists

1. Amb. Mwaka Sio, Founder IHTI
2. Lucy Karume, Former KAHC Chairperson
3. Harald Kampa, Owner, Welcome Inn Hotels

The panelists, who were part of the pioneers of the first Symposium, were asked to reflect back 20 years and the current times and respond to the following set of questions:

- *Where did we start from?*
- *What are our achievements/What has changed?*
- *What has not changed?*
- *What will the next 20 years look like?*
- *How do you see us moving to 3 million visitors?*
- *What have been the challenges identified over the last 20 years?*
- *What are your key recommendations?*



## 1. Where did we start from?

- The first Symposium was held in 2002 at Leisure Lodge, with a one-day engagement and an AGM.
- The Symposium's pioneers included Harald Kampa, Lucy Karume, Ken Ayoti, Wasike Wasike, Vickram Korla, and Mark Gathuri.
- The early days were marked by informal interactions and limited communication between industry players. There was no cohesive voice, and very few meetings took place.

## 2. What are our Achievements/What has changed?

- The Symposium has become a significant platform for industry deliberation and policy influence and brings together industry players under one roof to deliberate on issues affecting the industry.
- The Symposium has helped facilitate better communication among suppliers, tour operators, and hotels (a cohesive voice).
- There is now more engagement with government officials, allowing for direct communication of industry needs.
- Creation of a collective voice for the industry, leading to the establishment of security measures and crisis management strategies.
- Launch of the magazine "Ziara," which became a source of pride and a tool for industry communication.
- The industry has evolved from informal meetings to structured engagements with government officials.
- The Symposium has grown from a one-day event to a one-and-a-half-day event with an Annual General Meeting (AGM).
- There is now a greater focus on tourist security and safety, with systems in place to communicate and manage crises.

### Small Achievements made:

- Although progress has been slow, there has been some movement on the open sky policy.
- Development of Ukunda Airstrip.
- Improvement in Travel Advisory Communication: The language and approach of travel advisories have shifted, making them less harsh.
- Despite taking a long time, progress has been made on the Ndongo-Kundu bypass.
- Funding for the Tourism Sector: Better monitoring and aggressive advocacy are needed to ensure the funds are used as intended for marketing and other purposes.
- Kenya participating in the Spanish-speaking tourism market.

## 3. What Has Not Changed?

- Security issues remain a significant concern, with historical challenges around safety for tourists during crises.
- Travel advisories from key markets like the USA, UK, France, and Australia have consistently impacted the industry.

- Security concerns, including terrorism and crime, have persisted over time.
- The call for an open-sky policy to improve air access to tourism destinations has been ongoing.
- Value Added Tax (VAT) on tourism services continues to make Kenya less competitive compared to other East African destinations.
- *Training and Resources at Kenya Utalii College:*
  - ▶ The number of people trained at Utalii College has consistently been limited due to resource constraints.
  - ▶ There has always been a need for more trained personnel, particularly at the basic level (e.g., waiters, cooks).
  - ▶ The problem of insufficiently qualified chefs remains, with executive chefs often leaving for better opportunities elsewhere.

#### 4. What will the next 20 years look like?

- Understand the past to plan for the next 20 years.
- Focus on the continuous development of hospitality education and training to ensure skilled professionals manage the industry.
- For example, there is a need for innovation and adaptation to digital tools, such as digitizing the magazine “Ziara.”

#### 5. How Do You See Us Moving to 2 or 3 Million Visitors?

- Addressing challenges such as negative travel advisories, security concerns, and the need for an open sky policy to increase airline seat capacity.
- Improving competitiveness by reconsidering policies like VAT on tourism services has made Kenya less competitive compared to neighboring countries.

#### 6. What have been the challenges identified over the last 20 years:

- *VAT on tourism services:*
  - ▶ The VAT Act 2013 has made Kenya a less competitive destination in East Africa. VAT on park entry fees and tour operator packages affecting the industry’s competitiveness.
- *Negative Travel Advisories:*
  - ▶ Affected the tourism industry, leading to cancellation and loss of business.
- *Negative publicity:*
  - ▶ Negative press, both locally and internationally, as a result of terrorism and disease outbreaks.
- *Security concerns:*
  - ▶ Security concerns as a result of terrorism creating negative perceptions of the industry
- *Withdrawal of the Training levy*
- *Airline Seat Capacity:*
  - ▶ Lack of adequate airline seat capacity affecting tourism growth.
  - ▶ Airlines discontinuing flights from and into Kenya.

- *Communication issues:*
  - ▶ Lack of communication between suppliers, tour operators, and hotels.
  - ▶ Difficulties in coordinating with government officials in the past.
- *Historical Training Challenges:*
  - ▶ Lack of management positions for natives in the industry post-independence.

## 7. Key Recommendations:

- Too much focus is being given to the tourism numbers rather than the earnings. This should be reversed.
- Need for continuous communication and collaboration within the industry and with government officials.
- There is a need for a collective voice and innovative communication tools.
- Emphasis be placed on the significance of hospitality education and training.
- Roll out digital platforms to smaller establishments
- Historical insights can be used to guide future developments.
- Staff should be trained in technical skills, not only management but also junior staff, as they communicate directly with the guests.
- Kenya should adopt an open sky policy to allow more airlines to fly directly to tourism destinations.
- Need for a training levy to support the training of hospitality professionals.
- Need for a new scheme of handling education and training for the hospitality industry, for both public and private training institutions.
- There is a need for the industry to focus on outdoor experiences and ghost kitchens.
- Maximize the use of Artificial Intelligence (AI) to help advance the industry and individual players.

## The Origin of the Symposium: Where we have come from/Where we are going?



**By Mr Ken Ayoti**

Former Nairobi Region Chairman, KAHC  
and National Vice Chairman



Mr. Ken Ayoti began by reflecting on his journey with the Kenya Association of Hotel Keepers and Caterers (KAHC) 20 years ago, first as the Nairobi Region Chairman under Patrick Muriuki and CEO Peter Nduru, then as the National Vice-Chairman under Raymond Matiba. He highlighted the immense difficulties faced by the Association during its early years, including severe financial challenges that made sustaining operations nearly impossible. Cash flow issues were rampant, and the threat of eviction from their offices loomed large.

When Peter Nduru left, the pressing challenge was finding a CEO capable of engaging with government offices, partners, and investors. The goal was to build confidence among the business owners who were not actively involved at the time. Ken noted they were fortunate to recruit Kabando wa Kabando as CEO despite initial resistance due to his activist background. Kabando's tenure marked a turning point, as he significantly raised the Association's brand visibility and credibility.

To address the financial and operational challenges, the Association developed a strategic plan to bring government, partners, and investors to the table. This led to the first-ever symposium, designed to unite all stakeholders and showcase the Association's value. The strategy also included ensuring business owners took leadership roles in the national office, leveraging their resources and networks to drive the Association forward.

Mr Ayoti recalled how they persuaded the late Sandy Vohra, the then Managing Director of Sarova Hotels, to run for the leadership position under the condition that he would be unopposed. Vohra's dedication and business acumen brought stability and growth to KAHC. After Vohra's passing, his brother J.S. Vohra continued to serve the industry with commitment, further solidifying the Association's foundation.

The involvement of business owners was a game changer, transforming KAHC and allowing it to thrive. Mr Ayoti proudly noted that the Association owns its office today, and financial stability has turned luxuries like morning tea into regular occurrences. He then emphasized the crucial support from Sarova and other leadership figures, enabling the Association to function effectively at national and regional levels.

Mr Ayoti's message was a rallying call for current investors to step forward and actively participate in the Association. He expressed gratitude for the support received over the years and highlighted the first symposium as a pivotal moment that motivated continued progress.

In conclusion, Mr Ayoti congratulated Mike Macharia and the current KAHC leadership for their achievements and expressed optimism for KAHC's future on both domestic and global stages.



## The Origin of the Symposium: Where we have come from/Where we are going?



By Mr Mohamed Hersi



Mr Hersi began his address by acknowledging the early struggles of the Kenya Association of Hotelkeepers and Caterers (KAHC). He recounted how, at one point, the Association was in severe financial trouble, operating in the red with a significant deficit. During this critical time, the late Sandy Vohra stepped in as an investor and owner, recognizing that KAHC needed more robust leadership from investors rather than hotel managers. Hersi expressed his deep respect for individuals like Mr Harald Kampa, who demonstrated leadership as investors, emphasizing the importance of investor presence in gaining governmental attention and support.

Mr Hersi highlighted Sandy Vohra's significant role in rescuing KAHC from insolvency. With a debt close to 11 million, Vohra's leadership and financial input were crucial in turning the organization's fortunes around. Hersi also credited Kabando wa Kabando, whose ability to knock on doors and secure support was instrumental in overcoming the Association's challenges.

Reflecting on the Association's milestones, Mr Hersi mentioned key figures like Mark Gathuri and the pivotal symposiums at Leisure Lodge and Windsor, laying the foundation for future successes. He expressed gratitude to everyone involved in KAHC's achievements, including the government administrations from the Mwai Kibaki government to the current regime, for recognizing the role of tourism in the country's economy.

One notable success story for KAHC was securing board roles in government institutions, allowing the Association to influence decisions from within. Mr Hersi stressed the importance of being at the decision-making table to avoid being overlooked. He mentioned KATO's (Kenya Association of Tour Operators) success in securing a seat in the Kenya Roads Board, highlighting the strategic advantage of such positions.

Mr Hersi pointed out ongoing challenges, such as the need for continuous hotel classification to maintain standards. He referenced the South Africa Tourism Grading Council, which provides continuous grading or assessment. He emphasized the importance of constant re-evaluation to ensure properties meet the expected standards over time. He questioned whether classification should remain a government duty.

Another critical issue Mr Hersi addressed was the need for the hospitality industry to better promote itself and its investments. He noted the frequent comparisons to other destinations like Dubai and Thailand and urged the industry to communicate more effectively about the comprehensive packages and value offered in Kenya. The Kenya hotel industry needs to come out to be heard.

Training and mentorship for the next generation were highlighted as areas needing improvement. Mr Hersi expressed concern over the increasing number of expatriates in junior roles and emphasized the importance of developing local talent. He praised institutions like Serena and Sarova for their investment in training but stressed the need for a collective effort to mentor and develop future leaders in the industry.



Mr Hersi concluded by addressing the impact of unregulated vacation rentals and platforms like Airbnb, which pose competition to traditional hotels. He called for a level playing field where all entities, including vacation rentals, adhere to regulations and contribute to the industry.

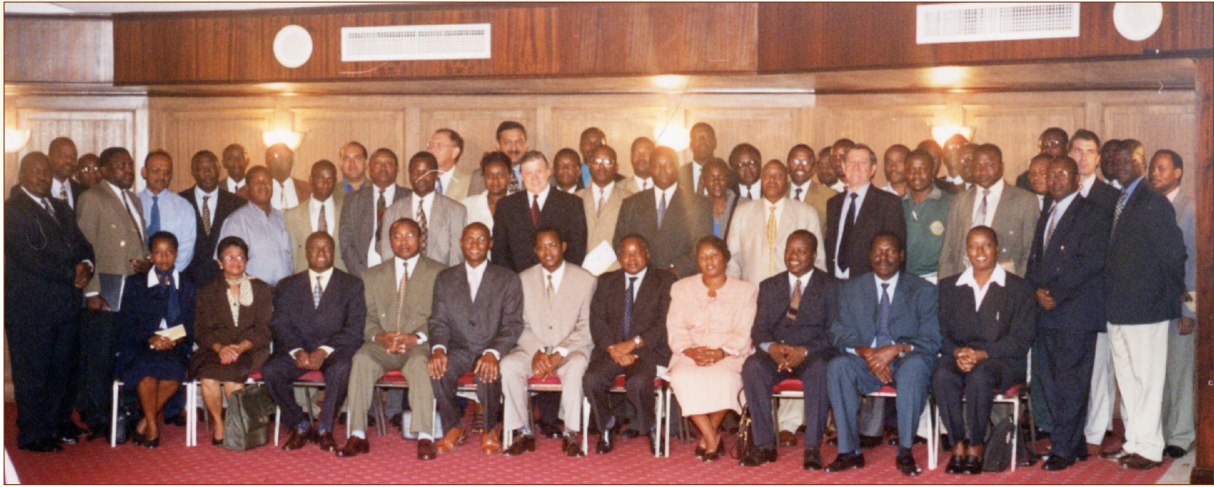
In closing, he praised KAHC's resilience and achievements over the past twenty years and expressed optimism for the future. He emphasized the importance of continued collaboration, truth-telling, and proactive engagement to ensure the industry's growth and sustainability.

### **Recognized Investors**

The following investors were recognized for their participation at the KAHC Symposium.

1. Chris Musau, Manzoni and 680 Hotel
2. Gerson Misumi, Tamarind Group
3. Harald Kampa, Diani Sea Resort, and Diani Sea Lodge
4. Jane Githere, Moffat Inn
5. Jimi Kariuki, Sarova Hotels
6. Lucy Karume, Jacaranda Hotels
7. Mr Young Kwah Roh, Safari Park Hotel
8. Sam Waitthaka, Clarion Hotel

## Reflections







## Complementarity in the tourism sector between Kenya and Uganda



By **Amb. Paul Mukumbya**  
Consulate General of Uganda in Mombasa



**Focus:** What the Consulate has done to promote tourism, and what needs to be done to contribute more to tourism growth between the Kenya coast and Uganda?

Ambassador Paul Mukumbya, Consulate General of Uganda in Mombasa, expressed gratitude for the invitation to the 20th celebration of the KAHC Annual Symposium. He congratulated KAHC on this milestone and acknowledged its significant contribution to the growth of the tourism sector in Kenya. He emphasized the strong partnership between the Consulate General of Uganda and KAHC, highlighting the collaborative efforts to promote collaboration and complementarity between the tourism products in Uganda and the Kenya coast.

Focusing on economic and commercial diplomacy, Ambassador Mukumbya outlined the Consulate's efforts to promote tourism, trade, and investment between Uganda and Kenya's coast. He stressed the complementary nature of the tourism products in both countries, with Uganda offering attractions like mountain gorillas and chimpanzees, adventure tourism, religious tourism, and the Kampala nightlife, while Kenya boasts beautiful beaches, marine tourism, and historical sites.

To enhance tourism cooperation between the two countries and regionally, Amb. Mukumbya stated that they gave the following proposals to create destination awareness among stakeholders between Uganda and Kenya as well as increase the number of tourists visiting both countries (regional tourism):

1. **Strengthen Complementarity tourism between Uganda and Kenya:** The complementary nature of tourism products in Uganda and the Kenyan coast, such as beaches and mountain gorillas in Uganda, needs to be explored. This strategy would create a win-win situation where tourists can enjoy a diverse range of attractions in a single trip.
2. **Encourage the establishment of regional brands:** Kenyan hotel brands should expand into other regional markets, including Uganda, and take advantage of the demand for high-end accommodation in Uganda, for example, in its national parks. Accommodation prices in Uganda are much higher than in Kenya.
3. **Leveraging government incentives:** Kenyan investors should take advantage of the incentives provided by the Ugandan government for investments in the tourism sector (building of high-end lodges), particularly in the following conservation areas: Queen Elizabeth, Kibale, and Kidepo Valley.
4. **Enhancing tourism through familiarization and farm trip experiences:** Facilitate trips in both countries where tour operators and stakeholders can experience tourism products



firsthand in either of the two countries

5. *Encouraging participation in tourism conferences:* Continue organizing Uganda-Kenya Coast Tourism Conferences to foster collaboration and exchange of ideas among tourism stakeholders.
6. *Boosting Regional Tourism:* Encourage Kenyans to visit Uganda and vice versa, leveraging the proximity and ease of travel between the two countries as it requires minimal travel documentation. Regional tourism can help mitigate the seasonal fluctuations experienced in the tourism industry and will leverage the young population's enthusiasm for travel.
7. *Developing Golf Tourism:* Promote golf tourism by organizing golf tournaments between Uganda and Kenya, targeting tourists with disposable income and encouraging them to explore other tourist sites.
8. *Capitalizing on Special Events (weddings and festivals):* Highlight the potential of hosting Ugandan weddings and festivals in Kenyan coast hotels to attract Ugandan tourists who spend significantly on such events.
9. *Introducing luxury cruises on Lake Victoria:* The introduction of luxury cruise ships on Lake Victoria, with routes connecting Kisumu, Entebbe, and Mwanza, would attract tourists interested in unique and luxurious travel experiences.
10. *Promoting the trade of Ugandan agricultural Products:* Kenyan hotels source pineapples, bananas, and passion fruits from Uganda, which are known for their superior taste and quality.

In conclusion, Amb. Mukumbya invited participants to the third Uganda-Kenya Coast Tourism Conference scheduled for November 21st, 2024, in Kampala, underscoring the theme of *"The Uganda-Kenya Coast tourism partnership; promoting job creation, inclusiveness, and sustainability."* The conference will be preceded by a golf tournament between Uganda and Kenya Coast on November 9th, 2024, and a Fam Trip between 9th and 18th November. He expressed optimism about the future of tourism collaboration between Uganda and Kenya and looked forward to continued cooperation and growth in the sector.

## The Future of Hospitality



By Colin Johnson, PhD, Professor

Department of Hospitality, Tourism and Event Management



Prof. Colin Johnson acknowledged the ambitious 20-year plan being discussed, suggesting that a five-year business plan is typically considered long-term. He reflected on the unpredictability of the future, using the unforeseen COVID-19 pandemic as an example, and structured his presentation into three main topics: customer demand, destination sustainability, and artificial intelligence (AI).

Prof. Johnson highlighted the significant changes in customer demand over the past two decades, noting the doubling of the Chinese market for outbound travel and tourism from 6% to 12%. He projected significant growth in Indian tourism, with an expected annual compound growth rate of 7.5%. Regarding the changing consumer, he discussed the emerging Generation Z travelers, who are increasingly inclined to travel and combine work with leisure as global nomads despite having less disposable income. This demographic shift indicates a decline in travel by baby boomers, with 75% expected to be over 70 by 2030.

He emphasized the influence of social media, particularly TikTok, on travel decisions among younger generations. A US survey pointed out that 75% of all TikTok users (Gen. Z's and Millennials) would use the App to choose travel destinations; 45% of these users have traveled to a new destination because they saw it on the App. He also mentioned the rise of "laptop luggers," individuals who combine business and leisure travel, further highlighting the importance of sustainability in travel choices for younger generations.

Prof. Johnson touched on the decline of business travel, attributing it to corporate concerns over emissions, meeting their global carbon goals, and the increased use of virtual meetings. He gave an example of government initiatives like France's banning short-haul flights to reduce emissions. He noted that sustainability and social responsibility are increasingly important to younger travelers, with 23% of Generation Z prioritizing hotels with higher sustainability ratings, while for baby boomers, this is at 14%.

He discussed the impact of the Chinese (highest-spending international tourists) and Indian markets on global tourism, emphasizing the need for destinations to cater to these growing markets. He stressed the need to target the luxury travel market and address issues like overcrowding in popular destinations.

Prof. Johnson suggested that Kenya could benefit from promoting intra-regional travel and creating complementary tourism packages with neighboring countries. Intra-regional growth is the second largest opportunity after domestic travel. He proposed crafting comprehensive itineraries and making cross-border travel easier to attract more domestic tourists.

He briefly touched on the trend of franchising in the hotel industry in Europe, noting that major hotel chains like Marriott are shifting away from management contracts towards franchising. This shift is driven by the financial benefits of economies of scale and the desire to focus on the

hotel's brand, loyalty programs, and distribution services.

Prof. Johnson highlighted the growing importance of technology in the industry, mentioning the increasing size of cruise ships and the consolidation of hotel brands. He acknowledged the industry's environmental challenges but deferred to other experts for more in-depth discussions on climate resilience.

He introduced a McKinsey model for assessing the resilience of tourist destinations, which considers factors like economic dependence on tourism, visitor experience, infrastructure, environmental impact, and threats to cultural heritage.

Prof. Johnson discussed the pervasive impact of artificial intelligence (AI) on all jobs, using an example of AI in the roofing industry to illustrate its potential. He noted that AI will significantly influence various aspects of work and communication, such as Chat GPT. He cited a survey conducted in the United States, which analyzed the performance of different groups on legal documents. The groups included senior lawyers, junior lawyers, legal process outsourcers (LPO), and AI (specifically GPT-4). The results showed that while senior lawyers performed the best, GPT-4 completed the task significantly faster and at a lower cost, taking only 4.7 minutes and costing 25 cents. This demonstrated that AI could efficiently handle tasks that typically require human expertise, particularly in the middle range of complexity.

Prof. Johnson raised ethical concerns regarding AI's role in replacing human jobs and the broader implications of its capabilities. He noted that AI's impact extends beyond legal services, improving the speed and quality of medical diagnoses, such as cancer detection. He highlighted the importance of how AI is prompted, explaining that different commands and requests yield varied results, an aspect unique to AI compared to traditional tools like calculators. He emphasized AI's potential to enhance the performance of less experienced professionals, using an example from the Boston Consultancy Group, where poorer consultants benefited the most from AI.

In the hospitality industry context, Prof. Johnson elaborated on several key benefits of AI. AI can significantly reduce stress and improve performance by handling routine tasks efficiently. It can enhance employee retention by alleviating workload pressures and increasing the number of issues resolved per hour in customer service environments. AI's ability to prompt and manage tasks is crucial for maintaining operational efficiency.

In closing, Prof. Johnson then posed a critical question about the future of human jobs, especially in standardized and codified roles within hospitality and human resources. He also encouraged participants to embrace sustainability and technological advancements to ensure the future success of the travel and tourism industry.



## Presentations by KAHC Partners

### 10.1 National Social Security Fund (NSSF)



By David Koross  
Managing Trustee, NSSF



Mr David Koross, Managing Trustee of the National Social Security Fund (NSSF), addressed the critical state of social security in Kenya and the role of the NSSF in addressing these challenges.

Mr Koross highlighted that 83% of all adults in Kenya lack social security, insurance, or a retirement scheme, emphasizing the situation's urgency. He pointed out that 1.2 billion elderly people globally face hunger daily due to the absence of a pension. In Kenya, only 6% of retirees have a reliable pension; this significantly increases the vulnerability of the elderly population. He noted the increasing life expectancy, stating that people are now living up to almost 100 years. Without proper social security, many are likely to face financial difficulties in their later years. Koross emphasized that the NSSF aims to assist in mitigating this issue.

Mr Koross mentioned the low savings rate in Kenya, which is around 11% of GDP and one of the lowest globally. He explained that the NSSF was established to improve this situation, referencing the 2010 Constitution of Kenya, particularly Chapter 4, which guarantees the Bill of Rights, including the right to social security under Article 43. The government, therefore, has the mandate to provide guaranteed social security, which led to the re-establishment of the NSSF through the NSSF Act of 2013. He clarified that NSSF contributions are not a tax but a savings mechanism for retirement intended to provide financial security for retirees.

Under Pillar 1, NSSF is a mandatory universal social security scheme, offering basic benefits to cover the entire working population, formally employed (4 million) and the informal sector (15 million). Mr Koross stressed the importance of extending social security to those in the informal sector to ensure their financial stability in retirement.

He stated that according to an Economic Survey done in 2023, the hospitality sector has 75,900 wage employees or those who get a regular paycheck. Of the 1312 active employers, only 12% are compliant with NSSF regulations. He urged employers to work with NSSF to increase compliance and ensure employees' social security.

Mr Koross outlined NSSF's achievements, including improving the efficiency of benefit payments. The aim is to reduce the processing of claims from 80 days to 8-15 days. The target is to pay the claims within 24 hours by 2026-27. He discussed the growth of the NSSF fund, aiming to reach a Kshs 1 trillion fund by 2028; NSSF, he said, is committed to providing double returns to its members. NSSF is also working to reduce its administrative costs, which are currently at 2%.

He compared Kenya's contribution rates with those of other countries, noting that while Kenya's contribution rate is 12% (employer 6% and employee 6%), countries like Ghana (18.5%),



Tanzania (20%), Uganda (15%), and Ethiopia (16%) have higher rates, and Brazil's rate is as high as 34%. Mr Koross argued that although 12% may not be adequate, it is a reasonable start given the current economic situation.

Mr Koross concluded by giving the following Call to Action for KAHC:

- *Monitoring and Support:* KAHC to establish mechanisms to monitor compliance with NSSF regulations among its members. This could involve providing guidance and support to ensure that contributions are made accurately and timely.
- *Social responsibility and impact:* By actively supporting NSSF contributions, KAHC demonstrates its commitment to corporate social responsibility (CSR) within the hospitality sector. This enhances the industry's reputation and contributes to its overall positive impact on society by ensuring that employees receive adequate social security coverage.

## Plenary Discussions: Response by NSSF to questions from plenary



By Mr Ombui

GM Benefits and Social Security, NSSF



- 1. The NSSF Tier 1 and 2 and the opt-out option:** The NSSF Act of 2013 outlines Tier 1 and Tier 2. When this Act was implemented, it was understood amongst the stakeholders – workers and employers that moving from a 200 shillings monthly contribution to 6% of the gross salary would be financially challenging for employers. Therefore, a structured five-year implementation plan was agreed upon starting in 2013. In Year 1, it was decided that the baseline for contribution was the lower earnings limit for contributions, which was 6,000 shillings (Yr 1) and 7,000 (Yr 2). This graduated each year up to 10,000 shillings in the fifth year. The agreed upper limit started at 18,000 shillings (Yr1) and 36,000 shillings (Yr2). Contributions from the lower limit are subjected to 6% of the salary, matched by the employer. Any amount above this goes into the tier-two contribution, which is an enhanced contribution. For the enhanced contribution, the NSSF Act allows for an opt-out option where one can choose to leave Tier 1 and Tier 2 contributions with NSSF or transfer them to a scheme of their choice, provided one gets certification from the Retirement Benefit Authority (RBA) who is the regulator of these schemes.
- 2. Concerns on decisions made by NSSF on where to invest members' funds and how previously investments were made in high-risk areas, resulting in losses of members' funds:**

  - NSSF is guided by the RBA; it has competitively appointed professional investment managers responsible for investing the funds according to legal guidelines, ensuring members' interests are protected.
  - NSSF does not directly invest anymore; professional fund managers handle this under the supervision of the NSSF board, which is made up of representatives from workers, employers, and the government. Professional fund managers like Old Mutual, Sunlam, and CIC manage all contributions. Investments are regulated by RBA, with most funds allocated to government bonds (60% - 70% of the funds), the stock market, and property, but only through fund managers. NSSF avoids direct property investments to prevent past issues. The missing link has been information. Most people do not have information on NSSF. There is a need for hotels to have sensitization town halls for staff with NSSF managers. This approach may alleviate the issue of trust.
  - NSSF holds AGMs regularly as per the law. All stakeholders are invited to attend and ask questions.
- 3. On public trust issues regarding NSSF:** NSSF has undergone significant transformation. It now pays claims within ten days, and its strategic plan (2023-2027) envisages paying claims within 24 hours by 2027. In the last quarter alone, NSSF disbursed 7.5 billion shillings in claims. It has mechanisms in place to ensure compliance and follow-up on debts.
- 4. Regarding Tier 2 and the amount of time it takes for a member's funds already paid to NSSF to be transferred to their different pension scheme:** The NSSF Act 2013 and regulations by the RBA state that funds should be transferred within 60 days of opting out, subject to obtaining a certificate of moving out from RBA. However, due to current legal challenges, this implementation has been delayed.



## 10.2 Brookside Dairy

Below are the highlights of the presentation made by **by Mr. Joseph Muguongo**, Group Manager, Sales, Brookside Dairy.



**About Brookside Dairy:** It is the leading dairy company in East and Central Africa, celebrating 30 years of excellence this year. It has a robust processing capacity of 1.3 million liters daily and a dedicated team of 2,500 direct employees, ensuring the highest quality in every product it delivers.

**Its product range:** Is extensive and designed to meet the diverse needs of the hospitality industry. It offers fresh milk, long-life milk, powdered milk, and a variety of yogurts. In response to evolving consumer preferences, Brookside is expanding its portfolio to include non-dairy products such as plant-based milk variants, including soy and almond. Additionally, it is introducing spreads like honey, jam, and marmalades, which will be available from July 2024.

**Brookside reach:** It is unparalleled. It partners with over 160,000 farmers across Kenya, ensuring a reliable and sustainable milk collection network. Its products are distributed in all 47 counties, making them accessible to any facility in the country.

**Product Quality:** This is the core of everything Brookside does. Brookside is an ISO-certified company and is currently undergoing accreditation to demonstrate its internal testing competency. The Kenya Nutritionists and Dietitians Institute (KNDI) has endorsed its probiotic yogurts, fortified long-life milk (with fiber and vitamins A and D), LALA, Brookside low-fat milk, and lactose-free milk.

Brookside Dairy's commitment to quality, extensive product range, and reliable supply network make it the ideal partner for providing products of the highest standards that cater to the diverse preferences of hotel guests.

### Brookside Dairy's Sponsorship to the KAHC Symposium

In support of the KAHC Symposium, Brookside Dairy made a generous contribution of Kshs 1 million and provided goods and merchandise worth Kshs 700,000. Brookside's contribution to the KAHC Symposium amounted to Kshs 1,700,000.

The cheque for Kshs 1 million was handed over to the KAHC CEO, Mr. Mike Macharia, and the KAHC National Chairman, Mr. Christopher Musau.





### 10.3 Multichoice (DSTV)

Below are the highlights of the presentation made  
**by Mr. Nzola Miranda,**  
Managing Director, Multichoice Kenya



*About Multichoice:* It is a millennial company that is considered Africa's most prominent storyteller and has been at the forefront of storytelling for 30 years. In Kenya, it has officially partnered with the hospitality industry and, for the last three years, with KAHC, but in practice, it has been with the industry for much longer. Multichoice sees itself as a partner committed to the success of the hospitality industry.

*Resilience and Partnership:* The hospitality industry showed incredible resilience, especially during the challenges posed by the COVID-19 pandemic. DSTV stayed with the industry through these tough times, offering discounts of up to 90% to ensure the industry kept operating. This partnership was and remains built on mutual trust and support.

*Multichoice Reach:* It operates in 50 markets, serving over 23 million subscribers. It holds the largest content library in Africa and in Kenya, making it Africa's biggest storyteller. Its local content, including shows like Real Housewives of Nairobi, not only entertains but promotes tourism far beyond Kenya's borders.

*Why Choose MultiChoice?* In-room entertainment is critical to guest satisfaction. Studies show that 76% of travelers say in-room entertainment impacts their satisfaction, and 58% prefer hotels with smart T.V.s or streaming options. DSTV provides diverse content, from sports to news, ensuring guests are always entertained.

*Case Example -* A study has shown that Multichoice SuperSport is the best sports channel in the world. No other single brand offers the same extensive range of sports coverage. In Europe, one will often need two or three different providers to watch specific football leagues. SuperSport provides exceptional value, offering one of the best and most cost-effective options available."

*Infrastructure and Support:* Despite 94% of hotels still using analog systems, Multichoice offers solutions to upgrade in-room entertainment. Its IPTV solutions provide endless channel options with consistent picture quality.

*Tailored Packages:* Its commercial packages are designed to meet the specific needs of its customers, regardless of the size of the hotel.

*Local and Regional Content:* Multichoice caters to regional tourism by providing channels targeting Ugandan and Tanzanian tourists, tapping into this significant potential market. Local content is a key attraction, and its channels feature popular local shows that can drive regional tourism and enhance guest experiences. In Kenya, Multichoice holds the largest library of local content. Case Example: Zari is a top-rated Maisha Magic East Plus show. This Kenyan program has garnered more viewership than even the Champions League. Such content is a major draw that the hospitality industry should consider.

*Movie Tourism:* This is a genuine industry that has had a significant impact. Research conducted in the U.S. found that around 78% of customers are more likely or very likely to visit a country they have seen on T.V. or in a movie. Case Example: The Harry Potter series boosted tourism in the U.K., and The Lord of the Rings had a similar effect in New Zealand. A Kenyan show on DSTV called Real Housewives of Nairobi recently became the third most-watched show in





South Africa. This success demonstrates that MultiChoice's reach goes beyond Kenya; movie tourism can be promoted through these stories.

*The Future of Tourism and Entertainment:* Multichoice aims to create the next Out of Africa effect, promoting tourism through its rich content. It is in close collaborate with the film industry and holds the largest library of local content. By leveraging streaming platforms and working with travel bloggers and media, Multichoice can achieve this vision together with the hospitality industry.

MultiChoice is committed to supporting the hospitality industry by providing the best sports channels in the world, comprehensive news coverage, and unmatched local content. It is geared towards enhancing guest experiences, promoting tourism, and driving mutual success in the hospitality industry.

## 10.4 Kenya Tourism Board (KTB)



By Mr. Francis Gichaba,  
Board Chair KTB



In his remarks, Mr. Francis Gichaba highlighted that KTB has finalized a new five-year strategic plan that must align with the hospitality industry's activities. He noted that tourism numbers are returning to pre-COVID levels.

Mr. Gichaba pointed out the rise of Airbnb, which presents opportunities and risks for increasing tourism. He emphasized the need for hospitality industry players to discuss regulations to manage sector challenges and maintain standards. He also noted the importance of hotels adapting to the demands of more discerning and adventurous travelers seeking more extensive destination options.

He spoke about new entrants into the hospitality industry, such as JW Marriott, Accor Hotels, and Radisson, which signal strong future potential for the industry. He stressed the need for the industry to prepare to capitalize on this growth by planting seeds for future returns.

Mr. Gichaba stated that KTB aims to work more closely with the industry to make tourist experiences in the country more experiential. He stressed the need to create experiential moments at every touchpoint in the tourist journey, from their arrival at the airport to checking into their hotel rooms. He urged industry players to enhance their services to deliver these experiential attractions effectively. He further stressed the need for collaborative activities with regional countries, airlines, and other relevant stakeholders to enhance regional tourism.

To help bring in volume and value, KTB introduced the "Magical Kenya Signature Experiences," a package of memorable experiences offering exceptional and high-quality services to tourists. KTB intends to map out unique experiences across counties to promote Kenya as a top destination. So far, three hotels in Diani have been registered under the "Magical Kenya Signature Experiences." He encouraged hotel sector players to register their hotels under this initiative.

Mr. Gichaba further described KTB's repackaged "Tembea Kenya" campaign, which focuses on promoting domestic travel. The campaign aims to even out seasonality and attract local tourists by highlighting hidden gems across the country.

In closing, he reiterated KTB's commitment to supporting and collaborating with the hospitality industry to enhance Kenya's appeal as a top tourist destination.



## 10.5 Tourism Fund

**By Mr Edward Kisali,**  
representing Mr David Mwangi, Ag. CEO Tourism Fund



Mr. David Mwangi, the Acting CEO of the Tourism Fund, expressed his gratitude for the invitation to the 20th Annual Symposium of the Kenya Association of Hotel Keepers and Caterers. He thanked the association led by its CEO and the board, for organizing the event and acknowledged their hard work in celebrating achievements in the tourism sector.

Despite numerous challenges, Mr. Mwangi appreciated the longstanding partnership that has facilitated the industry's growth. He highlighted the importance of tourism to the economy, noting its role in employment, supporting regional areas and secondary industries, and contributing to sustainable development by conserving natural assets.

He emphasized that tourism is a significant and expanding industry that provides substantial direct employment. The Tourism Fund has contributed to the industry's positive changes, and the growth over the years is evident.

With the help of KAHC and other partners, Mr. Mwangi mentioned initiating projects aimed at transforming the management and perception of tourism and hospitality. He referred to the recent announcement of the Revolving Fund, which will soon provide funding for individuals to enhance their skills in the industry.

Mr. Mwangi also spoke about the training initiatives under the Revolving Fund, which focus on upskilling workers who lack formal training from institutions like Utalii College but are employed in the industry. He stated that the Tourism Fund has already conducted three training sessions across the country—in Mombasa, Eldoret, and Nairobi—upskilling 750 employees within three months in partnership with technical and Vocational Education and Training Authority (TVET) colleges. Improving these workers' skills is essential as they interact with customers and tourists, ensuring visitors receive the best experience and preparing employees for better job opportunities in the future.

Mr. Mwangi underscored the necessity of collaboration for sustainable tourism growth. He stressed that the industry thrives when businesses, schools, governments, and colleges work together. Creativity and innovation are crucial in catering to the diverse needs of different tourists.

He stated that the goal is to provide experiences reflecting Kenya's unique cultures. Moving forward, he acknowledged the strong foundation laid by the KAHC partnership and expressed eagerness to explore new ways to improve the industry. He encouraged the use of the ideas gathered from the Symposium to work together and achieve great things.

In conclusion, Mr. Mwangi looked forward to continued collaboration to enhance tourism in Kenya and beyond and thanked everyone for their efforts.

### **Off-the-calf remarks by Mr Edward Kisali, Tourism Fund**

Mr Kisali focused his remarks on the Revolving Fund and employee upskilling. Below are the key highlights of his remarks.

Referencing the Tourism Act, Mr Kisali highlighted a previously unimplemented section of the

Act that mandates the Tourism Fund to facilitate industry improvement. The Tourism Fund board has recently emphasized the need to actualize this part of the Act, leading to the initiation of the Revolving Fund.

The Revolving Fund is designed to assist current industry employees in enhancing their education. Similar to the Higher Education Loans Board (HELB) model, employees admitted to a college can receive funding to upskill their education. The loan will be repaid gradually as they continue with their employment. This initiative aims to support the ongoing professional development of industry workers.

Furthermore, Mr Kisali described the ongoing efforts to provide general basic training to employees who lack formal education in hospitality but have substantial work experience. This training, facilitated through TVET institutions, is not a refresher course but a foundational one for employees who have been working in the industry for several years without formal training. So far, 750 employees have benefited from this upskilling initiative. The upcoming phase will extend to regions like Lamu and Kisii, with plans to reach more areas soon. Employers will be notified to send their employees for training.

However, Mr Kisali noted that employers commonly worry about losing trained employees to other companies. He urged all employers to release their employees for training whenever it is announced, emphasizing the importance of upskilling in enhancing the overall client experience in the tourism sector.

## 10.6 Kenya Utalii College (KUC)



**By Anthony Mbehelo,**  
Ag. Principal & CEO, Kenya Utalii College



Kenya Utalii College (KUC) was established as a national organ of the state in 1975, and the Tourism Act of 2011 mandated it to operate within the framework of the new constitution. Officially opened in 1976, KUC's origins date back even earlier. As it approaches its 50th anniversary next year, KUC plans to host celebrations and looks forward to having many attendees join in the festivities.

Two years ago, KUC embarked on developing a new curriculum, involving industry stakeholders in its creation. At the end of 2022, following a symposium attended by many industry representatives, KUC launched a new curriculum that expanded the college's offerings from eight to about fifteen programs. These new programs included one Higher National Diploma, seven Diplomas, and six Certificates.

Currently, KUC offers a Higher National Diploma in Hospitality Management, a name change from Hotel Management to reflect the broader scope of opportunities available to graduates, such as roles in hospitals managed by KUC alumni. This broader naming convention helps graduates gain recognition beyond just hotels.

KUC introduced Diploma Programs to address the issue of government recognition, which previously did not equate certificates with diplomas. These diploma programs advance the certificates and acknowledge that KUC students are capable of performing at the diploma level. The diplomas include programs in Front Office, Culinary Arts (formerly Food Production), Food and Beverage (F&B) Management, Events Management, Housekeeping, Travel and Tourism, and Tour Guiding. Each diploma program is designed to meet specific industry needs, such as F&B Management, which addresses the industry's call for more trained F&B controllers and bar staff.

Additionally, KUC introduced a full-time, one-year course in Pastry and Bakery to address the industry's challenge of finding skilled pastry chefs and bakers capable of making high-quality French-style bread and pastries. Other one-year certificate programs were also introduced to provide targeted training in essential areas.

The curriculum was developed with several key strategies in mind: introducing Diplomas and Higher National Diplomas, adhering to study duration guidelines (two years minimum for Diplomas and one-year minimum for Certificates), and updating program names to reflect current industry trends. These changes aim to enhance graduates' employability and adaptability in the dynamic industry.

The new curriculum was officially launched in September 2023, with the first cohort of students beginning their industry attachments in July. KUC urges industry partners to evaluate and provide feedback on these students' performances to help improve the curriculum continually.

In addition to curriculum development, KUC has resumed its presence in Kisumu, partnering with the Railway Training Institute to offer programs at the shipyard campus. This initiative aims to support the region by providing short programs that address the local industry's need for qualified personnel, thereby enhancing service delivery in Kisumu.

Plans are underway for KUC to offer a specialized degree in hospitality to help graduates who face challenges in accessing further education. KUC announced the upcoming launch of a new industrial training kitchen facility in September, which would expand from 16 to 42 stoves and

significantly increase the number of students in related programs. Additionally, KUC plans to develop a new housekeeping lab by September, addressing a gap in KUC's current program offerings.

Looking ahead, KUC remains committed to evolving with industry needs, ensuring its graduates are well-prepared to excel and contribute significantly to the hospitality and tourism sectors.

### **Remarks by Mr Tony Muiruri, Chair of the Kenya Utalii Liaison Committee**

Mr Muiruri, the Chair of the Kenya Utalii College Liaison Committee, began his presentation by acknowledging the protocols and introducing the 12th Industry Kenya Utalii College Liaison Committee meeting topic. He explained that the committee was established in 1986 to foster collaboration between the hotel industry and Kenya Utalii College. Over the years, the committee has held more than 37 meetings, reflecting its ongoing commitment to this mission.

Mr Muiruri stated that the committee was formed in response to the need for a structured platform to mutually benefit the industry and KUC. Initially, the committee included notable stakeholders from the industry who played a crucial role in its formation. Today, the committee comprises 18 members representing various sectors, including the Kenya Association of Keepers, Kenya Association of Travel Agents, Kenya Airways, Kenya Association of Tour Operators, the Tourism Fund, The Kenya Association of Women in Tourism, the Ministry of Tourism and Wildlife, and Eco Tourism Kenya.

He elaborated on the committee's mandate, which is, among others, to assist KUC students to get attachments and get full-time employment. Mr Muiruri addressed current challenges, particularly the need for increased financial support for KUC. He made the following two primary requests to the industry:

- For the industry players to welcome Utalii College students for their practical attachments, emphasizing that both students and the industry benefit from these opportunities.
- Industry professionals participate in and support the MDPs, acknowledging that the college's financial constraints limit their budget. He encouraged the industry to offer complimentary support where possible.

Mr Muiruri concluded by discussing future plans to expand the reach of the refresher courses across different regions of Kenya over the next 20 years. He proposed focusing on specific regions each year to ensure that the courses' benefits are more widely distributed.

## Motivational Talk



By **Mwenesi Musalia**,  
Motivational Speaker & Image Consultant



Mr Mwenesi Musalia, an image consultant, addressed the hospitality industry in his motivational talk, referring to it as the “happiness industry.” The talk was structured into three main parts: i) the role of emotions in the hospitality (happiness) industry, ii) the significance of the KAHC symposium, and iii) the future of hospitality – the next 20. The key message and outputs centered on understanding and leveraging emotions to positively impact stakeholders, embracing change, and planning for the future.

### Understanding the “Happiness Industry”

Mr Musalia emphasized that humans are fundamentally emotional beings and must experience six key emotions in their lifetime: *happiness, sadness, anger, fear, surprise, and disgust*. He challenged all participants to consider their role in generating happiness for their stakeholders, who include customers, employees, and partners. He further highlighted the crucial role of emotional intelligence in the hospitality industry.

He underscored the importance of understanding and navigating emotions to react to them and comprehend their origins. This understanding can lead to more empathetic and effective interactions with guests and colleagues. He gave an example of a guest checking into a hotel wanting to experience only two emotions: happiness and surprise. In this regard, he posed the following introspective question:

*How much attention do we focus on happiness and surprise in our engagement with the customer?*

### Celebrating KAHC @ 20

Mr Musalia acknowledged the 20th anniversary of the KAHC symposium, comparing it to a Gen Z individual. This analogy is significant as it highlights the dynamic and evolving nature of the hospitality industry. Gen Z represents a generation that is tech-savvy, digitally connected, socially conscious, exposed, guided by perception, authentic, adaptive to change, unapologetic for their uniqueness, unafraid of speaking up, knowing that the status quo has to be a win-win for all. By likening the symposium to Gen Z’s, Mr Musalia wondered whether the industry has embraced these trends, updates, and nuances and what it is doing about them. He warned them not to ignore the digital highway it is operating in and to hold their stakeholders accountable.

Mr Musalia encouraged the participants to celebrate this milestone by KAHC and reflect on the journey of the past two decades. This reflection should focus on successes, challenges, and lessons learned. The symposium, he said, serves as a platform for sharing knowledge, experiences, and strategies to navigate the complexities of the hospitality industry.



## The next 20 and what it holds

Mr Musalia urged the audience to consider how the hospitality industry will evolve over the next 20 years. This forward-thinking approach, he said, is essential for staying relevant and competitive in a rapidly changing world. He emphasized the need for continuous improvement and innovation, anticipating future trends and challenges, and developing strategies to address them. This proactive approach will help the industry stay ahead of the curve and thrive.

## The importance of leadership to the hospitality industry

Mr Musalia stressed the need to adopt a flexible and situational approach to leadership in the hospitality industry. By understanding and applying different leadership styles, hospitality professionals can effectively guide their teams, enhance employee satisfaction, and deliver superior guest experiences. These leadership styles, he said, when appropriately balanced and tailored to specific situations, can drive the success and sustainability of hospitality businesses in a competitive and ever-evolving market. Toward this end, he outlined the following leadership styles and how they can be applied:

- *Modeling the Way:* This leadership style emphasizes benchmarking, learning from others, and adopting best practices. This can mean adopting successful strategies and practices seen in other regions or establishments in the hospitality industry. It can also mean setting a culture or borrowing certain cultures by which the establishment will be known. By doing so, hospitality businesses can improve their operations and customer satisfaction. This approach will help open the business or industry to a new market.
- *Challenging the Process:* This style focuses on innovation and doing things that have never been done before. It encourages looking at existing processes and figuring out how to improve or reimagine them. This could mean exploring new markets, such as Halal tourism. This requires bravery and a willingness to take risks.
- *Encouraging the Heart:* This is about paying attention to the emotional side of the business and understanding the impact of emotions on employees and customers. It involves motivating and inspiring people by connecting with them on an emotional level (understanding which emotions are at play). Encouraging the heart can lead to better service and improved employee morale. Emotional intelligence is crucial for managing both staff and guest interactions effectively.
- *Inspiring a Shared Vision:* This involves painting a clear picture of the future and getting stakeholders to buy into that vision. It's about communicating the long-term goals and how everyone's efforts contribute to achieving them. This helps unify the organization and drive it toward success.
- *Creating an Enabling Environment:* It focuses on providing the necessary resources, support, and autonomy for team members to excel. It involves creating conditions that allow employees to perform at their best. It means ensuring staff have the tools, training, and support they need to deliver exceptional service. Trusting and empowering employees can lead to higher job satisfaction and better performance.



In conclusion, Mr Musalia gave the following story:

*“Alistair Campbell, who served as the head of communications at No. 10 Downing Street, authored a book titled *Winners*. In this book, Campbell explored the lives of various successful individuals across different fields. Through his studies, he identified a common thread that linked these winners: a formula he called OST, which stands for Objective, Strategy, and Tactics. According to Campbell, winners, or generals in their respective fields, remain unwaveringly faithful to their objective, regardless of the challenges they face. This steadfast commitment to their goal, combined with a well-defined strategy and tactical execution, sets them apart and leads to their success.”*

In this regard, he asked the hospitality industry players to determine whether their objectives are localized or if they target the world.

Quotes from Mr Musalia

*“Facts are real, but perception is reality”;*

*“How are you packing your message, facility, or product in a way that speaks to their guests?”*

*Are we packaging the message nicely, effectively, and in a way that speaks their language?*

*“We have to speak the language and create the perception for the people that matter.... the customer.”*

*“Often, the industry packages itself for itself and packages its messages based on what it believes.”*

### Key Takeout Questions for DAY 1

1. What are you doing about sustainable tourism in your brand?
2. Regional tourism: Do you want to tap into this market?
3. What does AI mean for your brand; what are you doing about GenZ?
4. What are we doing to encourage the hearts of our guests and create HAPPINESS?
5. Retirement preparation for your staff and self; what are you doing about it?



## Partners





## KAHC Pioneers





## The potential of African American Diaspora/ economic opportunities for collaboration



**By Ansel Kebede Brown**

Assistant Professor, North Carolina Central University, School of Law



Mr Ansel Brown discussed the potential of drawing more African Americans to Kenya and highlighted opportunities for collaboration. He emphasized African Americans' deep connections with Africa, describing how their heritage and personal experiences in Kenya strengthen these bonds. He shared his own positive experiences in Kenya, noting that what sets Kenya apart for African American visitors is the connection with its people rather than the traditional tourist attractions.

Mr Brown argued that the African American identity encompasses a range of ethnicities from across Africa, making the entire continent, including Kenya, a significant attraction. The opportunity to drive African Americans to Kenya is just as compelling to draw them to Ghana.

He highlighted the following key statistics about the African American community:

- African American purchasing power is \$1.8 trillion, with a population of 48 million.
- The purchasing power of African Americans is four times Kenya's GDP and nearly two-thirds of the continent's GDP.
- African Americans spent \$110 billion on travel and leisure in 2019.

Mr Brown pointed out the success of Ghana's "Year of Return" initiative, which encouraged diaspora members to visit and invest in Ghana. Since the start of this initiative, the number of African Americans living in Ghana has doubled. He suggested Kenya could benefit similarly from attracting African American visitors and investors. He mentioned that there are 3.7 million African American businesses with significant assets and employees, providing opportunities for partnership and franchising in various sectors like hospitality, food, and entertainment. Additionally, six Historically Black Colleges and Universities (HBCUs) with hospitality programs offer further collaboration potential.

In conclusion, Mr Brown highlighted the cultural influence of African Americans and suggested that attracting African American entertainers, athletes, and influencers to Kenya could significantly boost the country's tourism and investment sectors. He described Kenya as the "grandmotherland" for African Americans and expressed his desire to bring more members of his community to experience and connect with Kenya.

## Trends and Projections for the next 20 years



By **Dr Esther Munyiri**,  
Director, Global Tourism Resilience & Crisis Management Centre,  
Kenyatta University



### Focus: Tourism industry trends, projections, challenges, and opportunities.

Dr. Esther Munyiri began by reflecting on the trends in global tourism, highlighting that the industry has been on an upward trajectory over the years, with a noticeable dip only during the 2009 economic crisis. According to the United Nations tourism reports, there was a significant recovery in tourism up to 2019, followed by a severe decline due to the COVID-19 pandemic. However, she pointed out that the industry is nearly back to pre-pandemic levels, with Africa showing a particularly strong recovery compared to other continents. Despite the strong recovery, she observed that Africa's tourism sector still only accounts for 5% of global tourism numbers, compared to 7% for the Middle East. She emphasized the need for Africa to work harder to increase its share of global tourism.

### What Is Needed to Increase Tourism Numbers?

Dr. Munyiri identified the following strategic actions necessary for increasing tourism numbers:

- *Infrastructure Improvement:* There is a pressing need to enhance infrastructure to support the growing number of tourists. This includes upgrading transportation facilities, accommodations, and tourist attractions to meet international standards.
- *Leveraging Digital Marketing:* The use of advanced digital marketing tools and platforms to promote destinations and attract tourists was highlighted. Dr. Munyiri stressed the importance of utilizing digital channels effectively to reach a global audience.
- *Public-Private Partnerships:* Collaborations between public institutions and private sector stakeholders are crucial.

### Current Tourism Trends:

Dr. Munyiri outlined the following trends in the tourism industry:

- *Top Performing Destinations in Africa in 2023:* Countries that have exceeded their 2019 tourism levels include Ethiopia, Tanzania, and Morocco.
- *Kenya's Tourism Performance:* Despite the challenges Kenya has faced, the tourism sector has performed well, which aligns with the world's performance. In 2019, the number of tourists was at 2.05 million. According to the Tourism Research Institute, after 2019, there was a dip in tourism numbers to 500,000. These numbers have been steadily increasing

to 1.9 million in 2023. This recovery is seen as a positive sign for future growth, albeit the fact that the country is using only a quarter of its capacity in terms of bed nights in the hospitality sector.

### **Importance of Regional Markets:**

- East Africa remains a significant source of tourists for Kenya, with about half a million visitors from this region annually. Dr. Munyiri highlighted the need to tap into this market further for leisure and business purposes.

### **Tourism Projections:**

Dr. Munyiri provided projections for the tourism sector over the next 20 years:

- *Tourist Arrivals:* Tourist arrivals in Kenya are projected to grow to 5 million by 2044. This projection is based on a moderate growth scenario, considering potential challenges like political instability.
- *Hotel Occupancy and Revenue Growth:* Hotel occupancy rates will rise from 58% to 70% by 2044, and revenue will increase from approximately 1.5 billion dollars to about 4 billion dollars by 2044. This growth will require a focus on improving service quality and authenticity.
- *Air Transport Growth:* The air transport sector is expected to grow by 249% in the next 20 years. This growth will create new opportunities for the hospitality industry, such as increased job opportunities.

### **Challenges Faced by the Industry:**

Dr. Munyiri addressed several challenges confronting the tourism sector:

- *Regulatory and Licensing Issues:* She highlighted the complexities and high costs associated with obtaining various licenses for tourism and hospitality operators (31 licenses). Ongoing efforts are underway to streamline these licenses and levies.
- *Climate Change:* Another significant challenge is the impact of climate change. The Ministry of Tourism has mandated that all hospitality and tourism facilities adopt renewable energy and circular economy practices by 2030. Compliance with these regulations will be essential for future sustainability.

### **Opportunities in the Tourism Sector:**

Dr. Munyiri identified several opportunities for growth and development in the tourism sector:

- *Expansion of the Cruise Ship Industry:* The cruise ship sector is expanding, with a notable increase in cruise ship arrivals in 2023. It is an area with great potential for growth, suggesting further collaboration with international operators in Greece to boost this sector.
- *Domestic Tourism:* The COVID-19 pandemic has led to a rise in domestic tourism. Stakeholders need to capitalize on this trend by promoting domestic travel for both leisure and business purposes.
- *Digital Solutions and AI:* The growing role of digital solutions and AI in tourism was discussed. Need to embrace these technologies to provide options on enhancing tourist experiences and streamline operations.

- *Millennials and Experience-Driven Tourism:* Millennials and Gen Z travelers are increasingly seeking unique experiences over luxury. This shift presents an opportunity for the industry to cater to this demographic by offering memorable and authentic travel experiences.
- *Sustainable and Ecotourism Practices:* There is a growing interest in ecotourism and sustainable travel. The Kenya Tourism Federation has spearheaded the development of a draft harmonized sustainable tourism standard for the East African community's tour operators, travel agencies, and accommodation providers. This standard will help guide and standardize eco-rated facilities across the region.

**Government Directive:**

The Ministry of Tourism will require all hospitality and tourism facilities in Kenya to adopt renewable energy and a circular economy by 2030. The Tourism Research Institute is spearheading this

**Conclusion:**

In concluding her speech, Dr. Munyiri urged all stakeholders to work collaboratively to address challenges and seize opportunities in the tourism sector. She emphasized that the industry can achieve long-term success and growth by focusing on quality, sustainability, and innovation.



## Tourism Police Unit (TPU)



**By Charity Mwangi,**  
Senior Superintended, Head of TPU Mombasa



Ms. Charity Mwangi, Senior Superintendent, Head of TPU Mombasa, and a certified professional mediator, explained that the primary duties of the TPU include ensuring safety and security in the hospitality sector, which enhances the reputation of tourist destinations and boosts tourism. She pointed out that the presence of tourist police officers reassures tourists of their safety, countering negative perceptions about the security of destinations like the coast. Despite facing challenges such as a lack of respect and cooperation from some hotels, Ms. Mwangi urged the audience to differentiate TPU officers from other police units, stressing that they are there to work collaboratively with the hospitality sector.

Ms. Mwangi clarified who the Tourism Police are not: they are not private security, concierge services, or immigration officers. They enforce the law and ensure safety, provide security training to hotel staff, conduct regular meetings with hotel management, and patrol hotel areas. She shared case studies of successful collaborations with various hotels and highlighted the positive outcomes of having tourist police, such as reduced theft, enhanced guest satisfaction, and improved hotel reputations.

In closing, she emphasized the importance of mediation in resolving disputes within the industry, highlighting that mediation maintains privacy and protects reputations, unlike litigation. She called for active cooperation between the TPU and hotel owners to create a safer tourist environment, ultimately leading to a more prosperous tourism industry.

## The Game Changers Group



By **Ubert Ummels**,  
Owner and Founder of Game Changers



### *Focus: Future Leaders Challenge, East Africa*

Mr Ubert Ummels founded a learning community called Game Changers, which develops learning programs for retail and hospitality companies worldwide, including the U.S., the Middle East, Africa, and Europe. These programs aim to equip people with tools to unlock their full potential, benefiting the hospitality industry by engaging new leadership and providing operational staff with training to enhance service delivery.

Mr Ummels highlighted that the Future Leaders Platform East Africa seeks to bring together stakeholders involved in talent development programs to drive the hospitality industry forward. He pointed out that the hospitality industry is thriving on the continent, with East Africa setting a solid example. The platform aims to gather the next generation of leaders to share inspirational ideas and perspectives on the industry's evolution, facilitating collaboration between industry leaders, school directors, and government officials.

The platform's primary goal is to elevate and educate individuals, enabling them to reach their full potential. It began with a challenge, where top students from hospitality and tourism universities across the Middle East and Africa were selected to participate in a five-day program in Dubai. They then connect with leaders from significant hospitality companies such as Emirates, Hilton, Radisson, and Marriott. The East African edition will invite participants from Kenya, Rwanda, Uganda, and Tanzania, with the two-day conference scheduled in Nairobi in April 2025. The overall objective will be to showcase the relevance of the industry. Present will be industry leaders, 16 schools, government entities, and the next generation (Gen Z and future Gen A). Discussions will focus on how to drive the industry forward, how to upgrade the quality of staff in the hospitality sector, how to attract more talent, and how it can be maximized and exposed internationally.

The platform involves four key stakeholders: industry leaders, schools, government entities (Ministry of Tourism and Tourism Fund), and the next generation (Gen Z and future Gen A). The government's involvement ensures alignment with national tourism and hospitality strategies, while the next generation provides fresh perspectives and insights into industry trends and customer preferences. Mr Ummels underscored the relevance of the Future Leaders Challenge to the hospitality industry, particularly in East Africa. He listed out the following as the overall benefits of joining the platform:

- *International Positioning*: Enhancing the global recognition of Kenya and East Africa as leaders in talent development within the hospitality industry.
- *Exposure and Networking*: Providing students and young professionals with the opportunity to connect with HR leaders, general managers, and executives from major hospitality companies.

- **Talent Development:** Elevating and educating participants to reach their full potential through various training programs, exchange programs, and exposure to industry best practices.
- **Collaboration and Innovation:** Bringing together industry leaders, school directors, government officials, and the next generation to discuss and strategize on improving the hospitality sector, aligning curriculum with industry needs, and fostering innovative solutions.
- **International Exposure:** Offering participants international exposure through events and programs in different regions, enabling them to gain a broader perspective and bring valuable insights to their local context.
- **Recruitment Opportunities:** Allowing industry players to identify and recruit top talent during events, facilitating direct interaction with potential future employees.
- **Addressing Industry Challenges:** Collaboratively tackling industry challenges such as talent shortages and skills gaps by bringing together various stakeholders to brainstorm and implement effective solutions.

In conclusion, Mr Ummels invited feedback, collaboration, and participation from industry players, schools, and potential board members to ensure the success of the Future Leaders Challenge in East Africa.

#### **About Ubert Ummels, Owner and Founder of Game Changers**

Hubert previously owned a leading staffing agency in Europe, which operated in 13 countries and employed about 27,000 students. However, he lost his company during COVID-19 due to the lack of events. This period of reflection led him to reconsider his life values. He emphasizes that hospitality has given him everything and supports tourism because it helps people understand different cultures firsthand. He highlights two main reasons for his current work:

- **Personal Fulfillment:** The joy of doing something for others and the positive interactions he experiences in hospitality.
- **Business Perspective:** His learning and development company, Game Changers, benefits from networking with schools and the industry. Hosting the event for free allows him to gather insights and foster connections without a commercial motive.

He clarifies that although organizing these events takes significant time and doesn't generate much business, his goal is to establish a global network and framework. Developing Game Changers happens naturally alongside these efforts.



## Celebration





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