

**ANNUAL REPORT BY NATIONAL CHAIRMAN, MR. CHRISTOPHER MUSAU,  
DURING THE 74<sup>TH</sup> ANNUAL GENERAL MEETING**

**Dear Members of KAHC:**

For the 74<sup>th</sup> time we meet as a strong and vibrant hospitality association, even though in very uncertain times, in this new way of operations.

You have mandated the board to serve you and we are thankful for the honour, cooperation and support you have accorded them and the secretariat for the last one year.

We also do not take it for granted that you found time to participate in this very unique Annual General Meeting, which is being held virtually for the second time, circumstances of the current crisis have forced us to adopt unfamiliar ways of working to accommodate the situation.

I am pleased to provide an outline of the happenings at the Association for the last one year as follows:

**Marketing**

We have continued to produce the Association's annual publication, *The Hotel and Restaurant Guide*, however due to the current COVID crisis we were not able to produce the 2021 publication. We are looking at having an online publication to cover this period of uncertainty, as opposed to having a hard copy. We will advise you on this in due course as soon as we discuss the modalities with our publisher.

The Association has held 17 symposiums thus far, an event that has provided a good networking and interaction platform for the industry, bringing together both government and private sector players to chart the way forward and come up with consensus on issues affecting the industry. Regrettably, for the second year we have been forced to cancel the event, due to this Corona crisis. The Secretariat had already began the planning and organising process, but was forced to halt the exercise midway, due to the Government directive on meetings, however we are hopeful that we will have the event next year and we thank the Secretariat for their continuous commitment and diligence towards the success of the event.

Our members got an opportunity to attend WTM Africa virtually through a sponsored programme under East Africa Tourism Platform. This was a great opportunity to pick up on Business to Business meetings since the suspension of trade shows due to Covid-19.

## **Human Resources Affairs**

The Human Resource Committee and our social partners (KHAWU and KUDHEIHA) have played a very crucial role in helping us to navigate the current crises. They have had regular meetings to discuss and chart the way forward for the industry, and have shared several joint communiqués with the members guiding them on how to steer the situation. The Joint Industrial Council (JIC), Coast Disputes Committee (CDC), have also played a key role in ensuring industrial harmony.

On matters CBA, due to the current unprecedented state of the industry, the life of the current document was extended to December 2021. The parties sat in August to look at the situation and it was realised that things remained largely unchanged, another meeting will be held in November to chart the course for 2022.

The activities of both the Joint meetings, JIC and CDC are facilitated by the 0.5% service charge kitty and therefore we continue to urge all members to contribute to the fund so that we can be able to continue strengthening our industrial relations machinery.

We continue to facilitate training in the industry through partnership with various training institutions; at the Kenya Utalii College we facilitate and coordinate training opportunities through our membership in the KUC Liaison Committee, where we influence the planning of MDPs, Refresher courses and the National Tourism Competitions. We have also partnered with Boma Hospitality and IHTI who are part of our membership.

We continue to be board members of the National Industrial Training Authority (NITA) and also maintain our representation in the sector committee. We represent and play an active role at FKE, through our membership in the board, and also role of Vice President of the organization. We have representation at the National Labour Board, where we continue to influence labour policy.

## **Finance Matters**

Financial Statements and Report of the Auditors for the year ended 31<sup>st</sup>December 2020 are part of the agenda. The Board requests those members who are yet to settle their subscriptions to comply for smooth running of the secretariats. We are grateful to all those who have consistently met their payments in good time, as this supports the activities and programs being undertaken.

## External Engagements

Lobbying and advocacy will continue to be a key agenda in our representative role for the membership. We remain committed at engaging KTF, and our Government to bring about a positive enabling business environment for the industry.

I would like to detail some of our key engagements as follows:

- **Meetings and engagements under the Ministry of Tourism-** CS Balala hosted a breakfast meeting for industry CEO's which discussed the various areas of intervention required to mitigate Covid-19 matters. We also discussed the multiple number of licenses payable by the industry and agreed to present a memo with all our concerns which will in turn be presented to the government through Cabinet.

We met the budget team from the Ministry of Tourism to discuss their budgetary mid-term review. We recommended that the stimulus package that was given to our industry last year should become an annual feature of the budget for the next few years.

We continue to seat in the work permit committee which is chaired by PS Tourism, Safina Kwekwe, where we consider work permits applications from our members. The committee now meets every month which has greatly eased the pressure on application recommendations.

The National Tourism Crisis Response Team launched the Tourism Resilience Centre at Kenyatta University. The centre will provide support to the crisis committee in the form of data provision and research issues affecting the centre. Presiding over the launch was Tourism CS Najib Balala.

Tourism CS Najib Balala launched the Kenya MICE Brand under the Mugumo Tree in Westlands Nairobi. This initiative is meant to grow the business of meetings in the country and will be spearheaded by the Kenya National Convention Bureau.

The Ministry of Tourism & Wildlife revised the Tourism Policy in an effort to update guidelines that were developed almost fifteen years ago. In this regard, CS Balala together with the team at the Ministry held a validation workshop which we attended amongst other stakeholders, and thereafter the same was shared with the members to give their views.

- **Meeting with CS Sports-** We held a meeting with CS Amina Mohammed, PS Joe Okudo, and the Chairlady of KEPISA and discussed the hosting of the just concluded IAAF Junior Championships. All the events at various Nairobi hotels went well and made us proud to be part of the development of sports tourism. CS

Amina committed to bidding for more sporting events in Kenya so that they can supplement our tourism source markets.

- **National Technical Committee On The Development of Tourism Satellite Accounts (TSA)** - The Association has continued to be a member of the National Technical Committee on the development of the TSA under Tourism Research Institute (TRI). Being the UNWTO Recommended Methodological Framework for establishing the economic impact of tourism on the economy, the TSA involves the compilation of ten tables showing the inter-relationships among the economic variables in the tourism value chain. It is designed to show the interaction of the TSA variables and their link with those of the national accounts. The TSA project has been ongoing with support from UNECA (United Nations Commission for Africa.) We are now at the tail end of the project, having had seven retreats. The final document is awaiting the CS endorsement, who will then present it to the industry.
- **Magical Kenya Signature Experiences-** We took part in the launch of KTB's 2021 Signature Experiences at Karura Forest. The function was presided over by CS Balala amongst other key government and private sector dignitaries. The Association is also part of the team of auditors who audit the facilities for recommendation into the signature experience list.
- **KEPSA-** KEPSA held its AGM and our CEO, Mike Macharia, was elected to serve another term on the board through FKE. Mohammed Hersi was elected to lead the tourism sector board and will be deputized by Fred Odek. The highlight of the AGM was the election of the first ever Lady Chair of KEPSA in the person of Flora Mutahi, who is a former KAM Chair and owner of Melvin's Tea. We wish her the best as she takes over the reins in a very trying economic and health environment

Through KEPSA, we were part of a meeting with the KRA top management and discussed the challenges that we face with KRA which they promised to look into. We will share their response once they finalize internal consultations.

Again, through KEPSA, we held a meeting with the leader of the majority in Parliament, the Hon Dr. Amos Kimunya, together with heads of parliamentary committees to discuss the various laws that are pending passage. Of great interest to us is the NHIF Bill which proposes to increase contributions by employees and also introduces a similar contribution by employers. Our recommendation is that employers are already overburdened by levies and that the employer portion should be done away with.

- **Vaccine Roll Out-** As part of our engagements with government, we were able to secure the inclusion of tourism industry workers within the first phase of vaccination. In this regard, CS Tourism, Hon Balala rolled out a vaccination programme in Nairobi after which we convinced the counties of Mombasa, Kilifi

and Kwale to administer vaccines to our staff. This exercise was largely successful but was hampered by the shortage of vaccines. We plan to continue once vaccines are made available. Under KEPSA, we have launched an initiative where private sector will support vaccine roll out by committing to paying for their workers.

- **Tourism Industry SOPs re-launch-** Following the launch of the SOPs in July 2020, it was realized that changes were taking place in the world to adapt to the new normal. In this regard, there was need to review the standards so that they could fit into this dynamic. Of note in the review was the inclusion of the vaccine policy into the document, to appreciate the adoption of vaccines worldwide.
- **Tourism Regulatory Authority-** As part of its mandate TRA embarked on the development of minimum standards that were meant to harmonise the quality of standards in hospitality establishments in Kenya, in an exercise that involved the Association, in 2019, this led to the development of National Minimum Standards for Accommodation and Catering Establishments, Food Safety standards and Safety and Security Standards. In order to check conformity, TRA has developed a quality audit tool that will be used to inspect the facilities and ensure that they are in compliance with the laid down standards. In this regard, the Association took part in an activity pretest the audit tool created for the exercise to ensure that it captures and meets the needs of the assignment. Once the tool and the standards are fully developed TRA will carry out training to sensitise the industry on the standards and begin the audit of facilities.

Following the pretesting of the Audit tool that is aimed to check the quality of standards in Accommodation and Catering establishments, TRA carried out training for its Officers, who will be charged with the responsibility of assessing the level of compliance of standards in the facilities. We were invited to train the team on the area of Food safety, Human Resource Management and Safety and Security in Hotels. In total TRA has trained 38 officers who will be charged with the responsibility of auditing accommodation and catering establishments.

The Association participated in the drafting of digital tourism, spa & wellness, driver guides & hotel employees' accommodation standards. These standards will be subjected to the stakeholders for their comments, and thereafter TRA will sensitize the industry on the documents before implementation is done. We will keep you updated on the progress of these standards

The Association participated in a one day workshop aimed at updating and charting the way forward on the implementation of the TRA strategic plan (Mid-Term review). TRA has reviewed its plan with the aim of conforming to the changes in the operating environment in light of the unprecedented COVID crisis situation, in order to enable them to meet their mandate.

- **East African Tourism Platform-** The East African Tourism Platform Board led by KTF Chairman, Fred Odek held its first meeting since the Covid-19 pandemic broke out. The board looked at its overall strategy and made proposals on the way to increase cross East Africa tourism.
- **Stakeholders meeting on Addressing Outsourcing and Precarious Employment in Kenya-** The Association attended a stakeholders meeting, organized by COTU and its affiliates on the area of precarious employment. Precarious employment, in this context is defined as casual employment, seasonal & fixed term contract employment and outsourced employment. KUDHEIHA through COTU partnered with Forum for International Corporation (FIC) to commission a situational analysis/study titled *“Addressing Outsourcing and Precarious Employment in Kenya and Tanzania.”* This is a one year project that aims at improving working conditions of workers through multifaceted advocacy interventions and approaches against precarious work.
- **Submission on Recognition of Prior Learning-** The Association participated in a session, by the Ministry of Education, to make its submission on the formulation and implementation of the Recognition of Prior Learning (RPL) framework for the country. The policy framework on RPL seeks to bring into the national database numerous skills, knowledge and competencies that are currently contributing to national development but have not been very well understood, articulated, documented and recognized. This policy aims at developing and implementing a more flexible, efficient recognition framework founded on the realization that not all learning takes place in formal classes and laboratories, but also in informal setting such as on the job training.
- **Immigration Meeting-** Arising from a number of concerns reported, the KTF Vice-Chairman and the CEOs from KATO & KAHC met the Immigration Director-General and his senior officers to deliberate on the issues of concern. Key amongst the deliberations were the following: -
  - i) Approval Time: The e-Visa takes a maximum of 48hrs to approve but can be issued in a much shorter period. The application form is a replica of the one that clients used to fill out on arrival and is anchored in the law. In this regard, it is not easy to amend or simplify the form without amending the law through Parliament. This is an issue for the long term. Availability in different languages will be looked into but poses a challenge for local immigration officers who may not be familiar with different languages.
  - ii) Auto Save: The ability to auto save applications had been updated to the system. Should the system “hang”, one can refresh the page then click on the “history” tab to access the information saved.
  - iii) Payments: The system currently only accepts Visa & Mastercard and arrangements are in progress to include American Express, Union Pay, PayPal and Mpesa. Critical to note is that when making payments, the system sends a One Time Password (OTP) for the owner of the credit card to confirm. Failure to enter this OTP has been a cause for card payment decline.

iv) Communication: This was noted as a critical component of the process as applicants need to get assistance in a timely manner. The system flashes two dedicated telephone numbers & an email that can be used to get help.

There is so much more to be accomplished and much work is still ahead and therefore the need for us to get ready proactively for what lies ahead. Unity and support of the membership is paramount to achieving this.

### **Our strengths**

Our strength lies in our common bond as members; we would not count our achievements without mentioning the ceaseless efforts of the secretariat, and i therefore take this opportunity to commend them for their commitment and support.

I reiterate that at any point we have to present a united front if we are to be taken seriously. I urge members to rise to the occasion when called upon to help push an agenda that is to the benefit of the entire industry.

We thank you for your support and look forward to the same.

Shukrani.

**Christopher Musau- National Chairman - KAHC**

*17<sup>th</sup> September 2021*