



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



Report of the 17th ANNUAL KAHC SYMPOSIUM 2019

4th – 5th July 2019 Neptune Paradise Beach Resort & Spa

Theme
Tourism Rebranding for Enhanced Performance







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Abbreviation and Acronyms

ADR	Alternative Dispute Resolution
CEC	County Executive Committee
DMO	Destination Management Organization
JKIA	Jomo Kenyatta International Airport
KAHC	Kenya Association of Hotelkeepers and Caterers
KTB	Kenya Tourism Board
MKTE	Magical Kenya Travel Expo
TF	Tourism Fund
TRA	Tourism Regulatory Authority



Executive Summary

The 17th Annual KAHC Symposium was held from 4th – 5th July 2019 at the Neptune Paradise Resort & Spa in Kwale County. Themed “*Tourism rebranding for enhanced performance*” the Symposium was attended by participants from the private and public sector, all of whom are stakeholders in the hospitality industry. Several sessions ensued in the one-and-a-half-day Symposium, that saw various players in the tourism industry make presentations around the following key areas, i) approaches being used to promote tourism in the country, ii) security certifications of hotels, iii) the fight against corruption, iii) regulations in the tourism sector, iv) talks on constructive dismissal and alternative dispute resolution (ADR), v) environmental protection initiatives being undertaken by Dasani, vi) health and wellness (physical and mental), vii) approaches being carried out towards rebranding of Kenya as a tourism destination.

The KAHC National Chairman *Mr. Christopher Musau*, in his opening address thanked the government of Kenya, through the office of the Cabinet Secretary of Tourism and Wildlife, for putting in place various initiatives all geared towards positioning Kenya as a preferred destination. He however brought to the fore the ongoing sand dredging activities taking place as well as some government policies in place that are hampering the growth of the tourism industry. He appealed to the Cabinet Secretary of Tourism and Wildlife to have them addressed. On his part the CEC in charge of Tourism and Enterprise, Kwale County *Mr. Omar Nassir* revealed that Diani beach has for the last six consecutive years, including 2019, been voted to be the best destination in Africa by the World Travel Awards. He lauded the government for the various initiatives it has carried in promoting tourism in the County.

In his Key Note Address the Cabinet Secretary, Tourism and Wildlife *Hon. Najib Balala* reaffirmed the government’s commitment towards growing the tourism sector across the country through various initiatives he has set in place, some of which include, i) implementing the Tourism Blueprint, ii) improving the marketing approach for destination Kenya, iii) assessing the effects of the dredging activities taking place in the coast, iv) reviewing the Tourism Bill towards making it agreeable to all parties. He further outlined Kenya’s Tourism Sector Performance Report (2018/2019) where he stated that in 2018 the country had received over 2 million international arrivals that brought in a revenue of US\$1.6 billion. In comparison to the first quarter of 2018, there has been a slight drop in the number of tourism arrivals in the first quarter of 2019, which he attributed to, among other things, the January 2019 terrorist attack at DusitD2 Hotel in Nairobi. In closing, *Hon. Balala* informed participants that the Kenyatta International Conference Centre (KICC) has won the bid for hosting the World Tourism Awards for Africa in June 2020. He declared the 17th Annual KAHC Conference officially opened.

Through a number of presentations, participants in the Symposium were informed by various stakeholders from government agencies and the private sector on the various initiatives or approaches being undertaken that are all geared towards improving the country’s tourism product.

The following were the key highlights:

- *Safehotels Security Certification*: It guarantees hotels, i) increased revenue (up to 5%), ii) decreased insurance premiums (up to 10%), iii) that meet the highest global security standards, iii) Immediate Crisis Management Support.
- *Equity Bank* has digitized its value chain by leveraging on technology and digitized solutions including various Merchant Solutions that include Credit Cards (Visa branded or American Express Cards), prepaid cards (both Master Cards and Visa), PDQ and POS that support all the different credit cards and which are able to differentiate different currencies (PDQ), determine the home currency of a Credit Card and bill either in Kshs or US\$ and then to the customers home currency.
- *Kenya Tourism Board* is rebranding the tourism industry in Kenya by telling Kenya's destination story (its Signature and Top Experiences) that can be found in different counties within the country. It will be working with all players in the tourism industry as well as County governments to effectively amplify, market and deliver destination Kenya with its experiences.
- *The Blue Company* has created a platform where the private sector can come together to create a movement that would discuss matters corruption and agree to join the president of Kenya, as well as other actors to say "No" to corruption and reward merit so as to unleash the true potential of Kenya's economy. The Blue Company initiative therefore asks each company or association to voluntarily join the platform to fighting corruption by complying to a set of rules. The hospitality sector were urged to join the movement.
- *Brookside* has the widest distribution network in the region (east and central Africa), and is the market leader in the area of processing, packaging and marketing milk products. Brookside has a wide range of dairy products fresh and long-life products, that include, yoghurts, butters, creams, and ghee.
- The *Coca-Cola* Company has made changes to its products, in-line with what its consumers want and with regards to protecting the environment. It has extended its non-sugar products to Fanta and Sprite; these two products, together with Dasani have now been moved away from plastic bottles to returnable glass bottles. By 2012, Coca-Cola intends to recycle 100% of what it puts out in the African market in form of plastics. This year it intends to recycle 50%, in terms of tones, of what it puts out in the market; Coca-Cola is committed to a World Without Waste.
- *Tourism Regulatory Authority*: Has embraced co-regulation by involving the private sector in all that it does to help enhance compliance as well as to enable it offer quality services to the tourism and hospitality sector.
- *Tourism Fund* is currently implementing a new system called ERP (Enterprise Resource Planning) to enable the players in the tourism industry file their returns online and generate compliance certificates. The systems will go live in September 2019 and is geared towards improving TF's efficiency and service delivery.
- *Liberty Africa* offers various solutions to hoteliers including acting as an advisor on tax matters, retirement saving programmes. Also on offer is a Financial Fitness Academy that is relevant to both employers and employees; it has seven modules and runs for a period of seven months. Liberty Africa provides this programme for free and is designed to empower the learners to reach their financial goals.

Overall Recommendations/Outcomes

- *Rebranding:* Millennials currently make up over one third of the world's hotel guests; all rebranding therefore needs to take cognizance of this category of individuals.
- *Environmental protection:* More attention should be given towards the whole issue of plastics that are choking the beaches.
- *Hospitality Sector Involvement:* The sector should proactively be more involved in the activities and strategies taking place around the country that are all geared towards strengthening the tourism sector.
- *The Tourism Blueprint Strategy:* Stakeholders need to begin executing it through the African Safari and the Beach Working Groups.
- *Service delivery in the hospitality sector:* The industry needs to invest in human capital towards improving service delivery. Towards this end, Kenya Utalii College needs to produce individuals who are adequately trained to meet the existing needs in the tourism sector. The curriculum therefore needs to be reviewed and the training approach revised; this should be done in full consultation with the industry players.
- *On multiple taxes:* The industry players should hire a consultant to carry out an analysis of all the taxes that are within the tourism sector and make a comparison with other tourism destinations such as Tanzania, Uganda as well as other global competitors of Kenya in tourism and present these figures to the government for deliberation.
- *Airbnb and Homestay's:* They will be included in the new Regulations by the Tourism Fund.
- *Travel decisions by tourists:* This is now being driven by actual travel experiences being shared on social media through pictures, videos, and reviews.
- *The East African Classification and Star Rating:* It states that for a facility to be classified as a five-star hotel then it is required to have a suite. The amendment of the gazette notice for the removal of this requirement from the Classification has been approved by the Ministry of Tourism and Wildlife as well as the Board of TRA, for the interest of the tourism sector in Kenya.
- *The Health and Wellness Talk:* For one to stay healthy physically, mentally, and emotionally it is absolutely critical to have a work-life balance, observe a health nutrition, as well as have regular check-ups done, even when one is in perfect health.
- *Dongo Kundu bypass:* All industry players should play a part in influencing either the national or county governments to ensure that the Dongo Kundu bypass is completed, including ensuring that the county and the tourism industry at large is ready to match the expected developments that will come as a result of it.
- *Delay of Payments to suppliers:* A policy is to be developed that will cancel licenses of those industry players who will withhold payments to suppliers for more than 120 days.

Recommendations to KAHC

- Make it a standard procedure that when officials are appointed to new positions that they go through an orientation programme to understand what the position is about, the expectations within that institution, as well as from the stakeholders, and who they shall be working with (stakeholders).
- Have in place employee assistance programmes in tourism establishments that would ensure team players, i) on the need for compliance, ii) to encourage them to comply with the TRA regulations.

- Hotels were encouraged to adopt Alternative Dispute Resolutions (ADR) options
- To proactively participate in the formulation of laws and bills through memoranda and/or public participation (influencing policy direction).
- To sign up with the Blue Company's initiative in ending corruption in the country.
- On the health and wellness of employees: Have in place employee assistance programmes in tourism establishments that will ensure that all team players are in good health both physically and mentally to be able to effectively deliver on their mandate.



Opening Remarks

By Mike Macharia, Chief Executive KAHC

In his remarks, Mr. Macharia welcomed all participants to the 17th Annual KAHC Symposium. He noted that since its first meeting in 2002, major developments have taken place in the hospitality industry, including, among others, increased environmental awareness.

He acknowledged the following for their continued partnership and support over the years towards the KAHC Conference:

- Tourism Fund
- Dasani
- Equity Bank
- Brookside
- International Hotel and Tourism Institute (IHTI)
- Tourism Regulatory Authority (TRA)
- East African Breweries Limited (EABL)
- Kenya Utalii College (KUC)
- Liberty Insurance
- The Blue Company
- Kenya Tourism Board.



By Mr. Christopher Musau, National Chairman, KAHC

Mr. Musau, in his remarks, introduced the KAHC Board of Directors¹, then thanked the Cabinet Secretary of Tourism and Wildlife as well as the Governor of Kwale county for the continued support they have given to the KAHC. He specifically thanked the Kenya government (through the office of the Cabinet Secretary for Tourism and Wildlife) for putting in place various initiatives, including working committees that are all geared towards positioning Kenya as a preferred tourism destination.

A key concern he cited that would hugely affect the coastal tourism product is the ongoing sand dredging activities as well



¹ See Appendix 2: List of KAHC Board of Directors

as some government policies that are making it difficult for investors in the tourism sector to re-invest; case in point being the PBOC Standards Requirement.

Focusing on KAHC, he outlined the following key activities it has undertaken over the past one year:

- KAHC realized the successful registration of the 2019/2020 Collective Bargaining Agreement (CBA) with its partner union, Kenya Union of Domestic, Hotels, Education Institutions, Hospitals, and Allied Workers (KUDHEIHA) which gives the terms and conditions of employment in the hotel industry. This saw an award of an increase in salaries and house allowances of 18.5%, among other benefits.
- Partnered with the business advocacy fund who are working on developing beach management laws and carrying out scientific studies on the effects of sand dredging along the coastal strip.
- Continued engaging with both the central and county governments towards the improvement of the tourism sector.
- KAHC opposed some of the initiatives by government that seek to impose more taxes on employers as well as industry players imposed both at the county and central levels of government.
- Hosted the following: i) the 6th Human Resources Conference in Machakos, ii) the Financial Directors Conference, and iii) the Security Managers Retreat. These were all towards equipping and strengthening KAHC members in specific areas of their operations as well as add value to the services being provided in the sector.

In closing, Mr. Musau thanked the government of Kenya for banning the use of plastic bottles in the national parks and assured it of the full support from the sector. Towards this end, he noted that KAHC is in discussions with its suppliers and partners to come up with products and packages that are friendly to the environment. He affirmed that the existing tourism product needs to be rebranded even as plans are underway to launch new products in the various counties in the country. *“The opportunities for growth, investment, and job creation are limitless as long as we look after the tourism sector”*, he said.

By Omar Nassir, CEC in charge of Tourism and Enterprise, Kwale County

On behalf of Kwale County, Mr. Nassir welcomed all present to the 17th Annual KAHC Conference.

He stated that Kwale County, and specifically Diana beach, has for the last six consecutive years, including 2019, been voted to be the best destination in Africa by the World Travel Awards. To ensure this is maintained, new and creative approaches need to be developed by all stakeholders. He lauded the national government for the initiatives that have been undertaken in promoting tourism in the county, case in point being the tarmacking of the Samburu-Kinango Road as well as the expansion of the Ukunda airstrip.

Mr. Nassir then welcomed Hon. Najib Balala, the Cabinet Secretary, Tourism and Wildlife to give his Key Note Address.





Key Note Address

By Hon. Najib Balala, Cabinet Secretary, Tourism and Wildlife

The following is a summary of the speech made by Hon. Balala at the opening of the 17th Annual KAHC Symposium 2019:

Key Achievements of the tourism sector in 2018:

- Over 2 million international arrivals into Kenya:
 - Foreign arrivals - 1.1 million
 - Arrivals from Africa - 400,000
 - Cross border arrivals within East Africa - 500,000

This brought in a revenue to the country of US\$ 1.6 billion.

- Hosting of:
 - The 9th Magical Kenya Travel Expo (MKTE 2018) with over 150 international buyers and a total of 500 people who participated in it.
 - The African Hotel Investment Forum that brought in all the international brands
- Key approaches needed in implementing the Tourism Blueprint; two working groups have been put in place, i) the Beach Working Group², and ii) African Safari Working Group which has been broken down to Mt. Kenya, Narok/Maasai Mara, Amboseli, and Tsavo. Other products that are to be included in the Tourism Blueprint are Heritage, Culture, and Photography.

Key Actions to be undertaken by government in the tourism sector:

- To finance a consultancy for the Rift Valley Tourism Strategy which will be carried out in 2019.
- Establish the National Convention Bureau which will be financed through the Tourism Fund.
- Improve the marketing approach for destination Kenya through, among other approaches, the rebranding of Magical Kenya.
- Develop three key strategies, namely, the i) American Strategy, ii) China Strategy, iii) Russian Strategy.
- County Tourism Bill: An official protest has been communicated to the Senate. Plans are underway to have discussions with the author of the Bill towards agreeing on a way forward that will be agreeable to all parties.



2 It will work towards rebranding the beach destination. To achieve this, the approach to be taken will be to break each destination as a sub-destination; these sub-destinations include Mombasa, Diani, Kilifi, Malindi, Watamu, and Lamu.

- On dredging: Appointed *Mr. Mohammed Hersi* to coordinate how this issue will be addressed from both a scientific and technical approach.

Key Recommendations:

- The private sector should proactively be more involved in the activities and strategies taking place around the country that are all geared towards strengthening the tourism sector.
- Stakeholders within the tourism sector need to begin executing the Tourism Blueprint Strategy, through the African Safari and the Beach Working Groups.
- Construction of Convention Centers is not the responsibility of the government. Industry players should be the ones to invest in them while the government role will be to play a facilitative role in terms of, for example, tax rebates.
- State of the art Convention Centers are needed in both Nairobi and Mombasa to spur growth in the tourism sector. The top ten convention centers in the world in 2019 are all based on the beach. In this regard, Mombasa should take full advantage of its location.
- Going forwards, subdivision of beach properties shall not be allowed; guidelines are in the process of being drawn up towards enforcing this. The CEC also needs to have by-laws in place.
- The industry needs to invest in human capital towards improving service delivery. Towards this end, Kenya Utalii College needs to produce individuals who are adequately trained to meet the existing needs in the tourism sector. The curriculum therefore needs to be reviewed and the training approach revised; this should be done in full consultation with the industry players.
- Engagement and collaboration is key to the success of the tourism sector.
- On delayed payments to suppliers who deliver goods and services: A policy is to be developed that will cancel licenses of those industry players who will withhold payments to suppliers for more than 120 days.
- On multiple taxes: The industry players should hire a consultant to carry out an analysis of all the taxes that are within the tourism sector and make a comparison with other tourism destinations such as Tanzania, Uganda as well as other global competitors of Kenya in tourism. The government is ready to help build and improve the tourism sector.

In closing, Hon. Balala informed participants that the Kenyatta International Conference Centre (KICC) has won the bid for hosting the World Tourism Awards for Africa in June 2020.

He then declared the 17th Annual KAHC Conference officially opened.



The Tourism Sector Performance Report

By Hon. Najib Balala, Cabinet Secretary, Tourism and Wildlife

Hon. Balala announced the figures of the tourism sector performance for the 1st Quarter (Jan-Mar) 2019, and 2nd Quarter (April-June) 2019³.

Sector Performance 1st Quarter (Jan-Mar) 2019

Month	Performance	Comment	Ages of Visitors
January	• Increase of 1% growth		• 13% (0-29 years) • 34% (30-39 years)
February	• Increase of 1.7% growth		• 33% (40-49 years) • 20% (+50 years)
March	• Decline of -4%	• Attributed to the January 2019 terrorist attack at DusitD2 Hotel	

Arrivals - Comparison between Quarter 1 (2019) and Quarter 1 (2018)

- The decline in the 1st quarter is not on the international arrivals but instead on the cross-border arrivals (from Uganda and Tanzania). The 1st quarter of 2019 showed a decline of approximately 20,000 from the same period in 2018.
- The total arrivals at JKIA in the 1st quarter of 2019 was 311,185 compared with 304,235 for the same period in 2018, while arrivals at Moi Airport rose to 48,406 in the 1st quarter of 2019 from 38,349 during the same period in 2018.
- In total there was a -1.359 decline in arrivals to the country mainly on the cross border.

The top 30 source markets:

1. Uganda	11. South Africa	21. South Sudan
2. USA	12. Ethiopia	22. Poland
3. Tanzania	13. Netherlands	23. South Korea
4. UK	14. Rwanda	24. Denmark
5. India	15. Somalia	25. Norway
6. Germany	16. Nigeria	26. Spain
7. Italy	17. Burundi	27. Switzerland
8. China	18. Sweden	28. Zimbabwe
9. France	19. Australia	29. Japan
10. Canada	20. DRC	30. Belgium

³ This report defines a tourist as a person traveling to and staying in places outside his/her usual environment for at least 24 hours and not more than one consecutive year for leisure, business and other purposes.

Sector Performance 2nd Quarter Arrivals 2019

There was a total of 450,124 arrivals in this quarter which gives a total arrival in 2019 to 915,000 as compared to 2018 which was 950,000 during the same time. This is a slight decline of 1.4%; the major decline is on the cross border (East Africa) and not on the international arrivals.

Plenary Discussion

The following were the key outcomes of the discussions:

1. *The Diani Classification Exercise:* The process was skewed as the criteria adopted to classify hotels did not conform to any international standards or norms, for example, the star rating of hotels whereby any hotel that does not have a suite cannot be categorized above a two star.
2. *The numbers of arrival into the country:* The international methodology adopted by the United Nations World Tourism Organisation (UNWTO) counts the number of entries into a country (through its borders) as those people who enter a country and spend the night. The government of Kenya has adopted this approach in counting the number of arrivals in the country which is then broken down to international arrivals, those from Africa as well as arrivals from East Africa. This numbers can further be broken down on the numbers of people crossing the borders. The next stage the country should adopt is counting the bed nights⁴.
3. *Connectivity of hotels:* The government is looking towards having all hotels connected to one portal that will keep track of the numbers checking into hotels.
4. *Harassment by the Music Copyright Society:* It is done illegally (with police escort); it involved confiscating equipment in entertainment spots and bars at the coast sighting nonpayment of tariffs and yet there is still no legal framework for payments in place. Payment of tariffs will only be valid once they are gazetted. The industry players should proactively ensure that the Music Copyright Society follows the laid-out laws.
5. *Human traffic on Mt Kenya (16,000) vs. Mt Kilimanjaro (100,000) annually:* Mt. Kilimanjaro attracts more climbers as it has clear and well-done trekking routes mapped out as well as stop-over toilets even though Mt. Kenya is more adventurous, more scenic and most climbers meet the summit as opposed to Mt. Kilimanjaro. Mt. Kenya neither has trekking routes or stop over toilets and camps; this is a matter that needs to be addressed,
6. *Sand dredging:* This has affected not only the hoteliers but also fishing and boat operators. Mr. Harald Kampa is well versed in the challenges being brought about by the drenching and should be included in the committee that has been appointed to address this.
7. *The classification Authority/Agency:*
 - In most countries, it is the industry that appoints the commission to classify and regulate the hotels. Towards this end, the classification should independently be done by the private sector while the government plays the role of creating the framework for regulating. The private sector should therefore provide a proposal to the government on how best to improve on the classification and make it more independent (outsourced).
 - Hotels be required to have a certification from Safehotels as part of the star rating requirements.

⁴ There currently is in place an inter-ministerial committee made up of the Ministry of Immigration, Tourism Research Institute, and the National Statistics Bureau.



Presentations by Government Agencies and the Private Sector

4.1 Safehotels on the benefits of Security Certification in Hotels

By Joachim Torngard, President and CEO, Safehotels

In his presentation Mr. Torngard talked about safe hotels as a solution to an insecure world including what can be done to increase revenue and decrease insurance premiums in the hotel industry. The following are the key highlights:

Founded in Sweden in 2001, Safe Hotels is the world's leading company for independent hotel safety and security certification and is recognized by hotel and travel industry associations, UNISDR and a major insurance company. Its presence is in 160 cities (over 60 countries) with majority of safe hotels being in Europe.

There are currently 10 security certified hotels in Nairobi; a security certified hotel will provide guests with peace of mind, reassurance of hotel safety and security needs, as well as preference and loyalty.

Towards obtaining a Security Certification the following will be carried out:

- The Global Hotel Security Standard will be applied to a hotel, which consists of 240+ standard elements organized within six sections relating to:
 - Hotel Property Safety and Security Walkthrough
 - Process, Training and Organization
 - Security Equipment
 - Fire Equipment
 - Fire Training
 - Crisis Management preparedness
- The security auditors check into the hotels as guests and from a guest's perspectives begin the audit which then progresses to meeting the hotel management as well as having a walkthrough the entire hotel⁵.



⁵ All the auditors have a combined background from security or military, including a background in the hospitality industry.

Why should a hotel certify?

- Guaranteed increased revenue with up to 5%.
- Decreased insurance premiums with up to 10%.
- A Certificate that shows that the hotel is meeting highest global security standards.
- Makes corporates and other organizations aware about the hotel's level of safety and security which has been assessed by an independent and recognized third party.
- Support and professional caring beyond the Certifications.
- Immediate Crisis Management Support.

Some of the brands under safe hotels in Kenya include Sankara and Radisson Blu.

Safe hotels has now signed up with hotel bookers around the world including CWT, the Hotel Reservation System (HRS), and has a non-disclosure agreement with booking.com.

4.2 Equity Bank

By Mr. Gerald Warui - Director of Operation and Customer Experience
& Ms. Rebecca Kariuki, Head of Merchant Services

Mr. Warui gave an overview of Equity Bank, its makeup, operating structure, branch networks, as well as its performance from 1991 to 2019. Also outlined was its Wings to Fly programme⁶ as well as the impact it has had through its foundation on the youth, women, and farmers programmes.

Made up of five major business components namely Insurance, Foundation, Investment Banking, Finserve, and as a bank, Equity Bank has 13.8 million customers with an asset base of over six billion USD. It's made up of 30,000 shareholders and has a regional presence in six countries⁷.

The banks has digitized its value chain by leveraging on technology and digitized solutions such as Eazzy net and Eazzy Biz as well its different payment solutions that has now allowed its customers to carry out their banking from where they are – mobile banking.

Innovation and digitization has grown the number of bank transactions by its customers, much more than its agents, ATMs, and its branches. Its customers have literally gone virtual from a transaction perspective and a transaction value. The Bank has received global recognition and ratings over the years, both nationally and internationally. In the Nairobi Stock Exchange, the bank is rated first in the banking sector and third overall.

Merchant Services

Ms. Kariuki spoke on the various Merchant Services solutions on offer by the bank; they include:

⁶ So far 16,000 children have been educated through the programme. Kshs 35 billion has so far been used in the Foundation.

⁷ Kenya, Uganda, Tanzania, South Sudan, Rwanda, and DRC. By the end of 2019, Equity bank will be present in Mozambique, Ethiopia, and Zambia.



- Card offerings: Credit Cards (Visa branded or American Express Cards)⁸, prepaid cards (both Master Cards and Visa).
- PDQ and POS: they support all the different credit cards. Through a set logic, the PDQs are intelligent and are able to differentiate different currencies. It is able to determine the home currency of a Credit Card and bill either in Kshs or US\$ and then through its set logic, convert the bill to the customers home currency which is the presented to them on the PDQ screen and receipt.
- E-commerce solutions that support e-commerce and mobile payments or solutions.
- Eazy Pay Solutions: It is a universal till that allows for real-time payment of goods and services from various payment solutions (Mpesa, Pesalink) without merchant costs.

4.3 Kenya Tourism Board on the role of KTB in the rebranding of the Tourism Industry

By Dr Betty Radier, Managing Director, Kenya Tourism Board
& Damian Cook, CEO, E-Tourism Frontier LTD,
& Stephen Omondi, Assistant Marketing Management (Events), KTB

In this presentation Dr. Radier provided an update on where KTB is in as far as rebranding the tourism industry is concerned, the challenges being encountered, the plans going forward including the collaboration opportunities.

In 2018, it was determined that destination Kenya had become synonymous with safari and beach; it now needed to evolve towards the next level of either, i) improving the products (determining the impediments and challenges as well as the available opportunities), ii) determining what is available that can be sold as is?, iii) what needs to be improved on through partnerships, iv) how best to deliver on the promise, and v) what help the private sector would need from the government (collaboration).

In 2019 KTB has sought to determine the following three areas: Where were we yesterday, where are we today, and where do we want to be tomorrow?

Where were we yesterday?

KTB helped build the capacity of counties to first determine what sells and how best to package it as Signature Experiences which are experiences already developed by the private sector (beach, safari, or mountains) which then can be strategically positioned. The Top Experiences are the grassroots experiences being built up from the 47 counties – finding experiences in the county that are either in their infancy stage or are an amazing experience but does not have the prerequisite requirements, for example, facilities, etc. KTB has used this approach to engage fully with the different segments and blocks within the counties that were divided into seven economic blocks and engaged with each one of them, trained them towards selling their products or experiences.



⁸ Equity Bank is the exclusive partner of American Express Cards in Kenya.

Where are we today?

KTB is telling the destination story – the Signature and Top Experiences, in an impactful way, that includes culture, heritage, as well as the lake region. The story would then be packaged, in an impactful way that would attract the traveler to go to the destination.

Where do we want to go?

Dr Radier presented a Case Study of Peru, a country that did not have all the tourism products in place. They rebranded the destination, not just for tourism alone, but also for all the other things that the country is known for to create a competitive advantage that would bring in international exposure. The rebranding proved to be very successful. Kenya, through KTB will embrace this approach where it will partner with players, not just in the tourism sector, but also with other partners, including sporting, and build a story around it through, for example, a domestic campaign and international campaign. This opportunity therefore requires all players to know the strategy, specifically around awareness, familiarity and advocacy.

To address the question that any traveler would inquire with regards to why he/she should choose to go to the destination, KTB has developed a new campaign about Kenya's products towards beginning the new engagement that fully brings out the destination by also rebranding the Magical Kenya logo. To achieve this fully, KTB will be working with all players to effectively amplify, market and deliver destination Kenya with its experiences.

KTB's Digital Strategy

Damian Cook, CEO, E-Tourism Frontier LTD

Mr. Damon spoke on the digital technology and how it is being used to disrupt every aspect of the tourism sector; he also touched on KTB's digital strategy in the light of the global situation around digitization. The following are key highlights of his presentation.

Two key areas where digitization has disrupted tourism:

- De-commoditization of the travel experience: A key example is millennials travelers who do not want to be treated like a travel commodity. Rather than going for organized or packaged holidays, they prefer fully independent travel for individual experiences.
- Communitization of destinations, i.e., the turning of communities into destinations by having partnerships with Destination Management Organisations (DMO), governments, Tourist Boards, the tourism Industry, as well as the clients. The digital strategy has been built around this.



The digital model has broken down the distribution model – to get a consumer to a destination, they would need to go through a travel agent, who had an agreement with the wholesaler to have the traveler arrive at the said destination (commoditized travel). The digital model has changed how it works in terms of distribution and marketing.

What is now driving travel decisions?

It is being driven by actual travel experiences being shared on social media, this has significantly influenced travel, including the reviews that travelers write as well as the videos or content the travelers make and share.

The User Generated Content (UGC) and the actual travel and authentic experience shared by travelers is the main driver of marketing destinations. This content can also be managed to ensure that it is also exposed to other people who are not connected to the travelers using social media campaigns to get hold of this content. KTB is therefore focusing on UGC, managing it (distribution) and effectively connecting it to the right customers. These systems need to be effectively in place, with use of technology, to ensure it works by immediately accessing it through various social media channels by tracking it through, for example, hashtags. These pictures can then be retrieved, and through the permission of the owner, they can be used to market the destination. KTB is currently storing approximately 12000 photos a week from Instagram and putting the right tracking audience and distribution in place as well as working with partners. To achieve this, KTB will train its partners in different counties in Kenya so as to create this valuable resource that will form a key part of its new rebranding structure.

8th Edition of Magical Kenya Travel Expo 2019

Stephen Omondi, Assistant Marketing Management (Events), KTB

He gave the following information about the 8th Edition of Magical Kenya Travel Expo 2019:

Item	Details
Theme of the Expo	
Expo Dates	2nd – 4th October 2019
Venue	Kenyatta International Conference Centre (KICC)
No. of participating exhibitors	210
No. of participating hosted buyers	160 from 25 key source markets
Hosted Media	20
Self-sponsored trade	500
Self-sponsored participating media	80
Fam trips	There will be 5 trips for hosted buyers featuring 18 highlights of the destination
Opportunities to participate	<ul style="list-style-type: none"> • Exhibit • Accommodating the hosted buyers • Be a sponsor to the event • Participate as a trade visitor
Registration	www.mkte.co.ke



Plenary Discussions

The following were the key outcomes of the discussions:

1. *Complying to international brand standards:* The new global standard was built in national brand standard from the biggest hotel chains in the world. Hotels who attain this standard will be complying with international brand standards.
2. *Safehotels and certifying destinations:* Safehotels does not certify destinations, it however considers the destinations to be part of the award. The destination is described with regards to the distance to hospitals, police station, fire station, etc.
3. *Training of government officials around Magical Kenya:* As KTB goes around engaging with the various counties on the Magical Kenya narrative, the same sensitization needs to be done among government agencies about the symbiotic relationship that whatever they say, has a direct effect on tourism.

Case Example: A tweet by a government official who implied that there was an outbreak of Ebola in the country. This directly led to a negative impact to a segment of an industry.

4. *Rebranding the destination, Kenya (Recommendations):*
 - The effort being undertaken by KTB to market and rebrand the destination will only be successful if the government first takes care or rehabilitates the basic facilities and poor infrastructure that are repeated across the country.
 - KTB needs to sell the country as a whole and not just specific destinations within the country.

4.4 Blue Company

By Dr. Julius Kipngetich

In his presentation Dr. Kipngetich focused on one approach that should be employed to reverse Kenya's fortunes – corruption, it being the single biggest drug of the country's economy. The Blue Company initiative therefore seeks to address this issue which brings with it insecurity, poverty, among other ills; it also seeks to work with the tourism sector to join the anti-corruption platform.

Tourism, he said, has the highest potential of job creation in the country; the drag however remains corruption which has, and still is devastating the economy; approximately 10% of Kenya's GDP is lost to corruption.



Case Examples:

- *Case of Morocco:* In 2001 the number of tourists going to the country were approximately 1 million; by 2011 the number had increased to 10 million. The approach the country took was resolve in the fight against corruption.
- *Case of Singapore:* At independence, Kenya's GDP per capita income stood at US\$440, in 2019 it stands at US\$1250. In 1963 Singapore's GDP per capita income was US\$180, by 2018 it stood at US\$56,000 and it was third in the world.

Corruption in Kenya is slowly eating into the tourism industry, which injects approximately 10% to the country's GDP, and should therefore be effectively addressed by all stakeholders. The bullwark that would have saved the country against corruption have been compromised – the Church, Media, and Civil Society.

Jubilee Insurance Company has created a platform where the private sector can come together to create a movement that would discuss matters corruption and agree to join the president, as well as other actors to say “No” to corruption and reward merit so as to unleash the true potential of Kenya's economy. The Blue Company initiative therefore asks each company or association to voluntary join the platform to fighting corruption by complying to the following:

- The CEO and Managing Director of an organization is required to write to each employee informing them that henceforth no employee would be allowed to give or take bribes in any form and that contravening this condition of employment would be treated as gross misconduct and liable to summary dismissal.
- Declare that all gifts, donations given or received by the company or any employees or a customer or potential customers, supplier or potential supplier, government official or a representative shall be transparent.
- The company, through the CEO, shall have declared a policy for being free from the practice of favoritism on grounds of gender, tribe, religion and color.

4.5 Brookside Dairy Limited

By Ms. Brenda Denousse, General Manager, Business Development

Ms. Denousse stated that in the dairy industry, Brookside is the market leader in the region, it being a processing, packaging and marketing company. With a total of 3000 employees Brookside Dairy has the widest distribution network in the region (east and central Africa); it collects milk from 160,000 small scale farmers daily and reaches 21,450 outlets as well as two million consumers. It has direct supplies to 50,000 customers in the region and exports its milk products to 22 countries, in and outside Africa.

Upon receiving the milk, Brookside Dairy takes it through 202 tests and 27 approval stages, among other processes, to ensure the milk is certified for human consumption. It has service packages or contractual pricing with hotels, caterers, and restaurants. Brookside has a wide range of dairy products fresh and long-life products, yoghurts, butters, creams, and ghee.



4.6 San Francisco State University

By Colin Johnson, Department of Hospitality and Tourism

The theme of Dr. Johnson's presentation was on destination rebranding and marketing for millennials. Millennials, he stated, are those born between 1980 and 2000; they make up over one third of the world's hotels guests. All rebranding therefore needs to take cognizance of this category of individuals.

30% of millennials (18-34) have aimed to deceive their followers by posting social media vacation images that make trips look better than they are. As receiving "social return" for your trip is a major motivator to travel, it is not surprising that the most important thing millennials consider when choosing a holiday destination is how *instagrammable* it is.



He challenged the local tourism sector to come up with attractive activities that are attractive to the millennials such as having packages that give tourists the opportunity to connect with locals and have meaningful experiences while at the same time having fun (having fun while doing good)

He gave the following recommendations:

- Increased role of technology and especially social media and influencers in all activities the industry undertakes.
- The need for increased professionalism, especially through education and training.
- Role of dynamic, responsive, professional organizations (TPA) and self-regulation wherever possible is essential for the development of the industry

He identified the following as the key megatrends in the industry:

- Evolving visitor demand
- Sustainable tourism growth
- Enabling technologies, and
- Travel mobility

Exploring the multi-dimensional implications of these megatrends to 2040 is therefore important to inform policy and shape the future of tourism.

4.7 Dasani

By: Angela Luchivya, Commercial Manager, Coca-Cola
& Doris, Program Manager, Plastic Recycling

Ms. Luchivya, in reference to the new 300 ML Dasani glass bottle, affirmed that indeed Coca-Cola is listening to consumers and making changes that are in line with what they want as well as with what is happening around the world, especially on cleaning up the environment. She stated that Coca-Cola has also extended its non-sugar products to Fanta and Sprite products which have been moved to returnable glass bottles. Schweppes C+ has also been moved to a returnable glass bottle:⁹



Newly launched products by Coca-Cola:

- **POWERADE:** This is an advanced electrolyte solution that replaces electrolytes lost in sweating.
- **Juice Products:** These are higher percentage juice products (nectars) made from fruits from Kenya; the juices come in pineapple, orange, apple, mango, and tropical.
- **Coke Coffee:** This is a combination of Coca-Cola mixed with ground Kenyan coffee beans.
- **Fuze tea bags:** These are infused teas (not taken with milk) and come in three different flavors:
 - Spicy Chai: Made from Kenyan tea infused with herbs, in tea bags.
 - Black Berry
 - Green Tea with rose
- **3 in 1 coffees and tea:** It will be introduced in the next few months.

On recycling plastics:

By 2021, Coca-Cola intends to recycle 100% of what it puts out in the African market in form of plastics. This year it intends to recycle 50% in terms of tones of what it puts out in the market; Coca-Cola is committed to a World Without Waste. In this regard, it has three pillars it is focusing on:

- **Design:** Towards innovate packaging that uses recycled material and innovating recyclable packaging as well as light weighting its packages. It also plans to change the color of its packaging to ensure it is more recyclable¹⁰. Innovative packaging that is at least 50% recycled material by 2030.
- **Collect:** It will support collectors and develop sustainable value chains that will ensure that beyond 2021 the industry shall be self-sustaining.
- **Building Partnerships:** It has begun carrying out the recycling activities (collection of plastics) with partners who are already in the business.

Coca-Cola has also come up with an innovation challenge to have Jua Kali artisans as well as technical institutes to come up with a machine that is able to compress the plastics for ease of transportation. From this challenge, Coca-Cola has picked 10 concept papers which it will fully fund.

⁹ Keringet water will soon be offered in returnable glass bottles.

¹⁰ All colored plastic soda bottles will be changed to clear.

Coca-Cola Beverages Africa (CCBA) Initiatives around PEP

- The Coca-Cola School recycling Initiative: Approximately 2000 schools have been engaged in the grassroots football tournament to do collection. The winning six school stands to win a fully refurbished Coca-Cola football pitch (world class standard). This initiative is geared towards helping educate the children about recycling as well as responsible behavior with regards to the environment.
- Supported a baseline study that would help Coca-Cola understand or determine the amount of PET bottles produced by the country.
- Partnering with its customers in the hospitality industry towards having them segregate used PEPs at their establishments as well as determine drop off points

4.8 Tourism Regulatory Authority (TRA)

By Kipkorir Lagat, Director General

In his presentation Mr. Kipkorir focused on the term “Regulation” which he said is the standards and quality assurance which the hospitality sector has to live with albeit the fact that it being heavily misunderstood especially by most sector players.¹¹ TRA is the regulator for the tourism and hospitality sector in Kenya.

What is the role of regulation?

It provides “the rules of the game” in a society as well as a framework within which government enterprises and the civil society interact with each other. It plays a pivotal role in establishing minimum standards for businesses and ensuring that they all operate on a level playing field of regulatory expectations. It also acts as a tool used by governments, the world over, to influence behaviour and implement policy. Government led regulation therefore builds a compliance mentality; it largely focuses on measurable things.

About Co-Regulation

TRA has embraced co-regulation to involve the private sector in all that it does to help enhance compliance as well as to enable it offer quality services to the tourism and hospitality sector¹².

Co-regulation is therefore about involving multiple stakeholders towards having greater legitimacy and achieving a win-win regulatory state; it also brings about greater flexibility and adaptability as well as potentially lower compliance and administration costs (focuses on persuasion and preventive measures). It further has the ability to harness industry knowledge and expertise to add industry-specific and community issues directly. Co-regulation also helps bring about quick and low-cost complaints handling and resolution mechanisms - preventive and persuasive measures are practiced.

County Bills

The Constitution of Kenya has devolved local tourism and what has remained at the national government is national tourism. A key issue is that no agreement has been reached with the stakeholders, the national government, and the county government as to what is local tourism and what is national tourism. The



11 The government has set in place formal orientation processes to enable anyone appointed or elected to a position to fully understand, i) what the position is all about, ii) the institution where the position rests, iii) the major stakeholders they will be working with, and iv) what the expectations are from the stakeholders and the institution.

12 TRAs new Strategic Plan for the period 2018-2022 will guide its operations for the five years in which its main focus will be on co-regulation.

counties believe that all tourism is local tourism because it is happening at the counties as well; they also include policy direction regarding the same to the tourism which is happening in their respective counties. The national government however believes that the policy direction as well as the laws and regulations belong to the national government. This misunderstanding has resulted into a stalemate with the national government being sued by the Council of Governors for not devolving local tourism; the Council of Governors are also in the process of developing a County Bill which is before the Senate. Discussions are under way between the national government, county government as well as the private sector to jointly determine what “local tourism” is and come up with a Bill for ratification.

Duty Exemption

- This remains a thorny issue with regards to how Kenya Revenue Authority (KRA) has interpreted the definition of a hotel and restaurant. Their argument is that the law has defined a hotel and a stand-alone-restaurant as one and the same. However, if one has several restaurants within a hotel, then one stands the benefit of importing the items and equipment for the restaurants, duty free. This confusion is currently being addressed.
- Sight-seeing buses qualify to be imported duty free, however, a requirement is that they should have within them a lavatory. Discussions are underway to determine how this requirement can be addressed.
- Refrigeration trucks and trailers, battery operated vehicles, overland trucks, water treatment effluent plants, among others are duty exempt.

Safety and Security

On developing the Minimum Standards, TRA included few safety and security minimum standards to allow for licensing.

Recommendations to KAHC

- Make it a standard procedure that when officials are appointed to new positions in KTF or any of the affiliate bodies that they go through an orientation programme (induction manual) for them to, i) understand what the position is all about and expectations within that institution, as well as from the stakeholders, ii) who they shall be working with (stakeholders).
- Work with the existing associations and members, i) on the need for compliance, ii) to encourage them comply with the TRA regulations.¹³
- Need to proactively participate in the formulation of laws and bills through memoranda and/or public participation (influencing policy direction).

4.9 Tourism Fund

By Joseph Cherutoi, Chief Executive Officer

TF's mandate is to mobilize resources to finance the development of a sustainable tourism industry in Kenya. Its specific objectives include:

- Development of tourism products and services.
- Marketing of Kenya as a tourist destination through the Tourism Board.
- Finance the activities of the Protection Service – the Tourism Police Unit.

¹³ The Regulatory Pyramid brings out why and how regulation should be implemented – these are implemented around the following measures: Punitive Measures, Compulsive Measures, Persuasive Measures, and Preventive Measures



- Tourism research, tourism intelligence and the national tourism information management system.
- Finance the activities of the Tourism Sector Safety, Communication and Crisis Management Centre.
- Training and capacity development activities, and
- To mobilize resources to support tourism-related activities.

TF collects levy from establishments that are classified under Classes A & B:

Class A		Class B
- Hotels	- Service Flats	- Restaurants; and
- Members Club	- Service Apartments	- Other Food and Beverage services including supermarkets with Delis
- Motels	- Beach Cottages	
- Inns	- Holiday Cottages	
- Hostels	- Villas - Home stays	
- Health - Spa resorts	- Timeshares	
- Retreat Lodges	- Guest houses	
- Ecolodges	- Safari-Mobile Camps	
- Tree Houses	- Tented Camps	
- Floatels		

Note: Airbnb and Homestay's will also be covered in the new Regulations.

The following are the agencies supported by TF:

Government Agencies	Private Sector and Industry Associations
- Kenya Tourism Board	- Kenya Tourism Federation and its associate Tourism associations
- Kenya Utalii College	- Kenya Association of Hotel Keepers and Caterers
- Tourist Protection Service	- Pubs, Entertainment & Restaurants Association of Kenya
- Tourism Products and Services	- Eco-tourism Kenya
- Ronald Ngala Utalii College Project	- Tourism Professional Associations

Disbursements in 2016, 2017 & 2018

No.	Agency/Institution	2016	2017	2018
1	Kenya Tourism Board	309M	294M	430M
2	Kenya Utalii College	309M	383M	570M
3	Ronald Ngala Utalii College Project (TF)	1.12B	544M	570M
4	Ronald Ngala Utalii College Project (GOK)	333M	229M	200M
5	Other industry support Funding	33M	11.5M	44M
	TOTAL	2.10B	1.461B	1.814B

The Tourism Fund is currently implementing a new system called ERP to enable the players in the tourism industry file their returns online and generate compliance certificates. The systems will go live in September 2019 and is geared towards improving TF's efficiency and service delivery.

Plenary Discussions

The following were the key outcomes of the discussions:

1. *The National Tourism Blueprint 2030*: The modalities of how it can be shared to all stakeholders will be considered by TRA. Stakeholders in the tourism sector should be ready and willing to be involved in the development of the implementation plan.
2. *Ronald Ngala Utalii College Project*: Amidst the delays in funding, the government has committed to completing the project by end of 2020 so that students can be admitted at the beginning of 2021.
3. *The East African Classification Rating and requirement*: It states that for a facility to be classified as a five-star hotel then it is required to have a suite. The amendment of the gazette notice for the removal of this requirement from the Classification has been approved by the Ministry of Tourism and Wildlife as well as the Board of TRA, for the interest of the tourism sector in Kenya.
4. *Consultation Meeting*: There is need for a meeting between the national government, county government as well as the private sector to determine the way forward in terms of regulation of standards, and who manages better on behalf of the country.

4.10 Liberty Africa

By Anna Manyara, Liberty Africa

Ms. Manayara gave an overview of the structure of Liberty Africa which is part of the Stanlib Group. She outlined the different roles Liberty can play in the hospitality industry around the following areas:

- How to help employees manage their income based on the seasonality of the hospitality industry?
- The future of gratuity and Liberty's role in acting as an advisor on how to transition (the process and structures needed) the gratuity benefits accrued, transition them into a retirement savings programme and depart from gratuity accrual benefits.
- Advice on the tax advantages of moving into a retirement arrangement.
- Training to be financially fit.

Considering the fact that there is a consumerism culture in the country, and not that of saving, one of the responsibilities of employers is to help create a culture of saving among its employees. A retirement plan will therefore enable them to participate through saving by, for example, matching their contribution and that of their employer.



The Financial Fitness Academy

As part of supporting the purpose for Liberty which is to improve peoples' lives by making their financial freedom possible, it has in place a Financial Fitness Academy that is relevant to both employers and employees.

The financial training is carried out in seven modules and is delivered in seven months¹⁴. The modules are as follows:

- *My Savings*: How to save money and the effects of compound interest.
- *My Budget*: Budgeting, Income vs. Expenses and keeping track of the transactions.
- *My Bank*: Types of bank accounts and opening a (good) bank account.
- *My Income*: What is an income, Gross vs. Net and deductions.
- *My Insurance*: What is insurance, Life and Education, Assets insurance.
- *My Debt*: What is debt, How to tackle it and dealing with over-indebtedness.
- *My Future*: Investing and Retirement.

Launched in May 2019 in Kenya, the programme is designed to empower the learners to reach their financial goals. Training is carried out through interactive workshops that combine focused financial information with inspirational videos, group exercises, online activities, and storytelling (www.libertymindmymoney.org). Liberty is in the process of delivering the training to 4000 staff country wide. Liberty Africa carries out this training for free..

Solutions Liberty offers to hoteliers:

- Retirement
- WIBA & Life Cover
- Insurance that covers acts of terrorism

Conclusion

Engaging Liberty on their different offerings can be done through sending an SMS to 20120 and put the message as "KAHC – {Name of hotel}".

¹⁴ Liberty has so far delivered this training to 24,000 individuals in the last three years in Kenya and across Africa.







Health and Wellness Talk

By Dr. Stephen Wahome, Consultant, Psychological Health Services

Themed “*becoming an active player in your health*” Dr. Wahome focused his talk on the mental wellness of an individual (psychological health and wellness in our workplace). He defined health as a state of complete physical, mental and social wellbeing and not merely the absence of illness, disease or infirmity.

The following are the key highlights of his presentation:

- To remain mentally fit one needs to address the issue of health through physical wellness, specifically, cardiovascular flexibility and strength, regular physical activity, good nutrition, as well as building endurance and flexibility.
- To address the issue of physical health, emphasis needs to be placed on, i) early screening for diseases including cancers, diabetes, etc., ii) compliance management of these diseases, iii) mental health conditions such as anxiety and depression, iv) obesity, and v) nutrition. Individuals need to proactively exercise their bodies and watch their nutrition.
- Mental health can affect many areas of one’s life that include:
 - Work school or home life
 - Relationships with others
 - Sleep and appetite
 - Low energy levels and poor physical health
 - Ability to think clearly or make decisions
 - Life’s satisfaction
- Psychological health or wellbeing can be described as optimal living; this refers to personal values, peace and integrity as well as how one is able to relate with other people (living at peace and with moral integrity).
- Depression remains a leading cause of mental health illness in Kenya; relationships are a leading contributor to mental health illness, especially depression. Other causes of depression include genetics, drug abuse and medical associated conditions.
- Risky behaviours to observe that can be related to mental illness:
 - Avoiding the things that upset you
 - Insomnia and amnesia and concentration problems



- Isolating oneself and pulling away from friends and family – Anhedonia
- Anorexia or bulimia nervosa
- Lashing out at other people (verbally or physically)
- Crying often, excessive dependency or clinging to loved ones
- Frustration experienced at work and/or in relationships
- Abuse of alcohol or other drugs
- Emotional reactions to be recognized include irritability or anger, frustration, anxiety or fear, sadness or feeling down, feeling empty or numb, hopelessness. Mental health therefore affects our relationships (breakdown of emotional connectivity).
- 80% of depressive cases are as a result of ineffective relationships – relationships between spouses, and between parents and their children.
- Examples of body reactions that say something is not right:
 - Chest pain, shortness of breath or palpitations
 - Upset stomach or nausea, lack of appetite or increase
 - Upset bowel or diarrhea
 - Muscle tension, aches or headaches
 - Frequent urination
 - Sweating, hot flushes and cold chills
 - Restlessness
 - Sexual problems, low libido (sexual health) that can be attributed to psychological and neurological conditions, health challenges, drug and alcohol abuse.
- Tips to better mental health:
 - Talk about your feelings/sexual issues when feeling troubled (listen and talk).
 - Regular exercise boosts one's reasoning, self-esteem as well as make he/she sleep better.
 - Eat well (you are what you eat); watch your nutrition.
 - Drink sensibly and avoid drug abuse.
 - Keep in touch with your friends.
 - Ask for help when you feel things are hard.
 - Take a break – change of scene or pace is good for mental health, me time.
 - Do something that makes you feel good – this helps you beat stress and make you happy
 - Accept who you are – it boosts one's confidence
 - Care for others.

Conclusion:

- For one to remain vibrant, healthy and to enjoy life, take care of your mental health.
- We need not be sick so as to go the hospital. We need to change our thinking and have checkups carried out, even when in perfect health. Regular screening and monitoring will help one live better.
- Observe your lifestyle and nutrition. It will contribute to your physical and mental health.
- The need to faithfully practice work-life balance.
- Have in place employee assistance in tourism establishments absolutely critical; this will ensure that all team players are in good health and able to effectively deliver on their mandate.
- Key Question: *What are we doing towards ensuring mental wellness of our employees as they deliver services to tourists?*



The Impact of Dongo Kundu Bypass on Tourism

By Mohammed Hersi, Chairman, Kenya Tourism Federation

Through his presentation, Mr. Hersi gave an overview of the Dongo Kundu bypass project which will accelerate accessibility to Kwale, Ukunda and Diani and will facilitate connectivity with the north coast. He stated that the project will increase tourism and open up opportunities that are present in Tsunza, Diani right from Lunga Lungu, the Shimoni Port. Phase one of the project has since begun and the project is expected to be completed in 2022.



Key Question: Is Kwale County Government ready to exploit this new development?

His clarion call:

- For all industry players to influence either the national or county governments to ensure the project is completed.
- The tourism industry needs to be ready to match the expected developments that will come as a result of the bypass.
- To engage Kwale county to plan, in advance, the road network, including having it run along the ocean, as well as be ready for the opportunities that will come about with the new road network.
- Lobby the national government to broaden the existing roads in the South Coast that will connect to the bypass.

Plenary Discussions

The following were the key outcomes of the discussions:

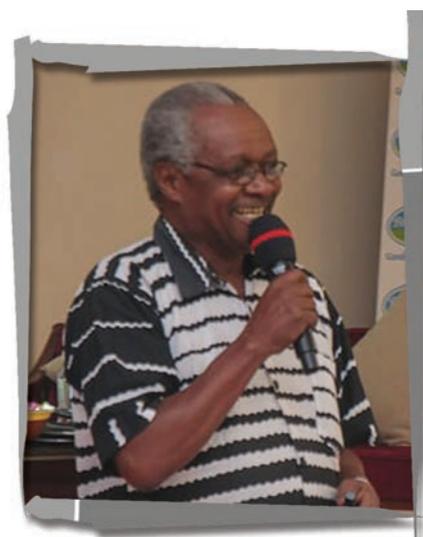
1. *The adoption of a policy on smart infrastructure:* Partners have agreed that going forward partners must have utility corridors and a map to know what is running where underground. This policy is currently being developed.
2. *Feasibility study of the Mombasa Northern Corridor:* This has been completed. It is connecting Miritini to the Malindi Road.



Constructive Dismissal

By Mr Steven Mwiti, Human Resources Practitioner

Mr. Mwiti, a professional HR practitioner, spoke on constructive dismissal laws which directly affect both the employer and employees¹⁵. They have not been a specific element of Kenyan laws but are now finding their way into the country's employment courts; they aim to protect all employees, from the lowest earning to the heads of organizations.



What is constructive dismissal?

In employment law, Constructive Dismissal occurs when an employee resigns as a result of the employer creating an intolerable or hostile work environment¹⁶. Since this resignation was not truly voluntary, as the employer made life difficult so as to force the employee to resign, rather than firing the employee, this is seen as effecting a constructive dismissal.

Legal Remedies

They differ between countries, but a constructive dismissal leads to the employee's contractual obligations ending and the employee acquiring the right to make claims against the employer. The Employment Act seeks to make it legal ground for unfair termination therefore a breach of any of the express or implied terms of a contract of employment is sufficient for an employee to claim constructive dismissal.

The courts have ruled that an employee who resigns because of conduct by the employer has suffered 'constructive dismissal'. For a Court, the employer's action has to be regarded as a significant breach of the employment contract indicating it intends no longer to be bound by one or more terms of the contract¹⁷.

15 An employee is any person working for a salary or a wage.

16 The Miscellaneous Amendment 2019 on the Employment Act seeks to anchor it in the Kenyan Law.

17 The term "Contract" is what has been agreed between the parties, whether orally or in writing, together with what must be implied to make the contract workable.

Types of Constructive Dismissal

There are two types of constructive dismissal:

- Statutory
- Common Law

Common Law: This is where an employer has indicated it no longer considers itself bound by an essential term of the contract, for example, the requirement to pay wages or the refusal of annual leave. The employee may resign over a single serious incident or over a pattern of incidents and still file for constructive dismissal, since it appeared that the person was being targeted to make them feel unwanted, the commonest being unreasonable transfers, especially hotels running several units.

A constructive dismissal might therefore be a unilateral change of contract justified by a bigger benefit to the employer than the inconvenience to the employee.

Causes of Constructive Dismissal

Unilateral contract changes by the employer such as:

- Deliberate cuts in pay or status (even temporary).
- Persistent delayed wages.
- Refusal of leave and time-off.
- Withdrawal of company car privileges.
- Suspension without pay (or even on full pay).
- Dramatic changes to duties that the employee is allocated (hours/location).
- Breach of contract in the form of bullying, for example, ignoring complaints of persistent unwanted amorous advances (sexual harassment).
- Bullying and swearing at an individual.
- Verbal abuse (typically referring to gender, size or incompetence).
- Singling out for no pay rise.
- Dismissal as a result of criticizing the organization for not giving pay rises.
- Criticizing in front of subordinates.
- Lack of support, for example, forcing the employee to do two peoples' jobs.
- Failure to notify a woman on maternity leave of a vacancy which she would have applied for if she had been made aware of it.
- Revealing secret complaints in a reference, even those required by a regulator.
- Behavior which is arbitrary, capricious, inequitable, intolerable or outside good industrial practice.
- Conduct that undermines trust and confidence (i.e. offering an incentive to resign to avoid performance managing capability), refusal to look for an alternative role due to workplace stress.
- Disproportionate disciplinary penalty.
- Employer tricks an employee into resigning.
- A flexibility clause does not allow the employer to change a type of job as it is implied that the flexibility is to operate within the original job – the employer cannot just change an employee's job without discussion or agreement.

- A mobility clause is subject to the implied term of mutual trust which prevents the employer from sending an employee to the other side of the country without adequate notice or from doing anything that makes it impossible for the employee to keep his side of the bargain.

Grounds that can be considered insufficient for an employee to sue for constructive dismissal:

- Pay rise: If the employer can show the employees performance does not merit a pay rise; in the event of a challenge then the employer must be able to justify.
- Management performance through performance appraisal, signed by the employee.
- The employees conduct is irrelevant to liability although it can affect quantum; it cannot get the employer off the hook but could reduce compensation if he/she contributed to his own downfall. It therefore may reduce the damages awarded but may not reduce the charge of constructive dismissal.
- The conduct of the employer could be a one-off serious breach of contract-it does not have to be a string of events. It can be one that the employee considers very serious.

Guarding against Constructive Dismissal

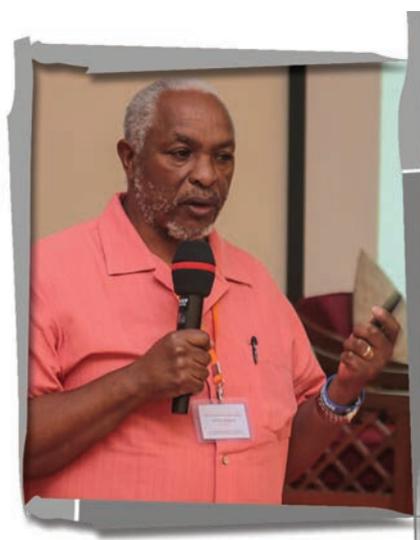
- The only defense against Constructive is to have proper procedures of handling human resources problems so that they are properly investigated and properly recorded. Due process therefore must be followed and if possible recorded, while fairness seen to be done.
- Ensure that when any breach is reported by an employee, follow-up action is carried out immediately.



Application of ADR Mechanisms in the Hospitality Industry

By Hezron Njuguna, Advocate, Commissioner for Oaths and Notary Public

Mr. Njuguna gave an in-depth look at Alternative Dispute Resolution (ADR), specifically Arbitration and Mediation, as an approach that is being used to settle disputes. He noted that the Kenya labour or industrial courts are clogged up with pending cases and are now resorting to having them settled through ADR. This approach, he said, may help clear the backlog of pending cases in the courts, who have accredited mediators and conciliators to handle the cases. Whatever is agreed upon in the ADR then becomes a judgement of the courts; if there is no agreement reached then the parties have to return to the courts for the case to be heard.



What is Alternative Dispute Resolution (ADR)?

It typically denotes a wide range of dispute resolution processes and techniques that act as a means of disagreeing parties to come to an agreement, short of litigation. It can also be termed as the way that parties can settle disputes, with the help of a third party.

The basis of the ADR is in Article 159 of the Constitution of Kenya 2010¹⁸.

ADR is therefore an approach to facilitate the hearing of disputes so that justice must, i) not delayed, ii) be applied equally to all persons regardless of status, iii) be administered without due regard for procedural technicalities; and iv) promote and protect the purpose and principles of the Constitution.

Forms of ADR

- Arbitration
- Mediation
- Conciliation

¹⁸ "In exercising judicial authority, the courts and tribunals shall be guided by among other principles – "(c) alternative forms of dispute resolution including reconciliation mediation, arbitration and traditional dispute resolution mechanisms shall be promoted, subject to clause (3);"

- Traditional Methods of Dispute Settlement
- Early Neutral Evaluation
- Pre-Trial Direction and Conference

Mediation

This is a form of (ADR) and is a way of resolving disputes between two or more parties with concrete effect. It is a dynamic, structured, interactive process where a neutral third party assists disputing parties in resolving conflict through the use of specialized communication and negotiation techniques¹⁹. It is focused primarily upon the needs, rights, and interests of the parties. The mediator on his or her part uses a wide variety of techniques to guide the process in a constructive direction and to help the parties find their optimal solution.

The mediator's role is:

- Facilitative and not direction; he/she manages the interaction between parties and facilitates open communication.
- Evaluative: He/she analyses the issues as a mediator and refrains from providing prescriptive advice to the parties, for example "You should do....".

All participants under mediation are encouraged to actively participate in the process.

Conciliation/Reconciliation

This is another form of ADR whereby the parties to a dispute use a conciliator, who meets with the parties both separately and together in an attempt to resolve their differences. This approach works best for parties who are going to continue with their relationship, e.g. for employers and workers. Conciliators therefore lower tension, improve communication, interpret issues, encourage parties to explore potential solutions and assist them find a mutual outcome; the conciliator can therefore suggest solutions unlike the mediator.

A conciliator:

- Assists each of the parties to independently develop a list of all of their objectives.
- Assists each of the parties separately prioritize their own list from most to least important.
- Goes back and forth between the parties encouraging them to "give up" the objectives one at a time, starting with the least important and working towards the most important for each.
- Builds confidence between the parties by helping create an atmosphere of trust which can then lead agreements. The most successful conciliators are good negotiators.

Why ADR in the Hospitality Industry?

- Parties autonomy to be able to resolve their issues.
- Flexibility by the parties to determine who works for them and the direction to follow.
- Time saving and expeditious.
- Cost effective.
- Is devoid of procedural technicalities.
- It favours resolutions as opposed to settlement.
- Being a sensitive industry, it can do without the drama that accompanies disputes.

¹⁹ The courts have a list of mediators who are appointed to handle a dispute.

- Quick resolution of disputes avoids escalation of conflict leading to breakdown of relations. ADR preserves the parties' relationships and trust.
- ADR in most cases leads to a "win/win" result.

Conclusion

ADR employs a non-adversarial approach to adjudicate legal controversies, and is informal, cheap, and faster in comparison to the traditional litigation processes. It therefore is the way to go in dispute resolution.



Appendix 1: List of KAHC Board of Directors

No.	Name	Position
1.	Mr. Christopher Musau	National Chairman
2.	Wasike Wasike	National Vice Chairman
3.	Harald Kampa	Coast Region Chairman
4.	Rupert Elliott	Nairobi Region Chairman
5.	-	Western Region Chairman
6.	Willie Mwadilo	Amboseli-Tsavo Region Chairman
7.	Fairman Muhindi	Rift Valley Region Chairman
8.	Edward Wangeci	Mt. Kenya Region Chairman
9.	Philip Chai	Malindi/Watamu Region Chairman
10.	Walter Reif	Chairman, PERAK
11.	Solomon Mugwe	Board Member
12.	Mark Gathuri	Board Member
13.	Vickram Korla	Board Member
14.	Mike Macharia	Chief Executive Officer



Appendix 2: List of Sponsors



THANK YOU NOTE

We would like to take this opportunity to convey our sincere appreciation for your participation and sponsorship of the recently concluded 17th Annual KAHC Symposium 2019 that was held at Neptune Paradise Beach Resort and Leisure Golf Club.

The Symposium would not have been a success without your presence and support. It is our sincere hope that you will continue to participate in future Symposiums, as we strive to make Kenyan hospitality globally competitive.

Once again, thank you for the unrelenting support.

Kenya Association of Hotel and Caterers (KAHC)

Exhibition



KAHC Cocktail



Gala Night



Gala Night



Gala Night



KAHC Golf Tournament and Price Giving Ceremony



KAHC Golf Tournament and Price Giving Ceremony



WINNERS

Overall winner	Antony Huth from Leisure Golf Club with 39 stable ford points
Men winner	Stefan Wentzel from Leisure Golf Club with 37 stable ford points on c/b
Runner up	Omar Lewa from Malindi Golf club with 37 stable ford points c/b
Third winner	Allan Habala from Leisure Golf Club with 37 stable ford points
Lady winner	Caroline Mokaya from Leisure Golf Club with 38 stable ford points
Runner up	Kerry Venturini from Leisure Golf Club with 36 stable ford points
Staff winners from KAHC	Harald Kampa with 27 stable ford points
Caddy winners	Naomi Sirengo from Leisure Golf Club with 37 stable ford points
Runner up	Lucy Omullo from Leisure Golf Club with 30 stable ford points
Best effort	Gachihi Pauline with 15 stable ford points

The Annual KAHC Golf Tournament supports the following charities:

1. The Nairobi Hospice
2. The Coast Hospice
3. Mater Heart Run
4. Starehe Centre
5. Other small charities on a need basis

Founded in 1944, KAHC is the principal umbrella organisation bringing together hotels, lodges, restaurants, membership clubs and prominent airline caterers whose common theme is to render services in the hospitality industry.



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