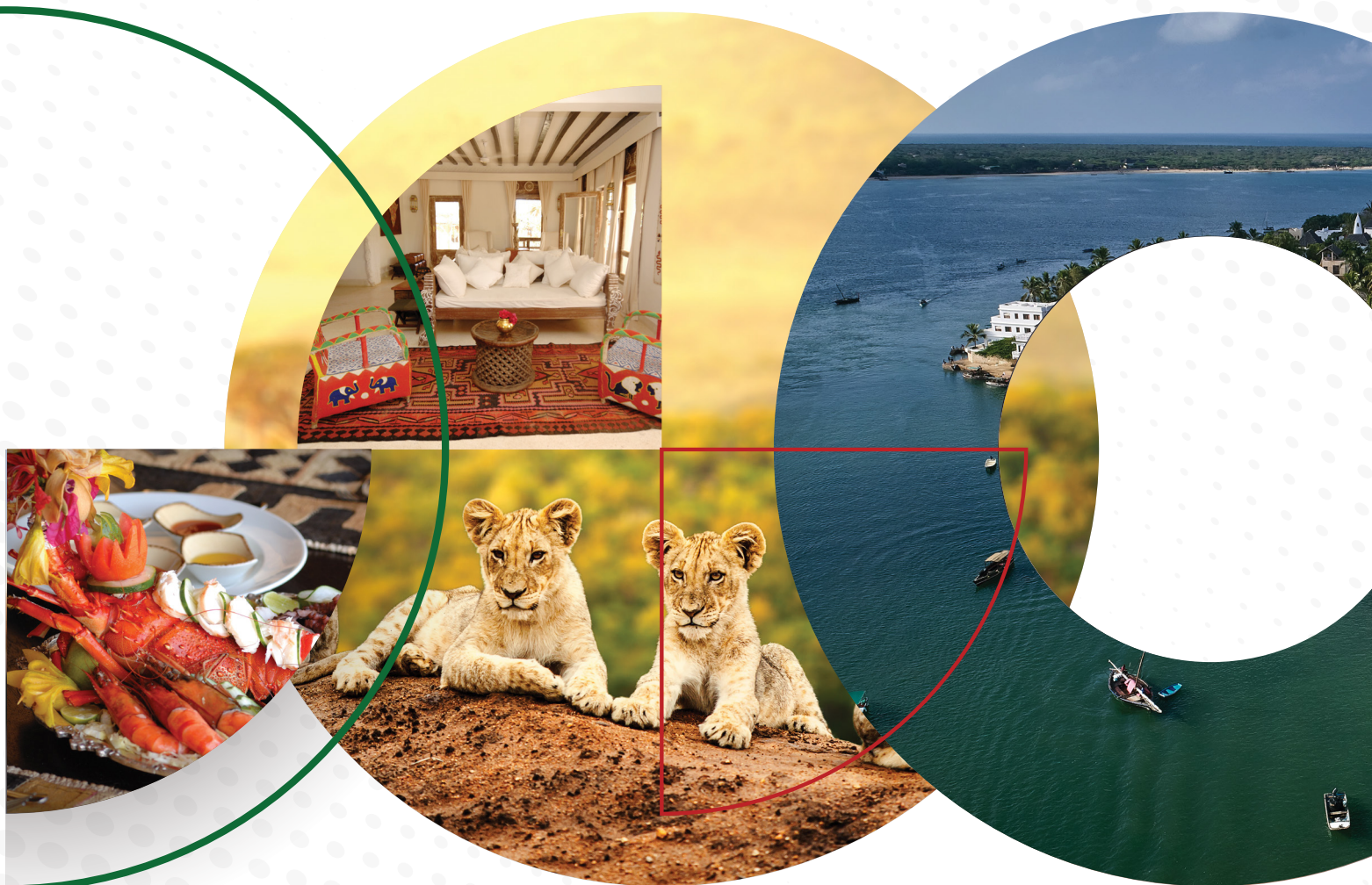




Ministry of Tourism,
Wildlife & Heritage



ANNUAL **TOURISM** SECTOR PERFORMANCE **REPORT** - 2022



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Kenya Annual Tourism Sector Performance Report 2022

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FOREWORD



In 2022, Kenya's tourism performance continued on a recovery path. International tourist arrivals were 1,483,752 which represents 70.45% increase as compared to 2021 arrivals of 870,465. Inbound receipts in the year grew up to Kshs.268.09 billion compared to Kshs.146.51 billion in 2021 which is a growth of 83%.

Globally, the tourism sector as predicted has shown great improvement with worldwide arrivals recording a 63% recovery towards 2019 figures. Kenya has registered a 72.4% recovery against 2019 numbers which is above the global average.

To revamp the sector, our focus from 2023 will include developing new strategies that will impact a wider population thus improving Kenyans' livelihoods. This will include the following:

- Promotion of regional tourism to enhance performance of the African markets. This report indicates that 641,975 tourists were from within Africa mainly coming for business and visiting family and friends. To increase this number, we will need to target Africans to come for holiday. Kenya is one of the countries piloting for the Single Africa Air Transport Market (SAATM), and it will be a big boost to our efforts towards this focus.
- Development of niche products such as cruise tourism, adventure tourism, culture and sports tourism. To increase the sector's performance, the destination must diversify its products to include these niche products which have a huge potential to boost competitiveness and the value of our tourism.
- Promote affordable and accessible travel across Kenya for Free Independent Travelers (FITs). Such visitors always seek for services in local enterprises including budget hotels, local restaurants, shopping areas, utilize various modes of transport and get immersed into the local entertainment and cultural activities thus impacting on many Kenyan businesses. It will enable us grow a sector whose benefits trickle down to the common Kenyan supporting the Bottom-Up Economy.
- The Ministry also plans to increase tourism earnings and ensure that these earnings trickle down to Kenyans by promoting MSMEs and CBTEs.

The tourism sector being largely private sector driven both the private sector and the Government must work together to achieve these strategies. We look forward to a promising future where we purpose to exceed the pre-pandemic performance.

Hon. Peninah Malonza, OGW

Cabinet Secretary, Ministry of Tourism, Wildlife and Heritage

PREFACE



Tourism is vital for the success of Kenya's economy and has emerged as a key force for sustainable socio-economic development. Globally, the sector has recorded a 63% recovery in arrivals as compared to 2019 figures. Africa has recovered about 65% of its pre-pandemic visitors due to easing of Covid-19 restrictions. This was coupled by relaunch of airlines services with new routes established, increased airline frequencies and reopening of international hotel chains. In 2022, Kenya's tourism performance continued on a recovery path registering a 70.45% growth in international arrivals year on year. Earnings from international tourism in the year grew by 83% as compared to 2021.

We have embraced a paradigm shift in the way we develop and promote tourism in Kenya in line with the Kenya Kwanza manifesto (The Plan) which is premised on three pillars: -

- Promotion of affordable and accessible travel. We are engaging tourism stakeholders to prioritize investment in affordable accommodation as well as transport modules and ICT platforms to cater for the new segment of independent youthful travelers.
- Prioritization of the African market which is more resilient, predictable and sustainable. World over, no destination has succeeded in maturing tourism without prioritizing regional and domestic tourism. These market segments are less prone to the impacts of geo-politics and other factors like travel advisories and natural catastrophes.
- Diversification of source markets and product offerings. We intend to broaden the product offering and enrich the visitors' experience by building more on products like culture, agro-tourism, wellness tourism, adventure, gastronomy tourism, MICE, among others. The destination also seeks to diversify beyond traditional markets in order to increase arrivals, grow earnings and deal with seasonality of the sector.

To re-position Kenya as an attractive and competitive destination as guided by the TTCI report 2021, we will give emphasis to digitization of all our operations and review our pricing strategy to ensure value for money for visitors. Of importance also is to continually improve quality and standards of service providers and ensure regulation of non-conventional tourism facilities and transport modes such as serviced apartments, AirBnB facilities, homestays, budget airlines, and group buses or shuttles to match global standards. We further plan to leverage on our missions abroad, the networks of the Kenyan diaspora and our renowned personalities who have made a mark at the international scene to market Kenya globally.


Hon. John Ololtuaa

Principal Secretary, State Department for Tourism

ACKNOWLEDGEMENTS



Tourism Research Institute is mandated to undertake and co-ordinate research and analysis for Kenya's tourism so as to fill knowledge and data gaps that exist in the sector. The Institute is therefore tasked to keep the sector abreast of the country's tourism performance through release of periodic performance reports. To realize this crucial mandate, the Institute has been accorded support by various offices and agencies.

The Cabinet Secretary, Ministry of Tourism, Wildlife and Heritage Hon. Peninah Malonza, OGW has provided leadership and guidance which we greatly appreciate. Her immense support is a testament of her commitment to achieving the Governments' strategy that envisions a tourism sector that positively impacts the livelihoods of common Kenyans as laid out in the Kenya Kwanza Manifesto. We would also like to appreciate the Principal Secretary, State Department for Tourism Hon. John Oloituaa, who has been instrumental in guiding on key areas of focus for the report. His involvement and that of his team at the State Department has been invaluable and is highly appreciated.

The Institute was graciously supported by various agencies across government in provision of data, analysis and compilation of the various chapters of the report. We are thankful to Kenya National Bureau of Statistics, Kenya Airports Authority, Directorate of Immigration Services, Tourism Fund, Kenya Tourism Board, Kenya Utalii College, Kenya International Convention Centre, National Museums of Kenya and Kenya Wildlife Service for the key roles they played. The tourism trade under the leadership of the Kenya Tourism Federation are the force behind the performance being reported here. They also made a valuable contribution to the report and we are thankful for that. We also appreciate the Technical Committee that prepared this report for their professionalism, invaluable technical expertise, commitment and dedication.

We convey our gratitude to all others who supported us in one way or another. It is our hope that this spirit of collaboration will be displayed in our other engagements as we endeavor to make destination Kenya flourish.



Mr. David Gitonga

Ag. Chief Executive Officer, Tourism Research Institute

A photograph of several sailboats with large white sails on a body of water, with a forested hill in the background. The title 'TABLE OF' is overlaid in large white letters.

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ACRONYMS AND ABBREVIATIONS

AfCFTA	African Continental Free Trade Area
CBTEs	Community Based Tourism Enterprises
COVID	Corona Virus Disease
EU	European Union
GDP	Gross Domestic Product
IATA	International Air Transport Association
ICT	Information and Communication Technology
IOM	International Maritime Organization
JKIA	Jomo Kenyatta International Airport
KAA	Kenya Airport Authority
KICC	Kenya International Convention Centre
KNBS	Kenya National Bureau Of statistics
KTB	Kenya Tourism Board
KWS	Kenya Wildlife Service
MEA	Middle East and Africa
MDP	Management Development Program
MICE	Meeting, Incentives, Convention & Exhibition
MIA	Moi international Airport
MIAM	Moi International Airport, Mombasa
MSMEs	Micro, Small and Medium Enterprises
SGR	Standard Gauge Railway
TRI	Tourism Research Institute
TTCI	Travel and Tourism Competitive Index
UK	United Kingdom
UNWTO	United Nations World Tourism Organization
USA	United States of America
VFR	Visiting Families and Friends
WTTC	World Travel and Tourism Council



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01

INTRODUCTION

1.1 GLOBAL OUTLOOK OF TOURISM PERFORMANCE IN 2022

1.1.1 INTERNATIONAL TOURISM ARRIVALS IN 2022

According to the latest release of the World Tourism Barometer, the rise in pent-up demand and the easing of travel restrictions in numerous nations contributed to international tourism's stronger-than-expected performance in 2022. International travel by tourists reached over 900 million in 2022, double that of 2021 but still 37% less than in 2019.

According to UNWTO scenarios released in May 2022, international tourism rebounded to 63% of pre-pandemic levels. In 2022, Europe welcomed 585 million visitors reaching nearly 80% of pre-pandemic levels. When compared to other regions, the Middle East saw the largest relative increase in 2022, with arrivals rising to 83% of pre-pandemic levels (-17% from 2019). Due to more stringent pandemic-related limitations, Asia and the Pacific only reached 23% of their pre-pandemic visits while Africa and the Americas both recovered roughly 65% of them. Western Europe (87%) and the Caribbean (84%) were the sub regions that were closest to their pre-pandemic values. Looking ahead, international tourism is expected to consolidate its recovery in 2023, supported by pent-up demand, particularly from Asia and the Pacific as destinations and markets open up. The year 2022 saw a strong rebound in tourism spending, resulting in the recovery to pre-pandemic levels in income across many destinations.

According to the UNWTO Panel of Experts poll, 72% of respondents anticipate improved performance in 2023. The majority of experts (65%) also concur that foreign travel will not reach 2019 levels again until 2024 or later. International tourist arrivals could reach 80% to 95% of pre-pandemic levels in 2023, with Europe and the Middle East anticipated to achieve such levels, according to UNWTO forecasts for 2023. However, significant threats, particularly economic and geopolitical, still lie ahead. As a result of the difficult economic climate, tourists are predicted to travel closer to home and look for the best value.

Through the northern hemisphere summer season, there was a significant resurgence in international arrivals; however, the recovery slowed down considerably in the final few months of the year. Despite obstacles like Omicron's emergence at the beginning of the year, the beginning of Russia's offensive in Ukraine and a difficult economic climate, international tourism demonstrated resilience as evidenced by the strong recovery in arrivals, which went from -59% compared to 2019 levels in the first quarter of 2022 to -28% in the last quarter.

In the first ten to twelve months, the US Virgin Islands (+27%), Albania (+17%), Honduras (+17%), Sint Maarten (+15%), Andorra (+14%), the Dominican Republic (+10%), El Salvador (+7%), Curacao (+6%), Colombia (+5%), Ethiopia (+3%), and Liechtenstein (+2%) are among the destinations reporting arrivals above pre-pandemic levels.

1.1.2. TOURISM AND TRAVEL GLOBAL JOBS PERFORMANCE AND ECONOMIC IMPACT

In terms of employment, the Travel & Tourism sector was one of the world's largest employers, accounting for 1 in 4 of all new jobs created in the world, which was equivalent to 10.3% of all jobs. It employed close to 333 million people and contributed close to 10.3% of global GDP equivalent to USD 9.6 trillion. At the same time, international visitor spending amounted to USD 1.8 trillion in 2019 equivalent to

6.8% of total global exports. While 2021 saw the beginning of the recovery for the global Travel & Tourism sector, this was slower than expected in 2022, due to the impact of the Omicron variant, stringent and inconsistent border restrictions, and the lack of coordination among governments on how to tackle the pandemic.

1.1.3. STRONG REBOUND IN EARNINGS ACROSS MANY DESTINATIONS

Most destinations have seen noticeable increases in their international tourist receipts, often even higher than their growth in visitor numbers. This has been backed by a rise in average expenditure per trip brought on by longer stays, travelers' desire to spend more money while traveling, and increased travel prices partially brought on by inflation. In the first ten to twelve months of 2022, some travel destinations recorded tourism revenues above pre-pandemic levels, including Turkey (+40%), Romania (+25%), Mexico (+13%),

Portugal (+15%), Latvia (+14%), Pakistan, Morocco (both +6%), and France (+1%). With significant overseas expenditure from major source economies including France (-4% over 2019), Germany (-8%), Italy (-10% through October 2022), and the United States (-15% through November), the recovery is also evident in outbound travel. In 2022, emerging markets with strong spending growth include Saudi Arabia (+7% through September), Qatar (+29%), and India (+10% through June).

1.1.4. INTERNATIONAL TOURISM SET TO CONSOLIDATE ITS RECOVERY IN 2023

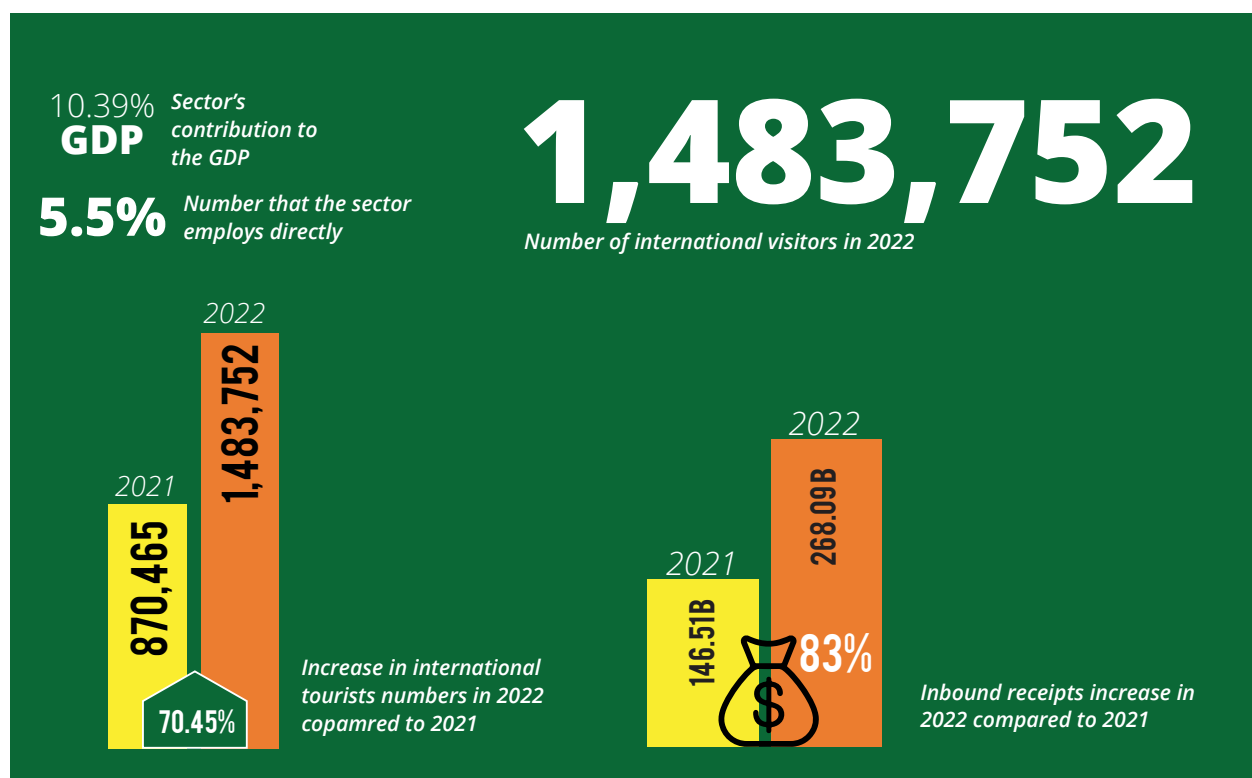
Pent-up demand, notably in Asia and the Pacific, is likely to support the revival of international tourism in 2023. According to UNWTO projections, foreign visitor arrivals could reach 80% to 95% of pre-pandemic levels in 2023. With arrivals at or above pre-pandemic levels and still having significant space for recovery in some destinations and sub-regions, Europe is anticipated to lead outcomes in 2023. The Middle East may also reach 2019 levels in 2023 after a strong revival in 2022. The recent re-opening of a number of Asian source markets and destinations will help to strengthen the recovery in 2023. A key and much-welcomed step towards the rehabilitation of the tourist sector in Asia and the Pacific and globally is the lifting of COVID-19-related travel restrictions in China, which was the largest outbound market in 2019. In the immediate term, Asian destinations in particular stand to gain from

China's resumed travel. The cost and accessibility of air travel, policies, procedures governing visas and COVID-19-related limitations will all influence the choice of places. A total of 32 nations, primarily in Asia and Europe, had put particular restrictions on travel from China into effect by mid-January (see UNWTO/IATA Destination Travel - Easy Travel). At the same time, destinations in the continent and beyond will continue to benefit from strong US travel demand, supported by a strong US dollar. The further recovery of international tourism in 2023 is anticipated to be aided by the improved performance of air traffic. However, through September 2022, the number of international seats available was 37% lower than in 2019. (IATA). As tourists seek for outdoor activities, nature-inspired goods, rural tourism and demand for nearby destinations will continue to help the tourism recovery.

CHALLENGES AHEAD

- The headwinds in the economy, health sector and international politics could hinder 2023's steady growth in international tourism.
- The UNWTO Panel of Experts' most recent study indicates that the greatest obstacle to the tourism industry's recovery is the hard economic environment, which includes rising inflation and interest rates, a rise in the price of food and oil, and concerns about a potential worldwide recession.
- Additional downside risks include the persistence of uncertainty caused by the Russian attack against Ukraine and other escalating geopolitical tensions, COVID-19-related health issues, and labour shortages.

1.2 KENYA TOURISM SECTOR OVERVIEW 2022



In Kenya, tourism is a major economic sector. The sector accounts for 10.4% of the country's GDP, 5.5% of Kenya's formal employment and contributes to 4.2% of National Gross Fixed Capital Formation (new investments) (Kenya Tourism Satellite Account, 2019). The sector is also instrumental in the social-economic wellbeing of the country's citizens, with multiplier effects in trade, agriculture, construction, manufacturing, and transport among others.

The 2022 sector performance was impressive as compared to the year 2021. International visitor arrivals in the year 2022 closed at 1,483,752 which represents a 70.45% increase as compared to the previous year's arrivals of 870,465. A 72% recovery level was recorded in 2022 compared to 2019. This growth can be attributed to many countries lessening their Covid-19 restrictions, opening up for travel and many initiatives as implemented by the sector and the Government. Some of these initiatives include and not limited to: - development and implementation of New Tourism Strategy for Kenya, 2021-2025; strategic destination marketing campaigns; entry of new domestic airlines and resumption of cruise tourism. If the growth is maintained, most tourism sub sectors will recover faster while others will surpass the 2019 arrivals, revenues generated, and bed occupancies.

This report presents the performance of Kenya's tourism in 2022 while giving an account of the extent of recovery of the sector towards the levels of the best year, 2019. It features the following key highlights.

- Visitor arrivals and passenger flight landings.
- Inbound tourism earnings
- Tourism establishments and revenues performance
- Bed nights and room occupancies.
- Performance in the MICE subsector in local and international conferences.
- Tourism training performance
- Visitation to National Parks, Museums and Heritage Sites
- Initiatives supporting sector performance in 2022.

To track sector recovery, the report gives a comparative analysis and reports on the extent of sector recovery from best year 2019 and 2022. It further presents projection from 2023 to 2027.

02

VISITOR ARRIVALS AND PASSENGER FLIGHT LANDINGS



2.1 VISITOR ARRIVALS

2.1.1 INTERNATIONAL VISITOR ARRIVALS

International visitor arrivals in the year 2022 closed at 1,483,752 which represents a 70.45% increase as compared to the previous year's arrivals of 870,465. This growth can be attributed to many source countries lessening their Covid-19 restrictions and opening up for travel.

1,483,752
70.45% ▲

Over the years, the month of August is usually high season but in 2022 arrivals declined. This can be attributed to jitters in the markets traditionally associated with the country's

general elections. However, since the elections were peaceful, the subsequent months performed well and growth was sustained with an impressive performance in December.

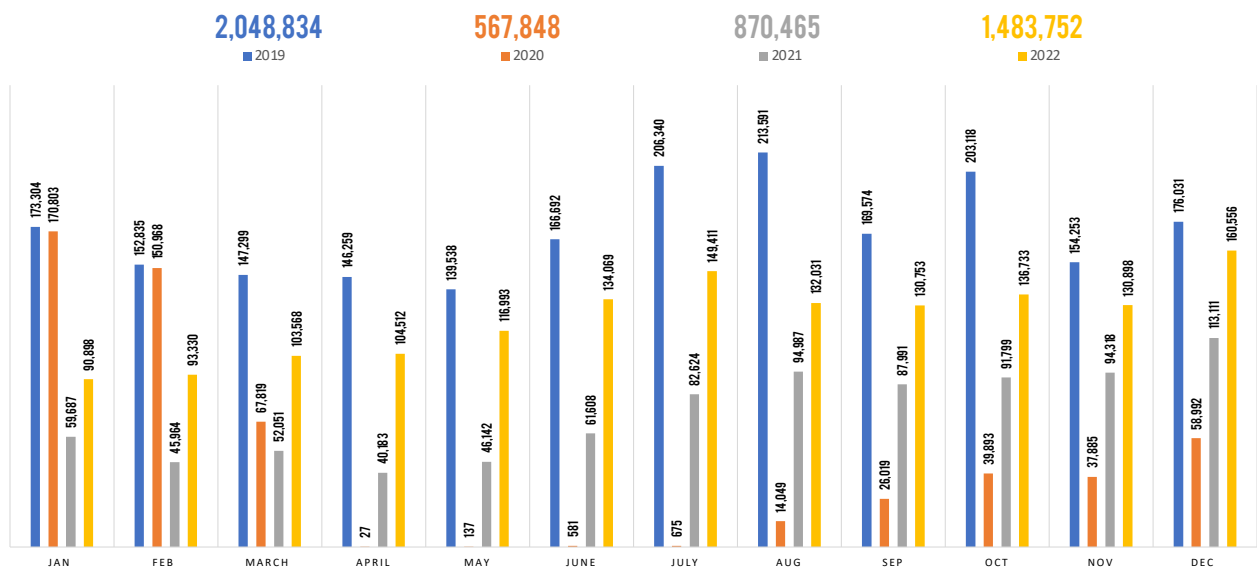


Figure 1: International Arrivals over 2019, 2020, 2021 and 2022

Source Immigration 2022



2.1.2 ARRIVALS BY POINT OF ENTRY

JKIA performance saw an increase of 64.97% as compared to the previous year where arrivals closed at over one million. MIAM also saw an increase of 65.9% as shown in the figure below;

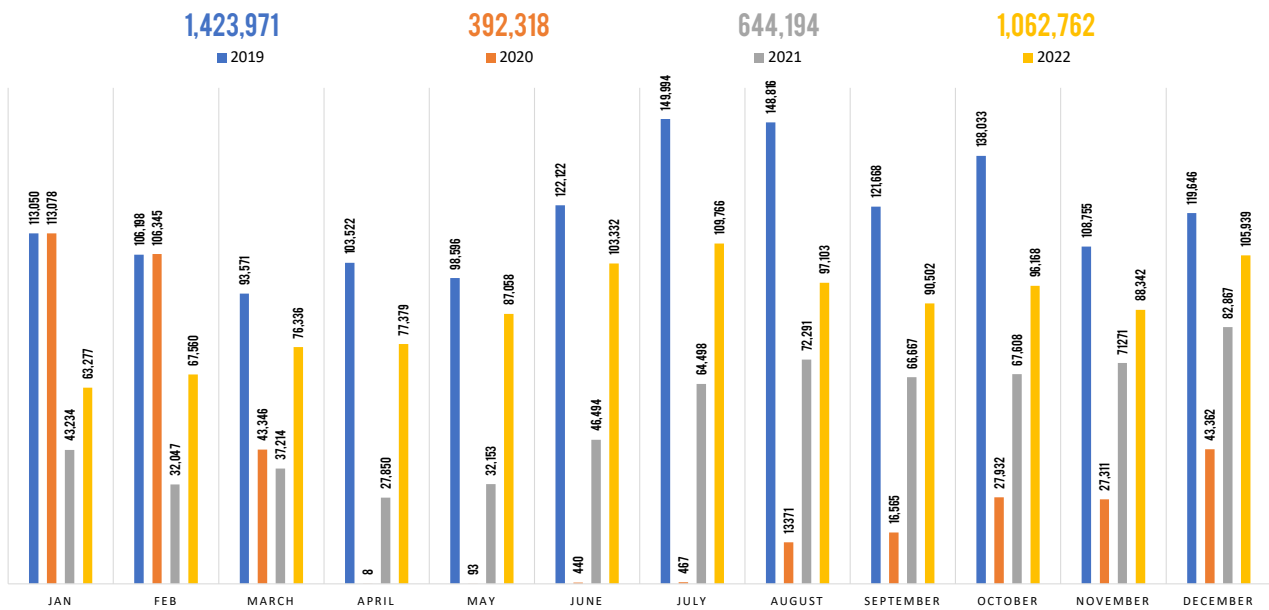


Figure 2: Monthly International Visitor Arrivals through JKIA

Source Immigration 2022

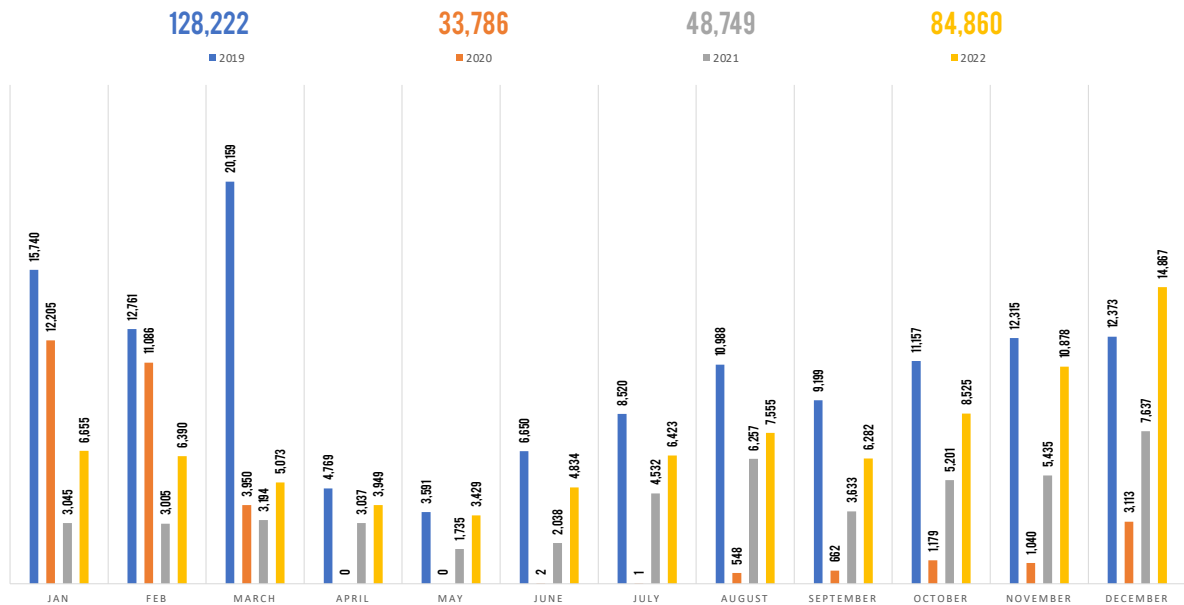


Figure 3: Monthly International Visitor Arrivals through MIA

Source Immigration 2022

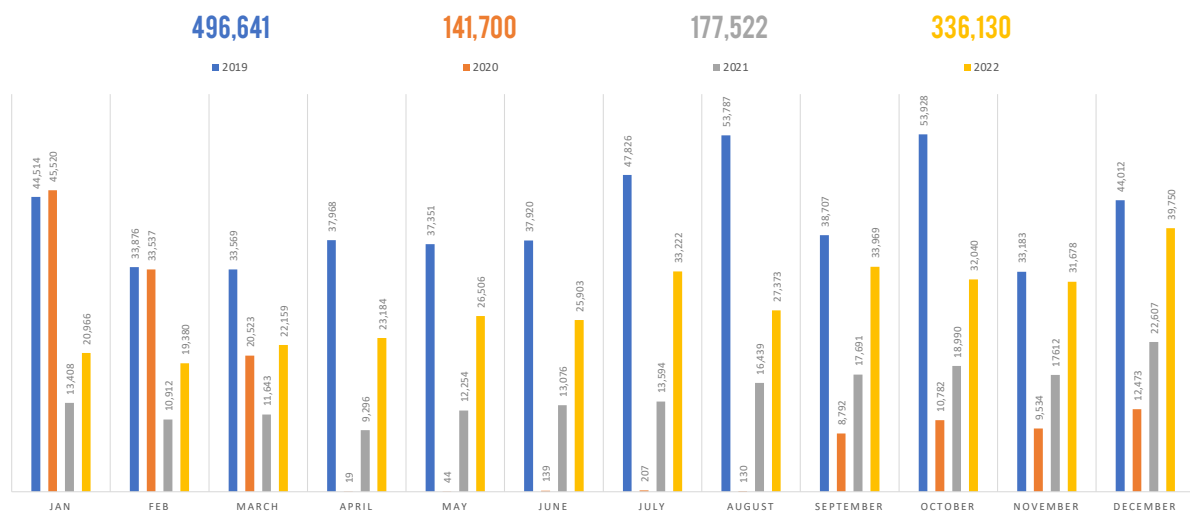


Figure 4: Monthly International Visitor Arrivals through other* points of entry

Source Immigration 2022

In the year 2022, it was noted that many tourist using road as mode of transport came through Busia Border at 31% followed

by Namanga at 25% and Malaba at 11%. A total 562 visitors used water as mode of transport through Kilindini harbor.

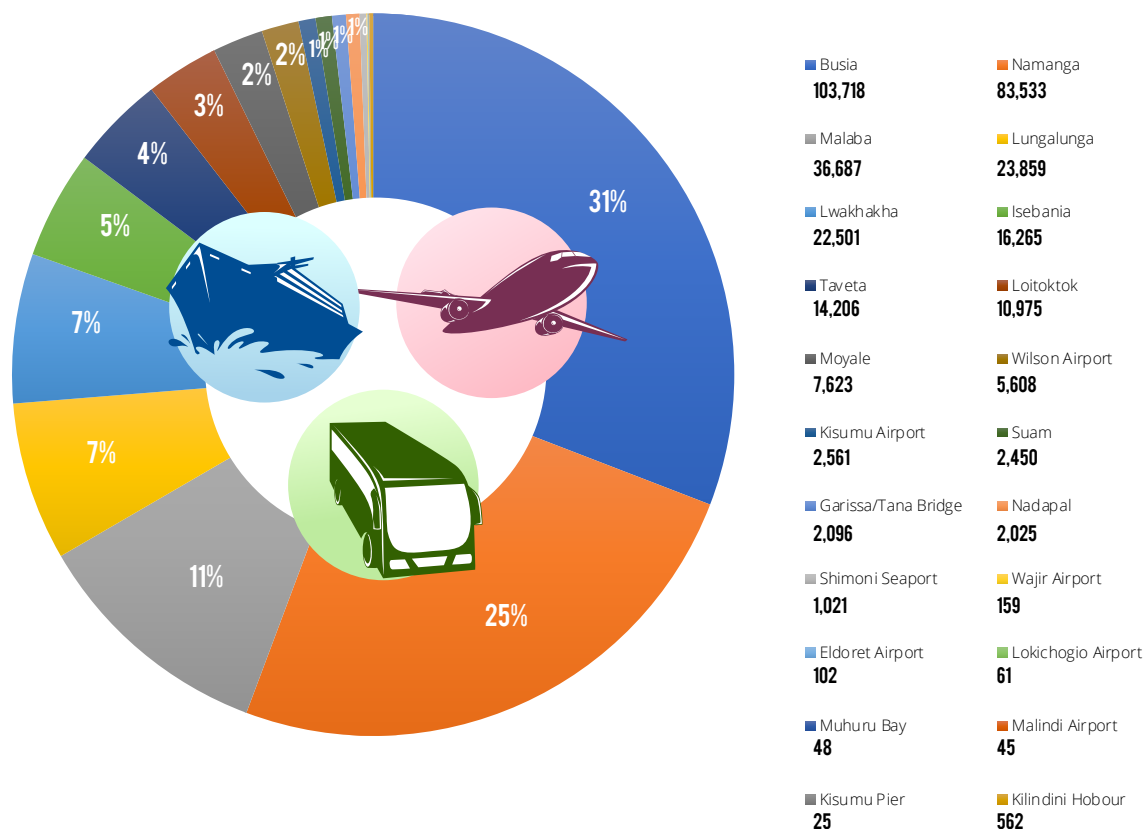


Figure 5: Total Arrivals Through Other Entry Points 2022

***Other entry points are:** - Busia, Namanga, Malaba, Lungalunga, Lwakhakha, Isebania, Taveta, Loitoktok, Moyale, Wilson Airport, Kisumu Airport, Suam, Garissa/Tana Bridge, Nadapal, Shimoni Seaport, Wajir Airport, Eldoret Airport, Lokichogio Airport, Muhuru Bay, Malindi Airport, Kisumu Pier and Kilindini Harbour.

2.1.3: PERFORMANCE BY SOURCE MARKETS - TOP 30 SOURCE COUNTRIES 2022

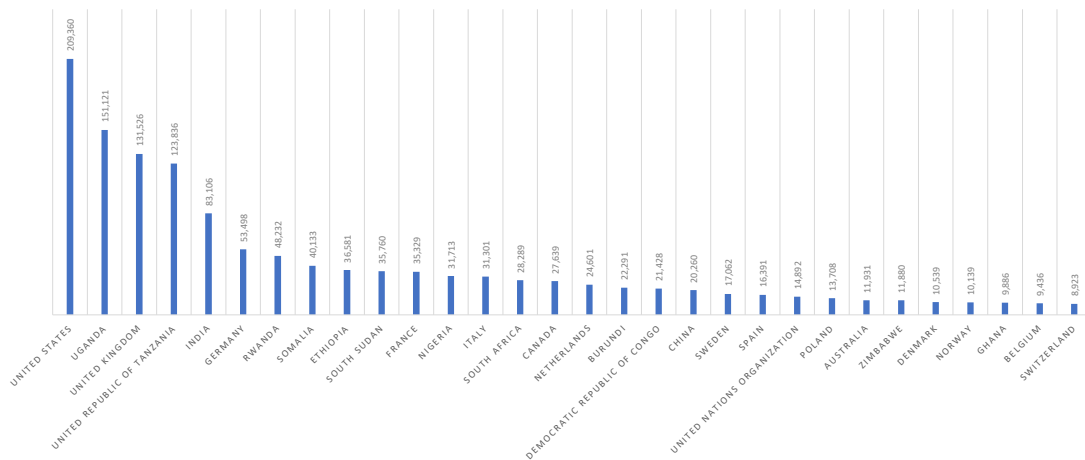


Figure 6: Top 30 Source Markets



Figure 7: Top 30 Source Markets

Considering the top 30 performing source markets in 2022, the United States of America took the top position with 209,360 which was 16% of the total. This was closely followed by Uganda, the United Kingdom, and the United Republic of Tanzania with 12%, 10%, and 10% market shares respectively. The extent of recovery from the USA market was at 82% compared to 2019, when it yielded 245,437 arrivals. Also,

worth noting was the UK market performance whose extent of recovery was at 72%, having yielded 181,484 arrivals in 2019.

The other source markets with a no figure number of visitor arrivals were India, Germany, Rwanda, and Somalia. Notably 12 of the 30 top market performers last year were from Europe which together had a share of 40% of the total.

2.1.5 PERFORMANCE BY MARKET REGIONS

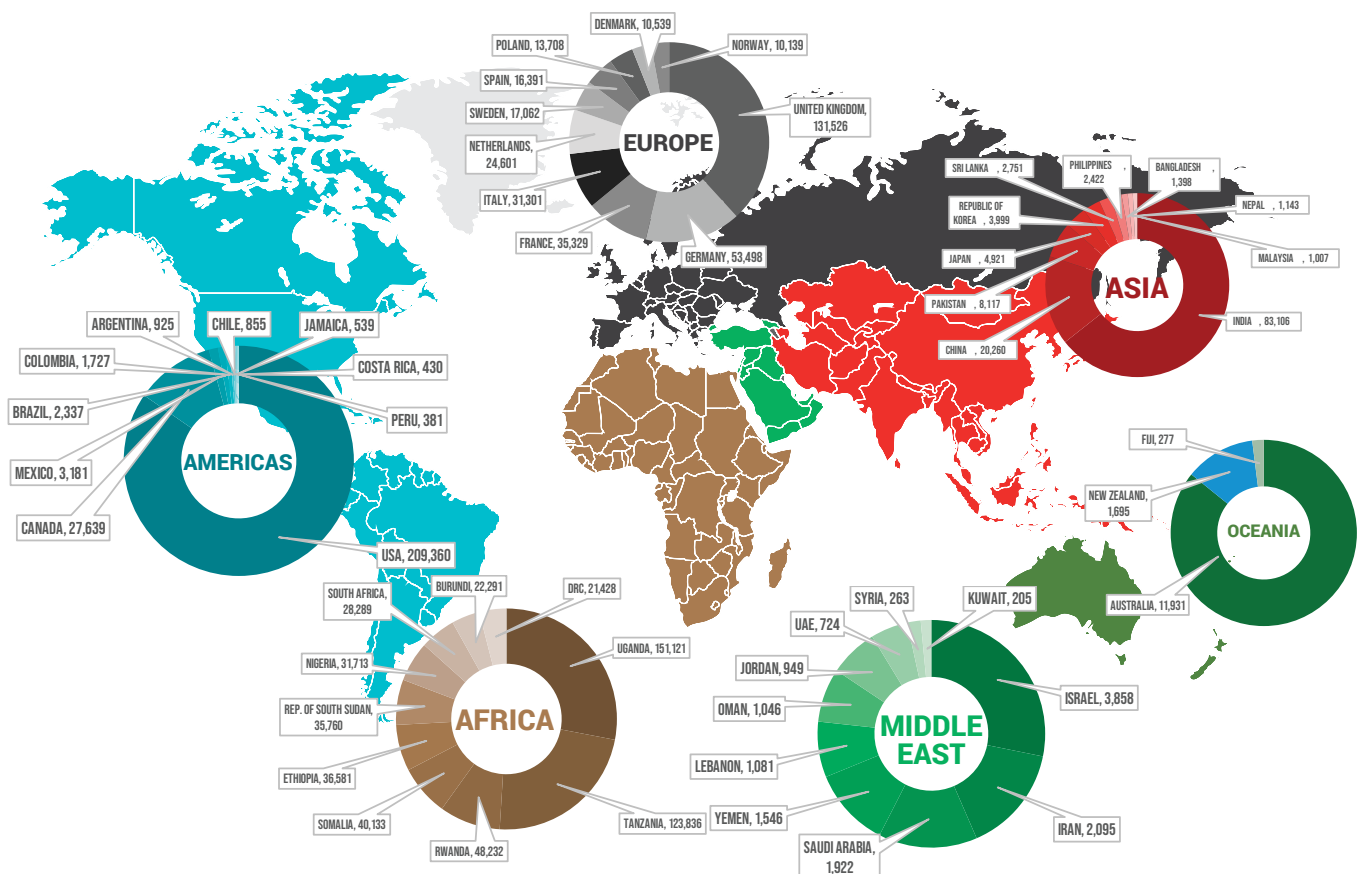


Figure 8: Top 10 Performers by Market Regions

Source: Immigration/TRI 2022



2.1.6 MOST IMPROVED MARKETS FOR 2022

Table 1: Source Markets with Positive Growth - 2022 Compared to 2021

S/No	NATIONALITY	2021	2022	% change
1	Australia	3,376	11,931	253.41%
2	Italy	12,207	31,301	156.42%
3	United Kingdom	53,264	131,526	146.93%
4	Denmark	4,601	10,539	129.06%
5	Zimbabwe	5,550	11,880	114.05%
6	Canada	13,373	27,639	106.68%
7	Norway	5,035	10,139	101.37%
8	India	42,159	83,106	97.13%
9	Rwanda	24,665	48,232	95.55%
10	Germany	27,620	53,498	93.69%
11	Netherlands	12,928	24,601	90.29%
12	Uganda	80,067	151,121	88.74%
13	France	18,772	35,329	88.20%
14	South Sudan	19,892	35,760	79.77%
15	Ghana	5,777	9,886	71.13%
16	Ethiopia	21,424	36,581	70.75%
17	Sweden	10,107	17,062	68.81%
18	United Republic of Tanzania	74,051	123,836	67.23%
19	Belgium	5,697	9,436	65.63%
20	Burundi	13,792	22,291	61.62%
21	Spain	10,482	16,391	56.37%
22	United States	136,981	209,360	52.84%
23	Somalia	26,270	40,133	52.77%
24	South Africa	18,520	28,289	52.75%
25	Poland	9,809	13,708	39.75%
26	Switzerland	6,535	8,923	36.54%
27	Democratic Republic of Congo	15,731	21,428	36.22%
28	Nigeria	25,399	31,713	24.86%
29	Russian Federation	5,584	5,797	3.81%

Source: Immigration/TRI 2022

Australia recorded the best rate of recovery being the most improved source market country. The arriving visitors increased from 3,376 in 2021 to 11,931 in 2022, translating to a 253% growth. Italy was second where the arrival number increased from 12,207 in 2021 to 31,301 which translated to (156%) growth. The USA market which has been the leading

market also recorded commendable growth from 136,981 in the year 2021 to 209,360 for the year under review (53%).

Australia and Canada have performed well in spite of minimal marketing efforts. There is need to enhance marketing and magical Kenya brand presence in those markets.

2.1.7 PURPOSES OF VISIT, 2022

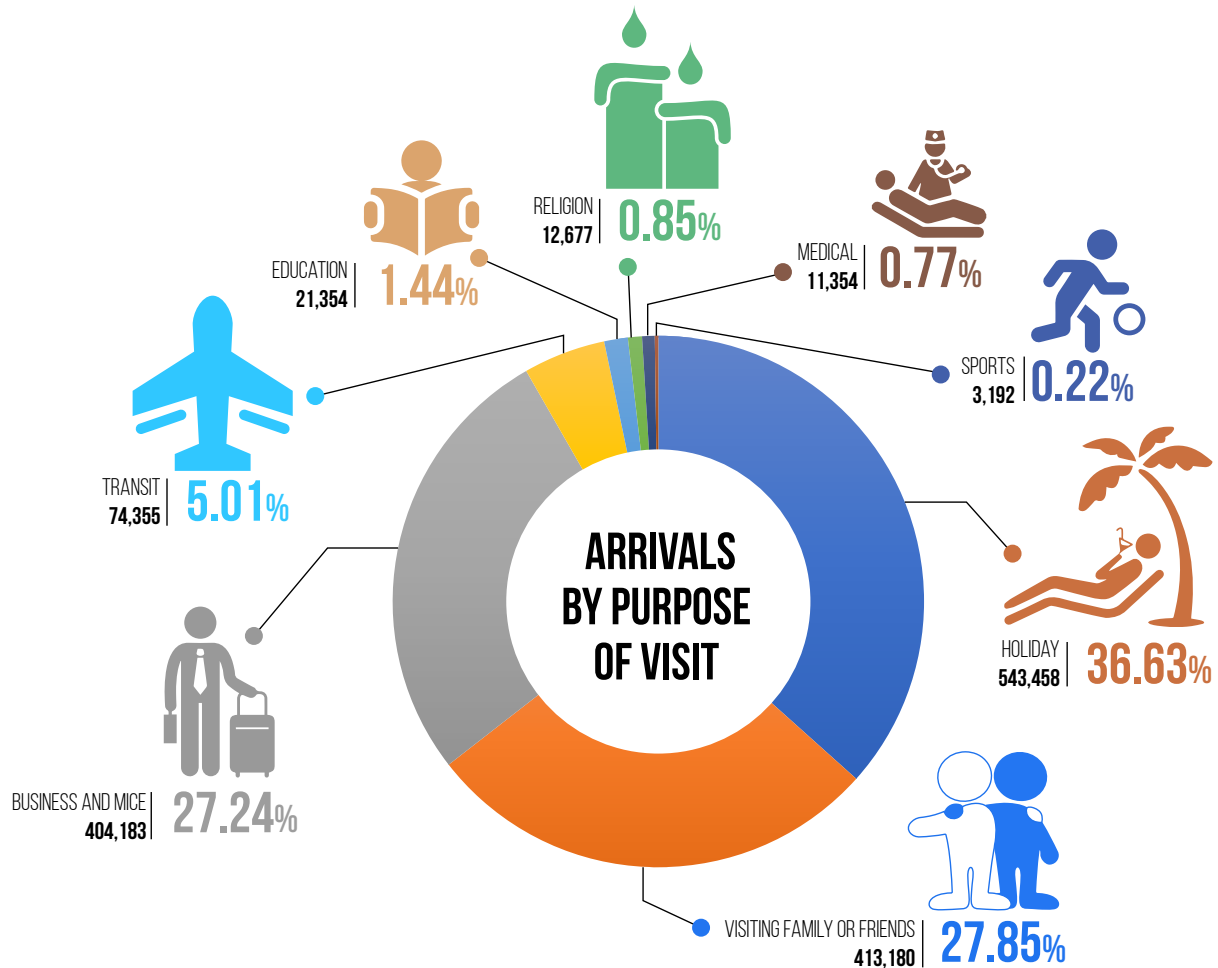


Figure 9: Visitor Arrivals by Purpose of Visit 2022

Source: Immigration/TRI 2022

The nearly 1.5 million visitors arrived in the country for different purposes. Topping the list were visitors on holiday at 36.6%. This was followed by visitors for friends and family rendezvous at 27.8% of the total. Arrivals on business and MICE came at a close third with 27.2% of the total visitation.

There was also a good number of visitors for other purposes such as education, medical and sporting activities. Additionally, 5% were visitors who entered the country while on transit to their final destinations.

The following figure delves further into purposes of visit for lead source markets, looking at their top two purposes of visit. The trend has remained the same as the previous year, whereby Americas main purpose is still holiday followed by business, Europe is also holiday followed by VFR. Africa has also maintained the trend whereby the main purpose

of visit was business followed by VFR, apart from Nigeria and Somalia where it was mainly for holiday. Asian's main purpose of visit was holiday followed closely by VFR and business while for the Middle East, the main purpose was holiday followed by VFR.

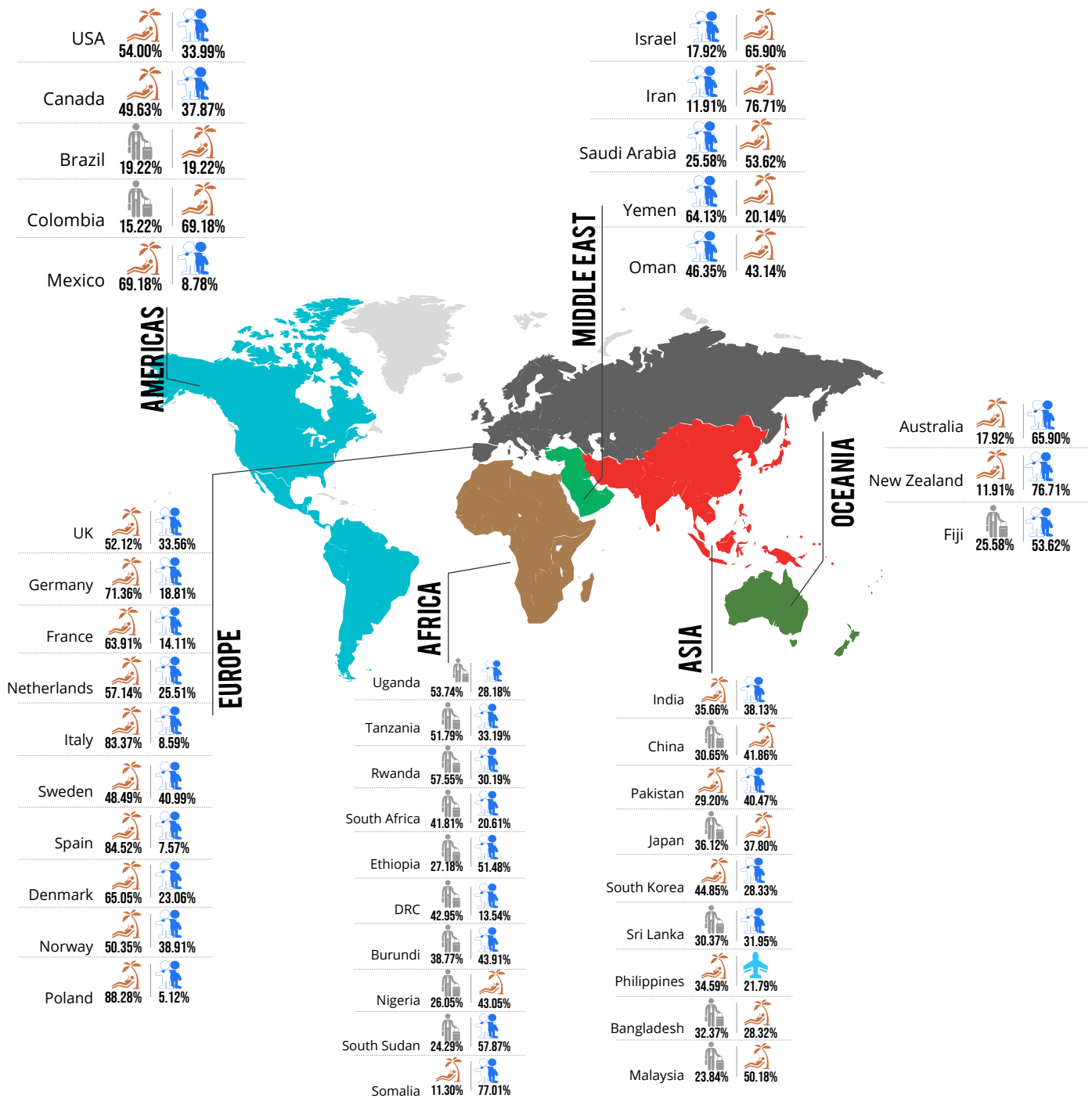


Figure 10: Top Two Purposes of Visits for Lead Source Markets

2.1.8 EXTENT OF RECOVERY IN 2022 VIS-À-VIS 2019

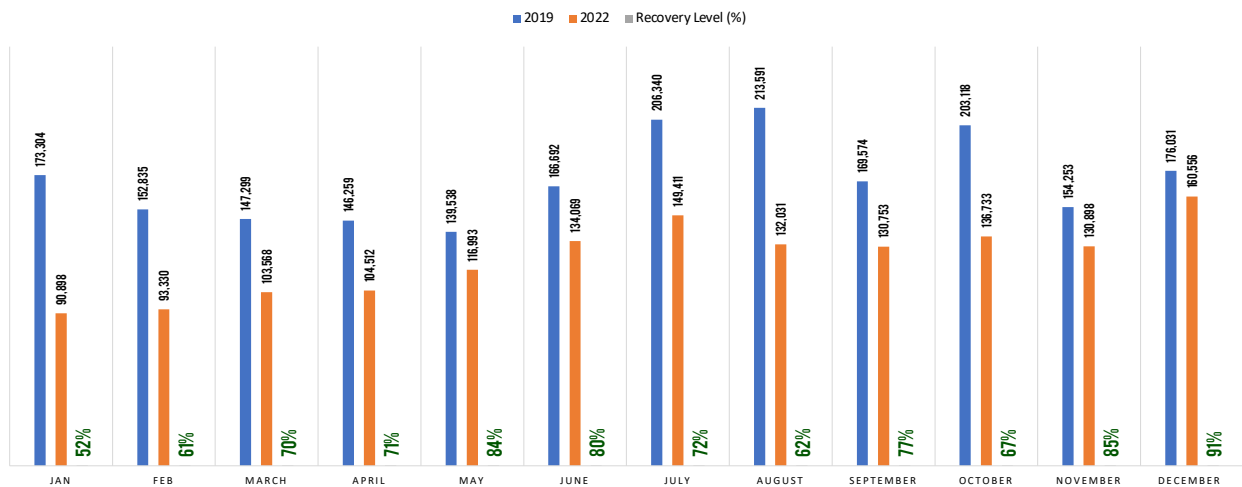


Figure 11: Arrivals and Extent of Recovery In 2022 Vis-à-vis 2019

Before the onset of Covid-19, the number of visitors to the country was slightly over 2 million. The extent of recovery in 2022 is 72% from the 2019 visitor arrival levels, this is above the global recovery levels of 63%.

The last quarter of 2022 posted the highest level of recovery at an average of 81%, with December 2022 registering the highest recovery rate of 91%. This was indicative of a gradual but sustained progress towards the pre-Covid-19 visitor arrivals numbers.

2.2 PASSENGER FLIGHTS LANDINGS

Aviation plays a central role in supporting tourism especially for a long-haul destination like Kenya. It provides accessibility and enables penetration of new markets. Air travel provides vital links for the burgeoning global tourism industry. It is estimated that over half (58%) of all international tourists travel by air, so aviation and tourism mutually support each

other for sustainable growth. This section therefore delves on the performance of the aviation sector in the country in terms of flight landings and passengers ferried as this is a key enabler for not only international but also regional and domestic travel.

2.2.1 OVERALL AIRPORTS PERFORMANCE

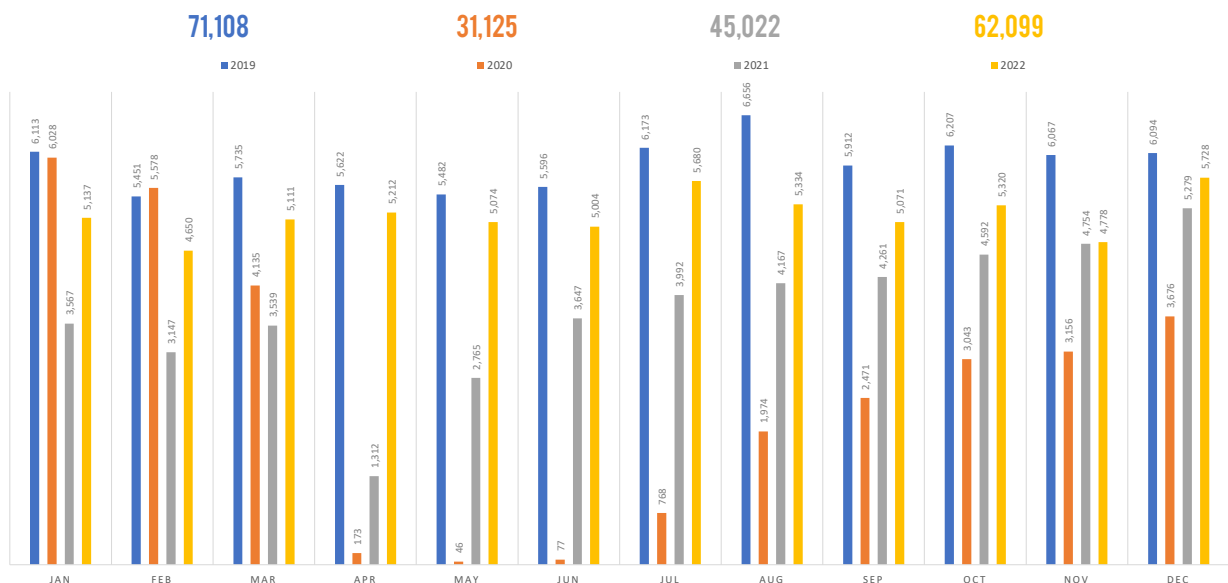


Figure 12: Flight Landings Performance- Scheduled and Major Charters

Source KAA

In 2022, total flight landings (scheduled and charter carriers) operating in the six major tourist handling airports in the country increased by a sizeable margin when compared to the performance in the previous year, an indication of a sustained recovery of the industry. These movements increased by 38% to 62,000 in the period under review. The numbers were also only 13% shy of the pre-Covid-19 performance.

Notably, while traffic in the international sector continued to

grow at a slower pace due to the challenges still impacting the world economy predominantly due to persistent Covid-19 and the Ukraine/Russia conflict, the industry continued to be supported by a vibrant domestic sector.

The growth in flight frequencies was generated, to a large extent, by increased frequencies by the existing scheduled and charter operators, in response to the growing demand for air travel.

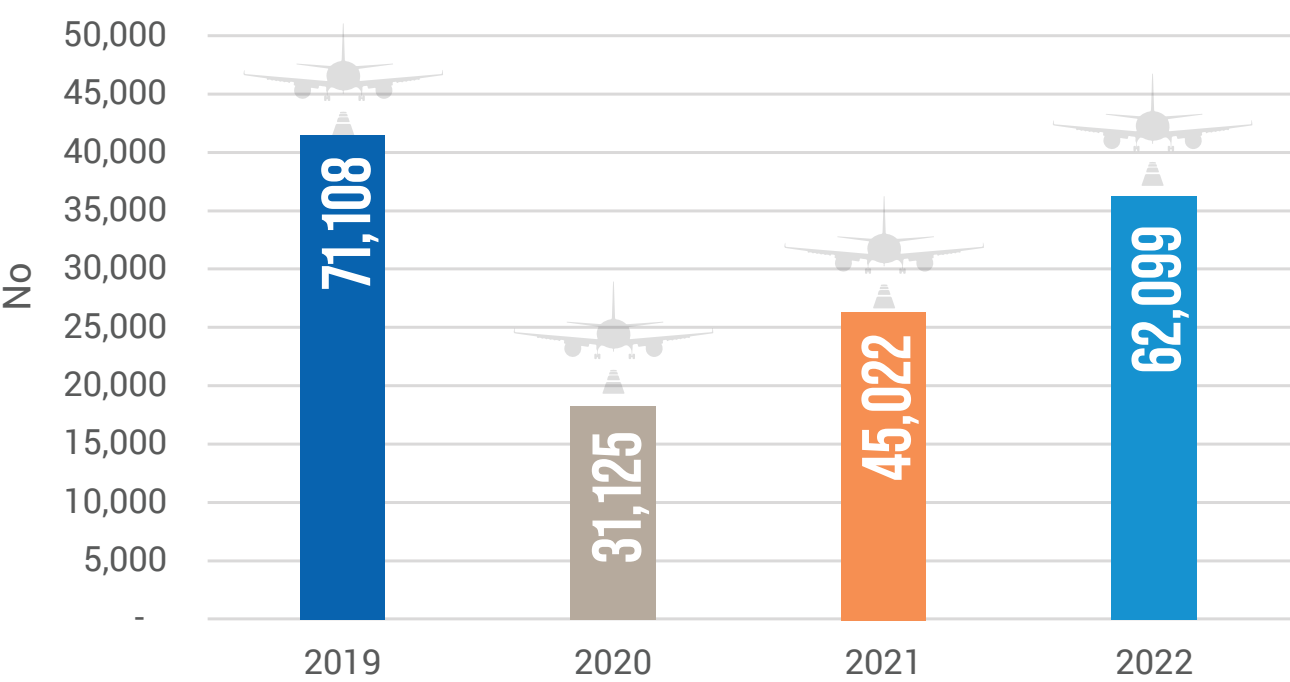
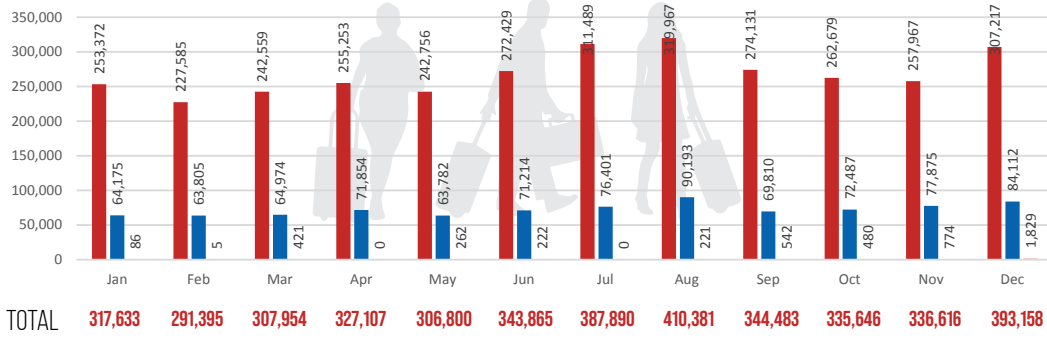


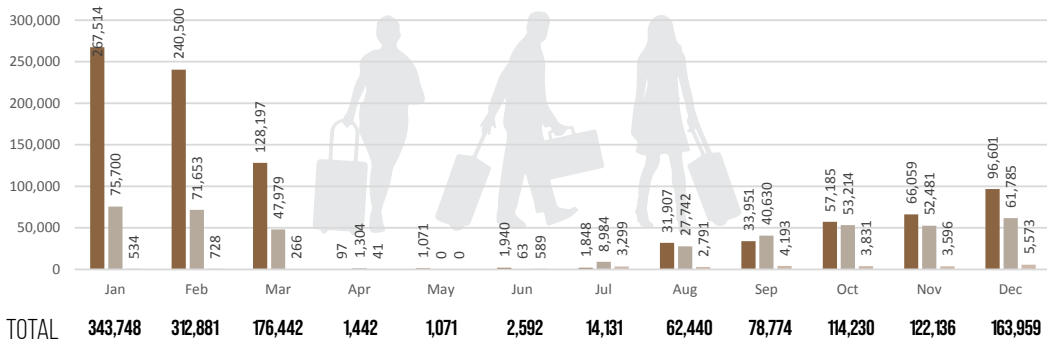
Figure 13: Flight Landings



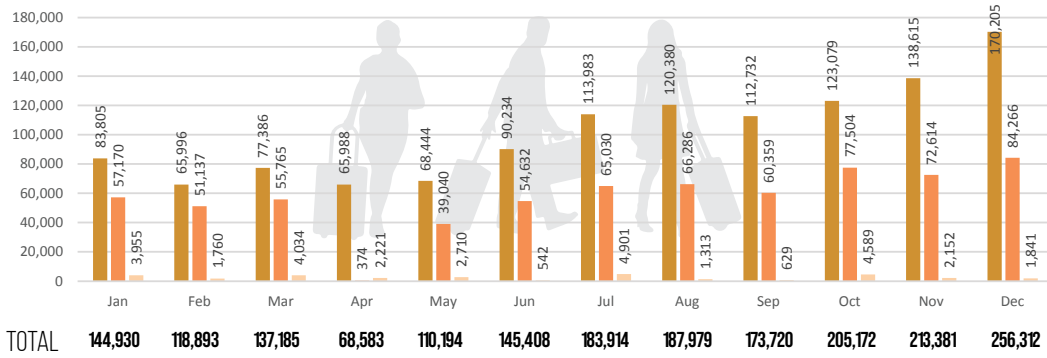
2019



2020



2021



2022

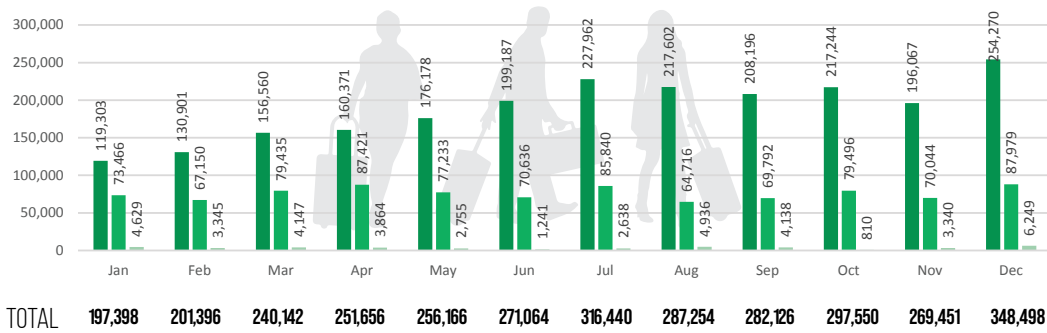


Figure 14: Passenger Arrivals from the Landings in Figure 15 below

The number of passenger arrivals associated with flight landings cited above also increased, registering a growth of 65% to about 4.5 million when compared to the 2.9 million served in 2021. The performance for 2022 was only 13.0%

below the pre-Covid-19 levels, indicating a fast-recovering industry.

In line with the performance of the associated flight landings, the domestic sector provided much of this growth impetus.

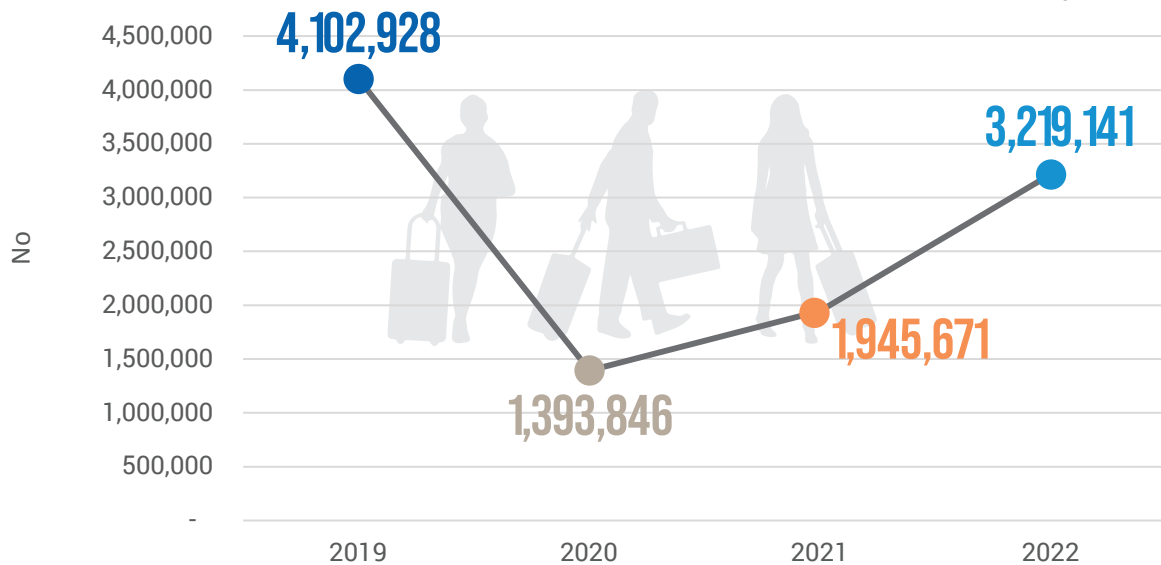


Figure 15: Passenger Arrival Growth

2.2.2 SPECIFIC AIRPORTS PERFORMANCE

i. Flight Landings

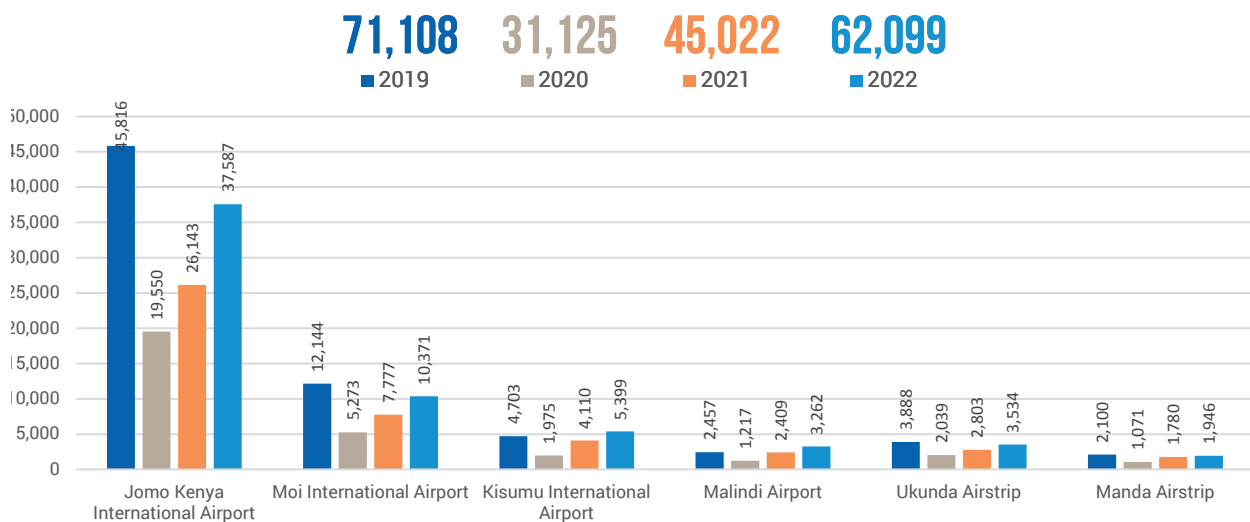


Figure 16: Total Flight Landings 2019, 2020, 2021 and 2022

Source KAA

JKIA had a growth of 44% in flight landings from 26,143 in 2021 to 37,587 in 2022. This was however 18% below the pre-Covid-19 performance. MIA had flight landings growth of 33% in 2022 compared to 15% in 2021. Kisumu International Airport performed much better, growing its flight landings by 31% to close the year 2022 with 5,399 movements. The

airport is even 15% above the 2019 levels. The other three domestic airports, namely: Malindi, Ukunda, and Manda, also performed well in 2022, growing their flight landings by 35%, 26%, and 9% respectively and these were supported mainly by increased domestic movements.

ii. Passenger Arrivals

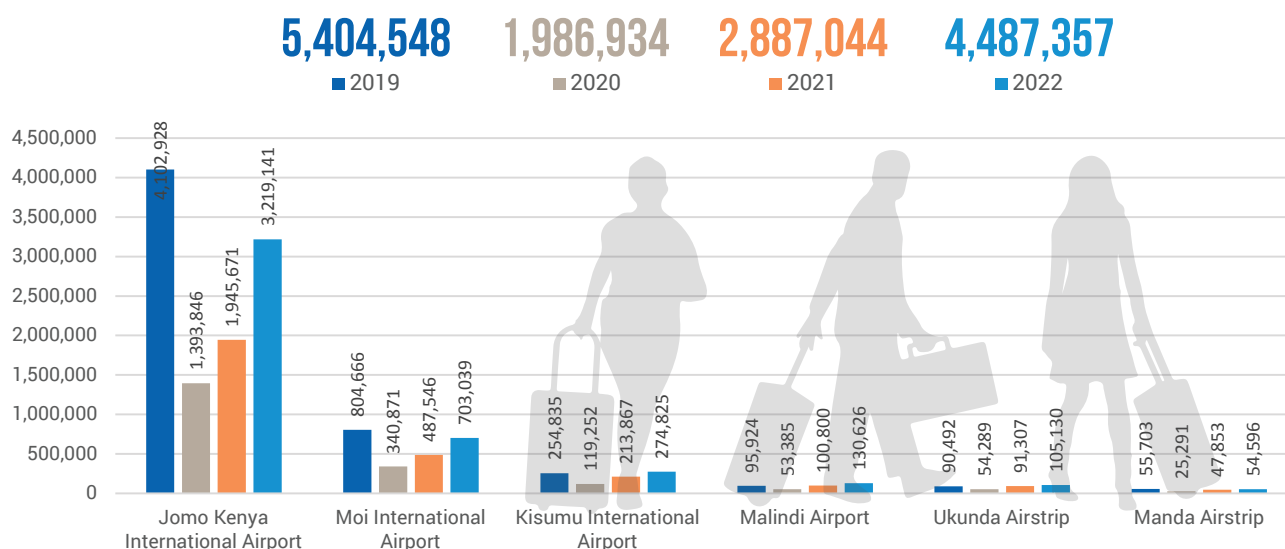


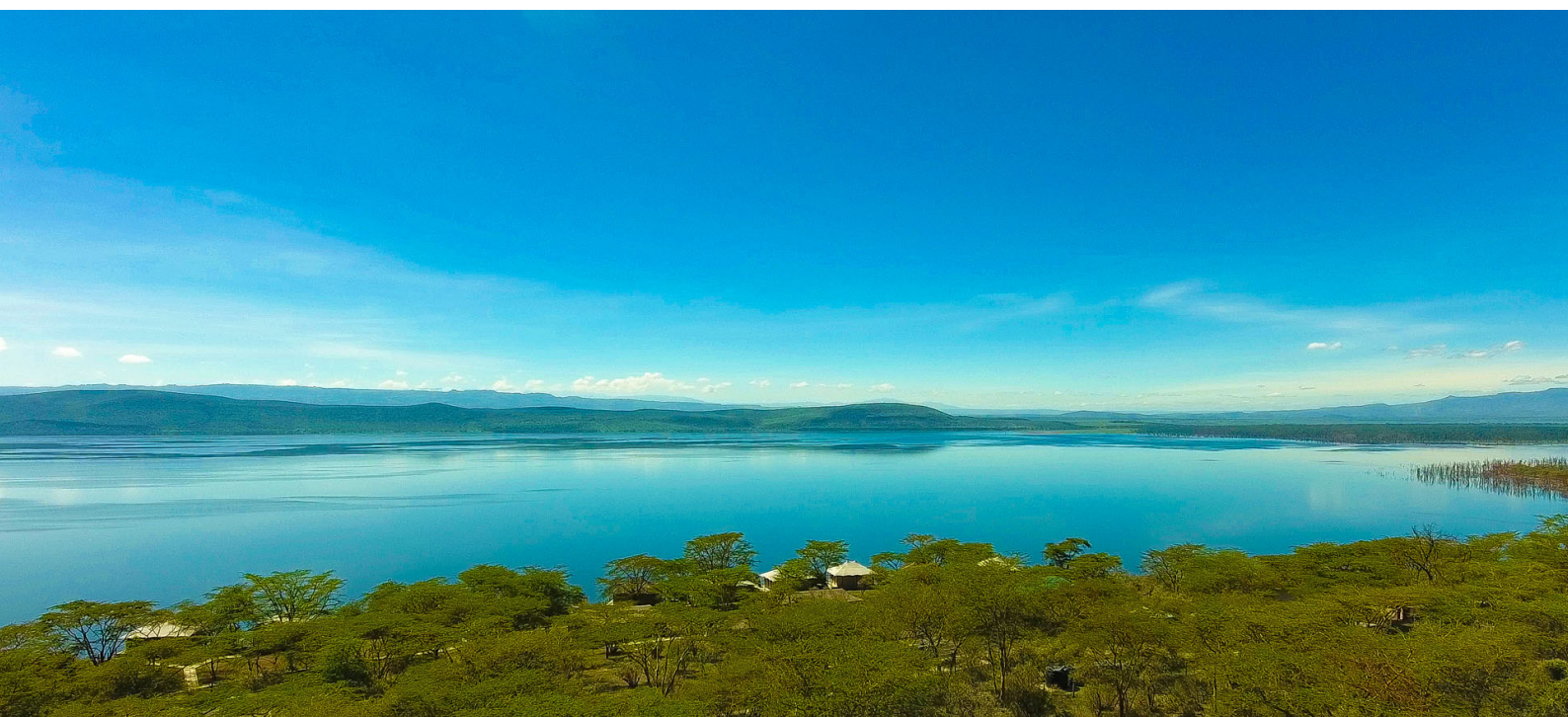
Figure 17: Total Passenger Arrivals 2019, 2020, 2021 and 2022

Source: KAA

In the year under review, the passenger numbers registered a similar trend to that of the flight landings, where JKIA had a growth of 65% in passenger arrivals from 1.9 million in 2021 to 3.2 million in 2022. This was however 22% below the numbers achieved in 2019. MIA passenger arrivals grew up to 44% in 2022 compared to 13% in the year 2021.

In 2022, Kisumu International Airport had 274.8 passengers arriving on scheduled and major charter airlines, which was

29% above the 2021 traffic. The airport is also 8% above the 2019 passenger levels. In line with flight landings, the other three domestic airports (Malindi, Ukunda, and Manda) also performed well in 2022, growing their passenger arrivals by 30%, 15%, and 14% respectively, again supported mainly by increased domestic movements.



2.2.3 DEDICATED CHARTER FLIGHT LANDINGS ASSOCIATED WITH TOURISTS FACILITATION (MIA)

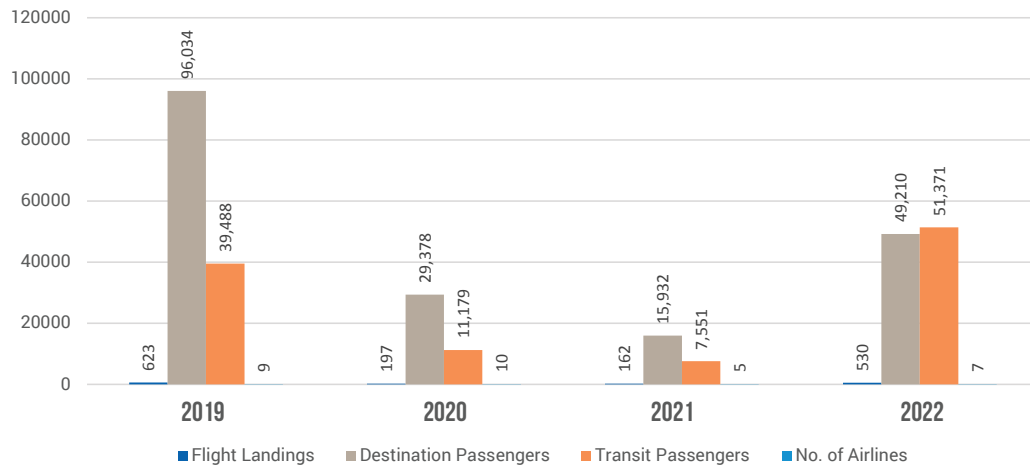


Figure 18: Dedicated Charter Flight Landings

Source: KAA

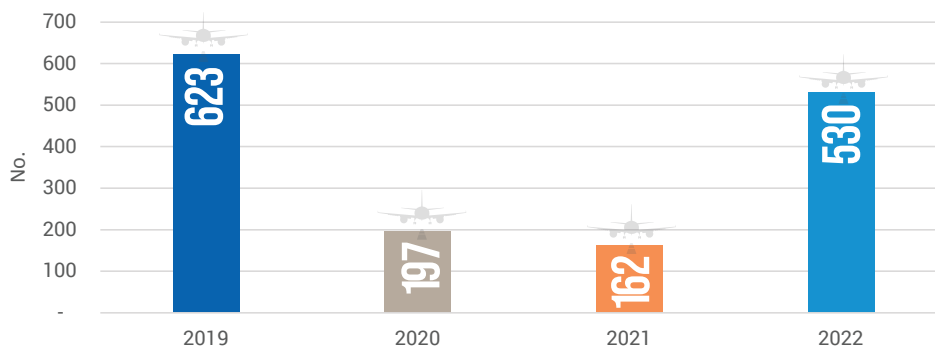


Figure 19: Charter Flight Landings

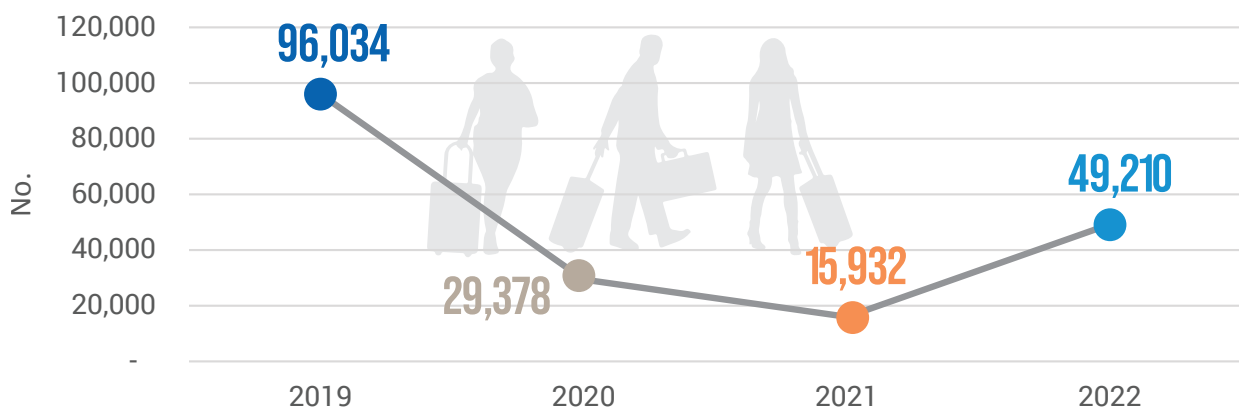


Figure 20: Number of Destination Passengers

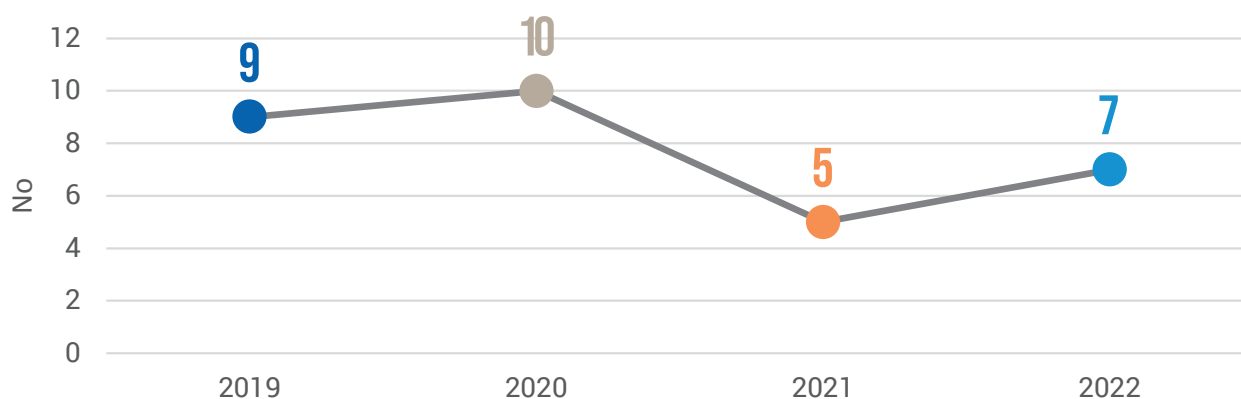


Figure 21: Figure 10: Number of Operating Charters

Before the onset of Covid-19, (2019) international charters dedicated to the facilitation of tourism at MIA, did 623 flight landings, involving nine (9) carriers. These airlines brought slightly above 96,000 destination passengers as well as just over 39,000 passengers in transit to other final destinations. In the year worst affected by the pandemic (2020), these charter flights almost completely disappeared, operating at the level of the pre-Covid-19 year only during the first three months of the year. In the year 2020, the charters did 197 flight arrivals and carried about 29,000 passengers into the country while 11,000 were on transit. The performance for the year 2021 was even worse at 162 flight landings, 16,000 destination passengers, and just over 7,000 passengers in transit.

In 2022, there was a major growth, particularly in terms of flight landings which at 530, were close to the numbers achieved in 2019. The number of the charters operators also increased by two (2) to seven (7) in 2022 compared to the five (5) that were operational in 2021. In 2022, the number of flight landings improved by 227% to 530 compared to 162 in 2021. The number of destination passengers increased by 209% to 49,210 in 2022 compared to 15,932 in 2021. There was also a growth in the number of transit passengers, from 7,551 in 2021 to 51,371 last year giving rise to a growth of 580%.

The high growth in both dedicated tourist charter flights and destination/ transit passengers indicated a robust recovery of the sector. Most of these charters were occasioned by strong demand from source markets in Europe, particularly Germany, Romania, Poland, and Italy.





03

TOURISM EARNINGS

3.1 INBOUND TOURISM EARNINGS

In the year 2022 inbound tourism earnings grew up to Kshs.268.09 billion compared to Kshs.146.51 billion in 2021 indicating a growth of 83%.

◀ **KSHS 268,087,278,864**

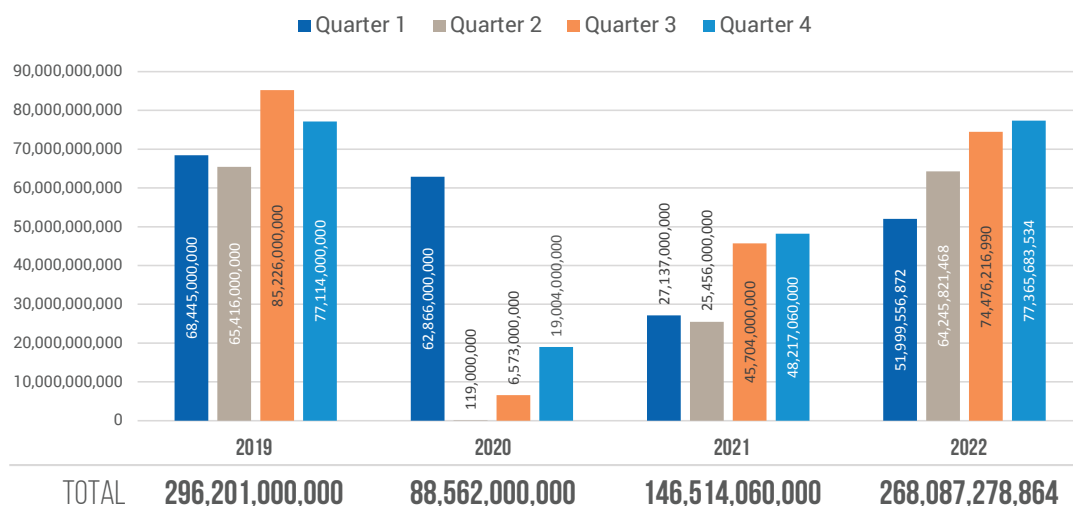


Figure 22: Inbound Tourism Receipts 2019 to 2022

Source: KAA

The rate of growth in revenues is higher than the growth registered in inbound arrivals an indication of higher per capita spending by arriving tourists. This is also attributed to the sustained weakening of the Kenya shilling against

major global currencies and the effects of inflation locally and internationally. A diversification of products and experiences will enable us to grow this per capita spending going forward.





04

BED NIGHTS AND ROOM OCCUPANCY 2019 – 2022

4.1 BED OCCUPANCY..

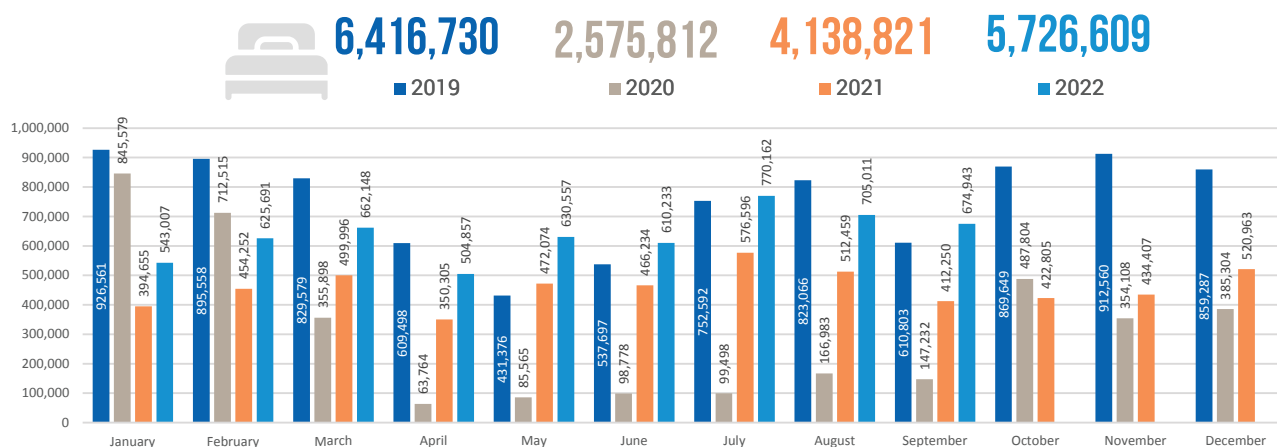


Figure 23 Total Bed Occupancies 2019-2022(*Comparative data available is up to September 2022)

Source: KNBS

The figure above shows the total bed occupancies from 2019 to 2022. The bed occupancy rose by 38% from 4,138,821 in the period January to September 2021 to 5,726,609 in the same period during year 2022. The improvement in the

number of bed occupancy is due to the rise in the number of visitors arriving and growing domestic tourism activity during the period under review.

i) International Bed Occupancy

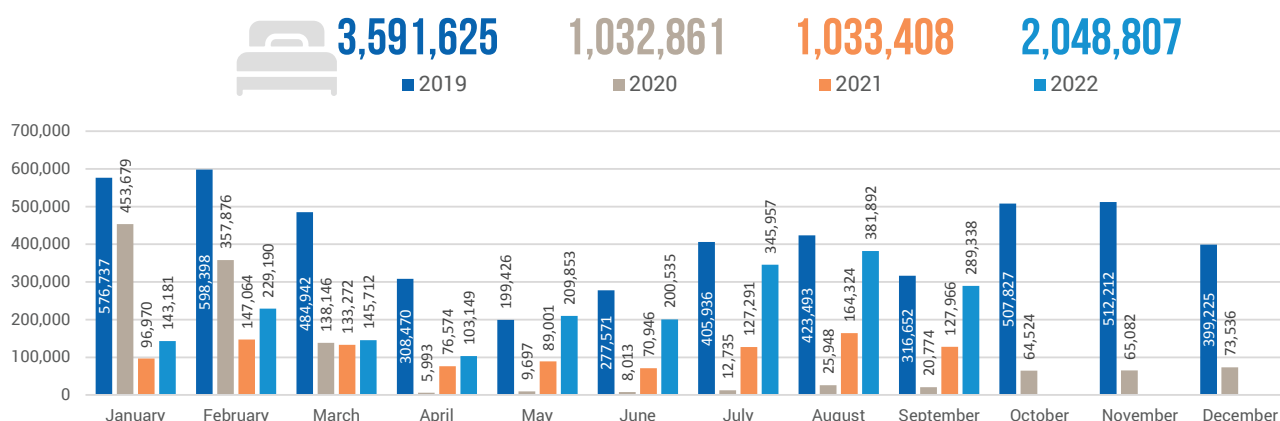


Figure 24: International Bed Occupancies 2019-2022 (*Comparative data available is up to September 2022)

Source: KNBS

The figure above shows the bed occupancies by international visitors. The occupancies by international visitors in the months January to September increased from 1,033,408 in the year 2021 to 2,048,807 in the year 2022, indicating a growth of 98%. This marked growth was a result of an increase in the

number of visitors' arrivals boosted by measures that were put in place to recover the tourism sector. In addition, major source countries dropped a lot of the restrictions on travel that had remained in place throughout 2021.

ii) Domestic Bed Occupancy

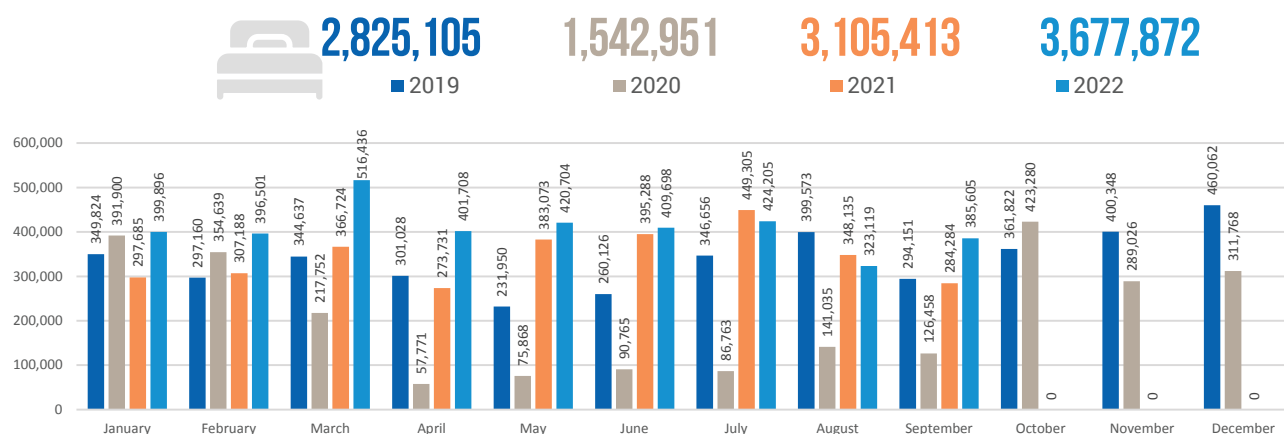


Figure 25: Total Domestic Bed Occupancies 2019-2022 (*Comparative data available is up to September 2022)

Source: KNBS

The domestic bed occupancy in the years 2021 and 2022 grew by 18% from 3,105,413 to 3,677,872 in the months January to September year on year. This was occasioned by an improved business environment, relaxation of covid-19

protocols, full reopening of the temporarily closed hotels, and marketing strategies such as the "Kenya Inanitoshia Campaign".

4.2 ROOM OCCUPANCY

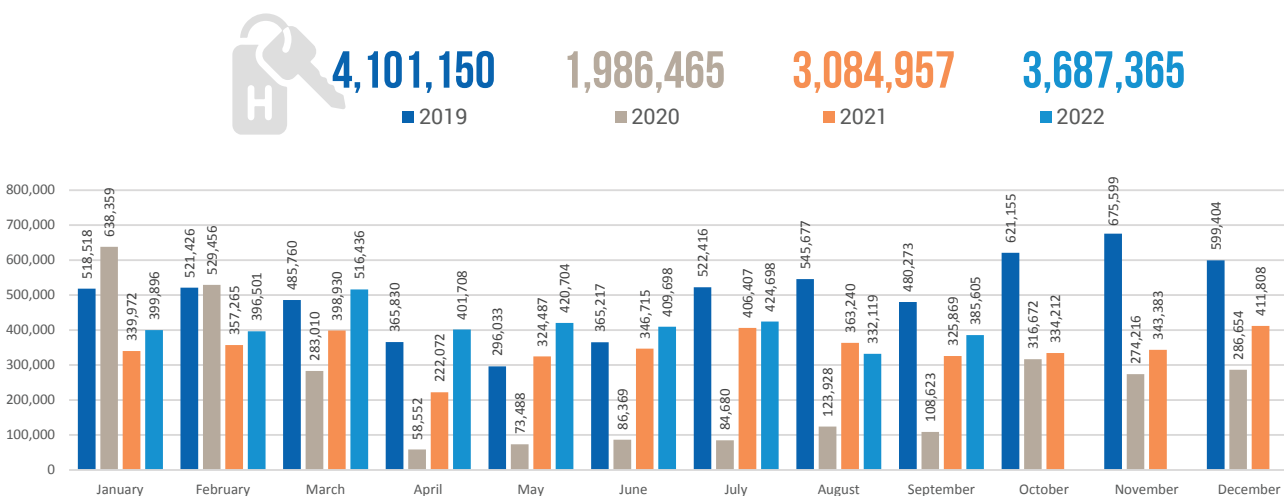


Figure 26: Total Room Occupancy 2019-2022 (*Comparative data available is up to September 2022)

Source: KNBS

Rooms occupancy increased by 20% from 3,084,957 in 2021 to 3,687,365 in 2022 from January to September year on year. The growth was as result of reopening of the economy and

accommodation facilities which were temporarily closed as a result of the Covid-19 pandemic.







05

MEETING, INCENTIVES, CONVENTION & EXHIBITION (MICE)

During the year under review, MICE and Business Tourism accounted for 27.24% of the total tourist arrivals. A comparison with previous year's data shows that Business and MICE's share has increased. In 2019, this market segment accounted

for 13.5% of the total arrivals. This trend indicates that in Kenya Business and MICE is recovering faster than holiday unlike global predictions of slow recovery of this segment. The figures below show Kenya's MICE performance in 2022;

5.1 NUMBER OF INTERNATIONAL AND LOCAL DELEGATES

i) International Delegates

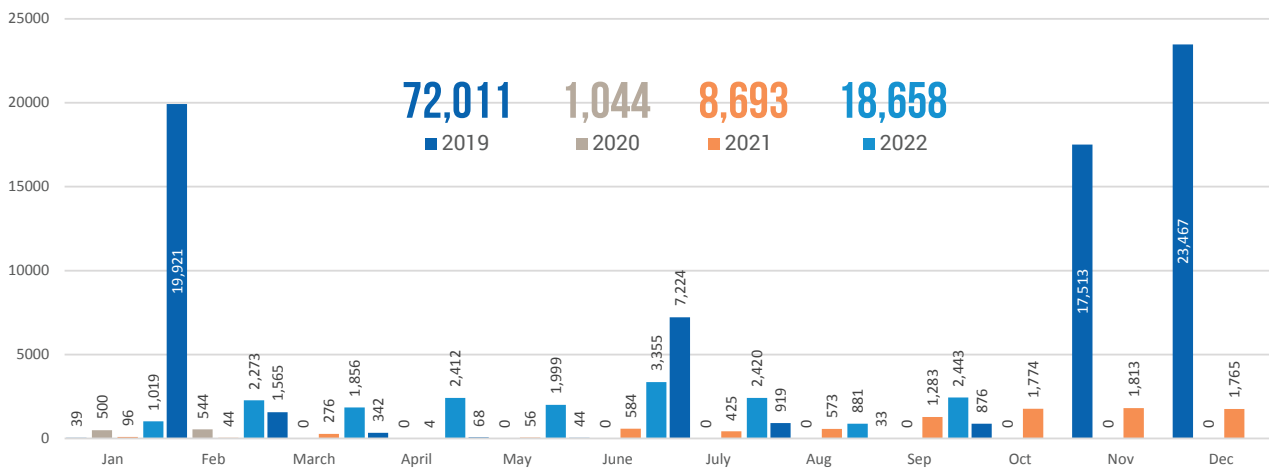


Figure 27: Number of International Delegates (*Comparative data available is up to September 2022)

Source: KNBS

The number of international delegates increased during February, November, and December in the year 2019 triggered by several major and high-profile meetings held at Kenyatta International Convention Centre (KICC) in Kenya such as the Chinese New Year Celebrations (6,000), International Conference on Population & Development (ICPD25) (6,600) and the 9th African, Caribbean and Pacific Heads of State &

Government Summit (10,480). The number of international delegates increased from a total of 3,341 from January to September in 2021 to 18,658 in 2022 same period. The upward trajectory is attributed to the relaxation of travel advisories and safe electioneering period however the number of international delegates is still below the pre- Covid-19 period by 30%.



ii) Local Delegates

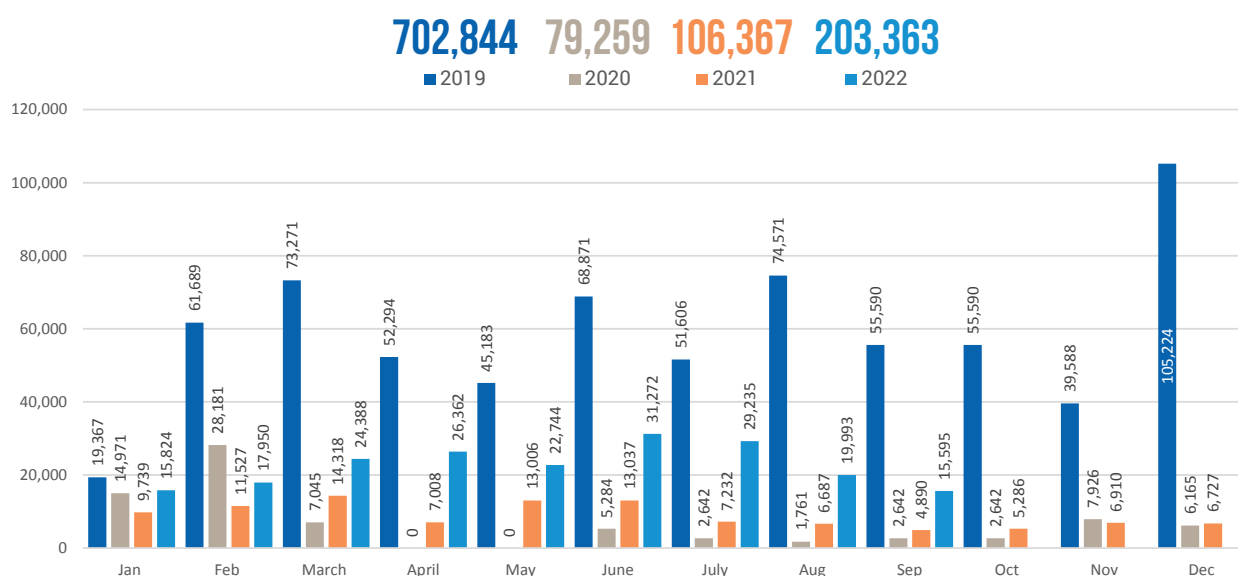


Figure 28: Number of Local Delegates (*Comparative data available is up to September 2022)

Source: KNBS

The number of local delegates more than doubled in the period between January to September from 87,444 in the year 2021 to 203,336 in 2022. This was attributed to lifting of measures put in place to curb the spread of Covid -19 pandemic such

as the lifting of the ban on physical attendance in meetings and the government drive on the Covid-19 vaccination of its citizen.

5.2 INTERNATIONAL AND LOCAL CONFERENCES HELD

i. International Conferences Held

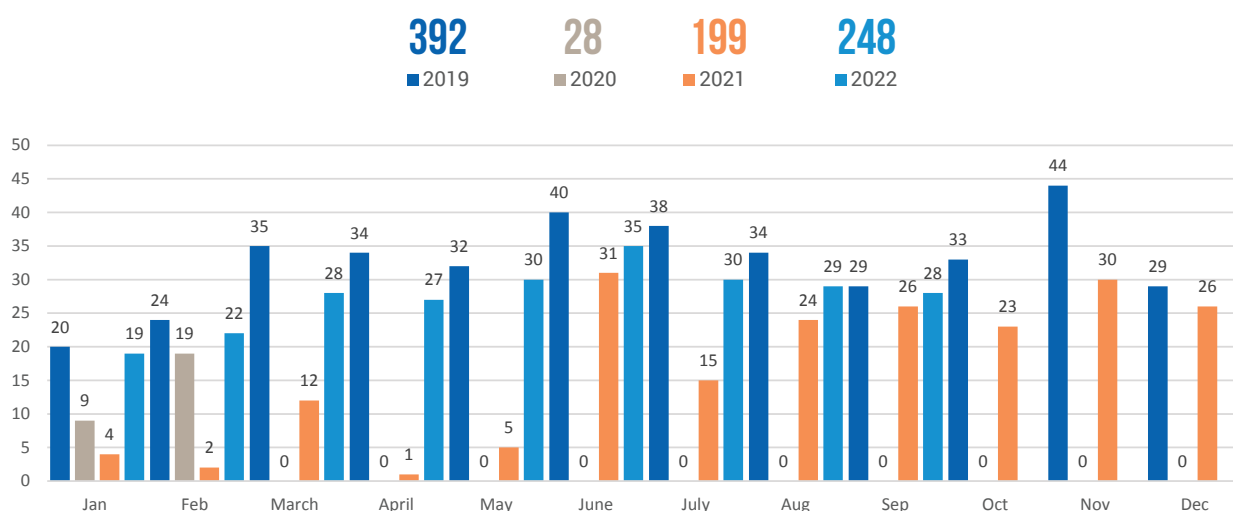


Figure 29: Number of international conferences held (*Comparative data available is up to September 2022)

Source: KNBS

The number of international conferences held in the country significantly increased from 125 in the year 2021 to 248 in the year 2022 year on year from January to September. This

was largely supported by the increase in visitors' arrivals and marketing strategies put in place by the Government such as bidding for major international conferences.

ii. Local Conferences Held

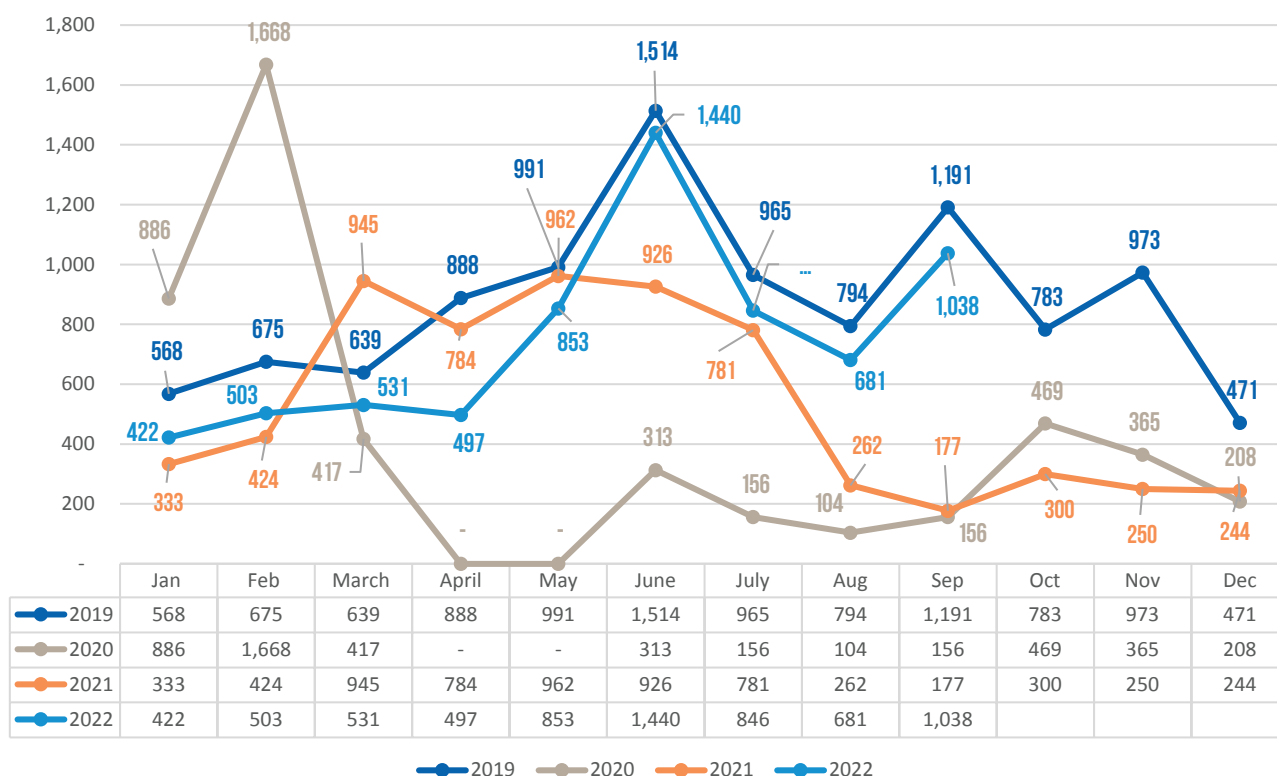


Figure 30: Number of Local Conferences Held (*Comparative data available is up to September 2022)

Source: KNBS

The number of local conferences rose by 22% from 5,594 in the year 2021 to 6,811 in the year 2022 taking the January to September period year on year. The increase is attributed

to increased government spending, a return to normalcy in businesses and smooth electioneering during the period under review.

The background of the page is a photograph of a tropical resort. In the foreground, there is a swimming pool with a curved, tiered edge and a metal handrail. The water is clear and blue. In the middle ground, there are lounge chairs, a white plastic chair, and a large white umbrella. The background features several palm trees and a view of the ocean under a blue sky with some clouds.

06

TOURISM TRAINING PERFORMANCE

In the year 2022, a total of 2,100 students were trained in the regular programs, part-time and refresher courses. The number of students trained in regular programs in hospitality and tourism courses at the Kenya Utalii College declined from 465 in 2019 to 382 students in 2020. In the year 2021 admission was seriously affected by the Covid-19 pandemic and no student graduated from any program. However, 431 students were trained in regular courses in the year 2022 which was a 12% increase from the year 2020.

Likewise, 1,313 students were trained in refresher programs in the year 2019 as compared to 133 who trained in 2020. About 662 students were trained in different categories of

refresher courses in the year 2022 giving an increase of 398% as compared to the year 2020 but still far below those trained in 2019

In the year 2019, about 1,039 students were trained in part-time programs as compared to 516 students in the year 2020. In the year 2022, about 319 students attended part-time programs. It's no figure that Kenya Utalii College is gradually recovering from the pandemic.

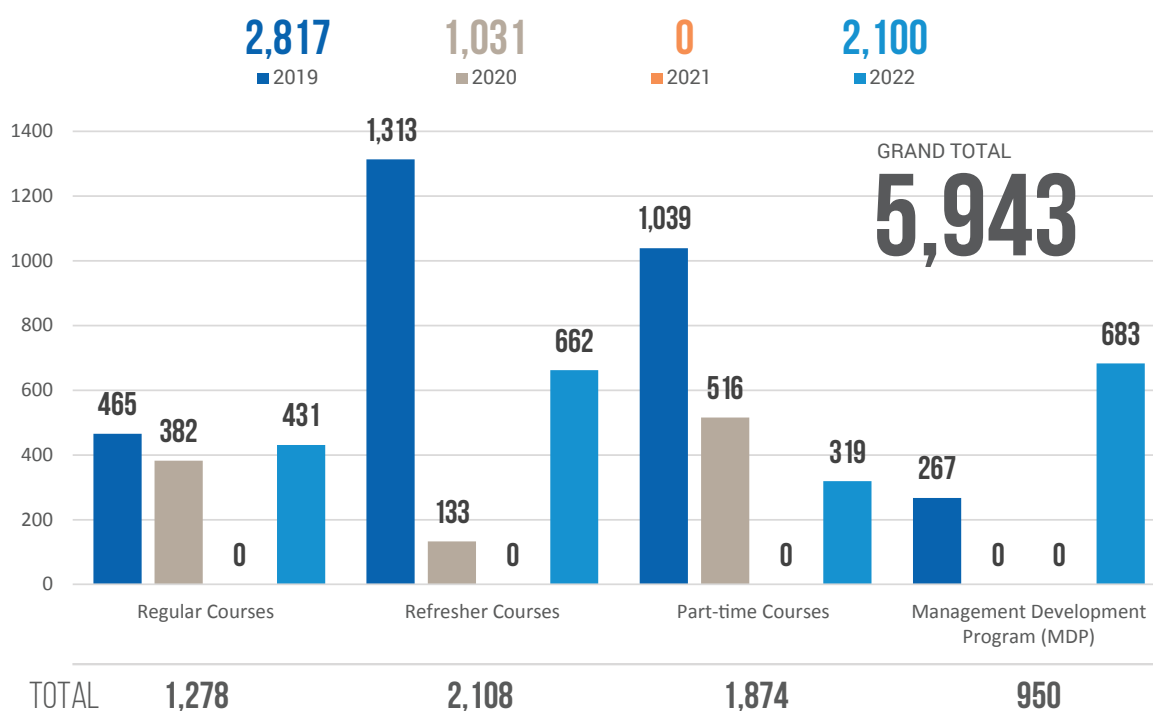


Figure 31: Students Trained in Regular, Part-time and Refresher Programs from 2019 to 2022

Source: Kenya Utalii College

The number of those trained in tourism and hospitality programs in the year under review in Kenya Utalii College is too low and cannot meet the industry demand. Despite there being other training institutions in the country, there is need to standardize the training curricula so that each of them is

able to produce graduates with the competencies that the sector needs, skills gaps were noted during the study for this report. The sector also looks forward to the commissioning of Ronald Ngala Utalii College, and review of the curriculum of Kenya Utalii College to also aid in reducing the skills gaps.





07



VISITATIONS TO NATIONAL PARKS, MUSEUMS AND HERITAGE SITES

7.1 VISITORS TO NATIONAL PARKS

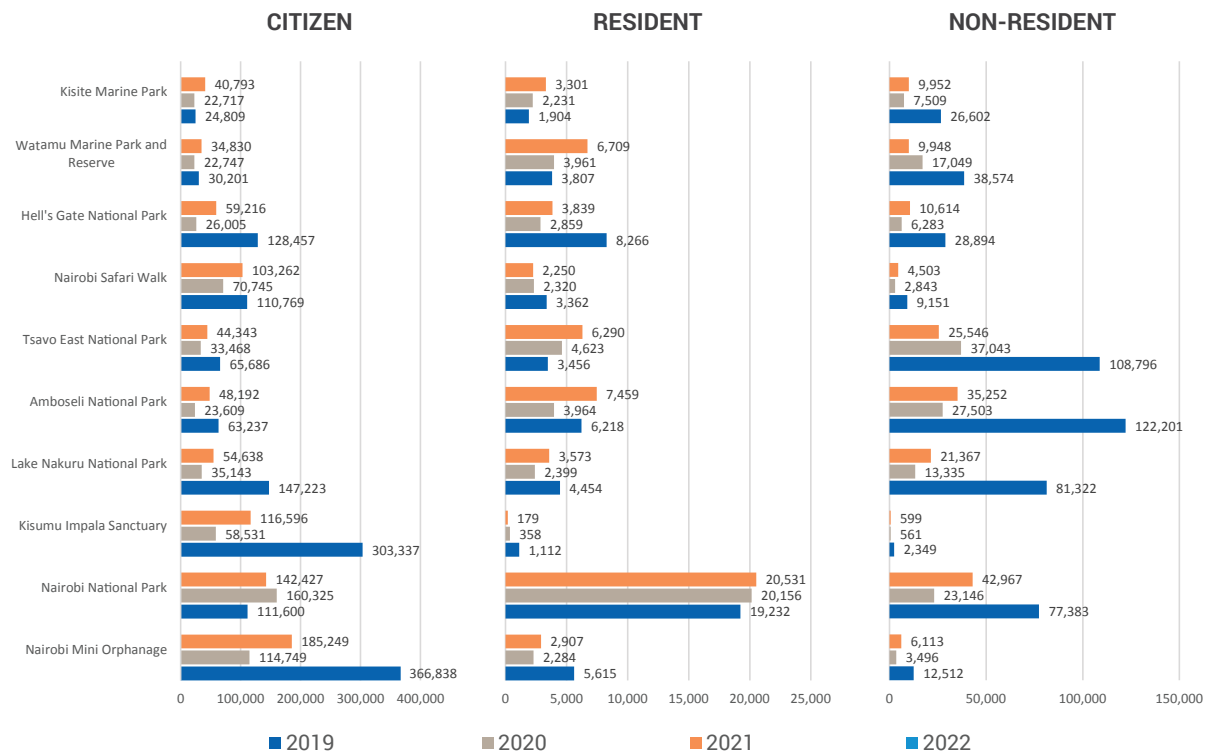


Figure 32: Top 10 Parks and Reserves Visitation

Source: KWS

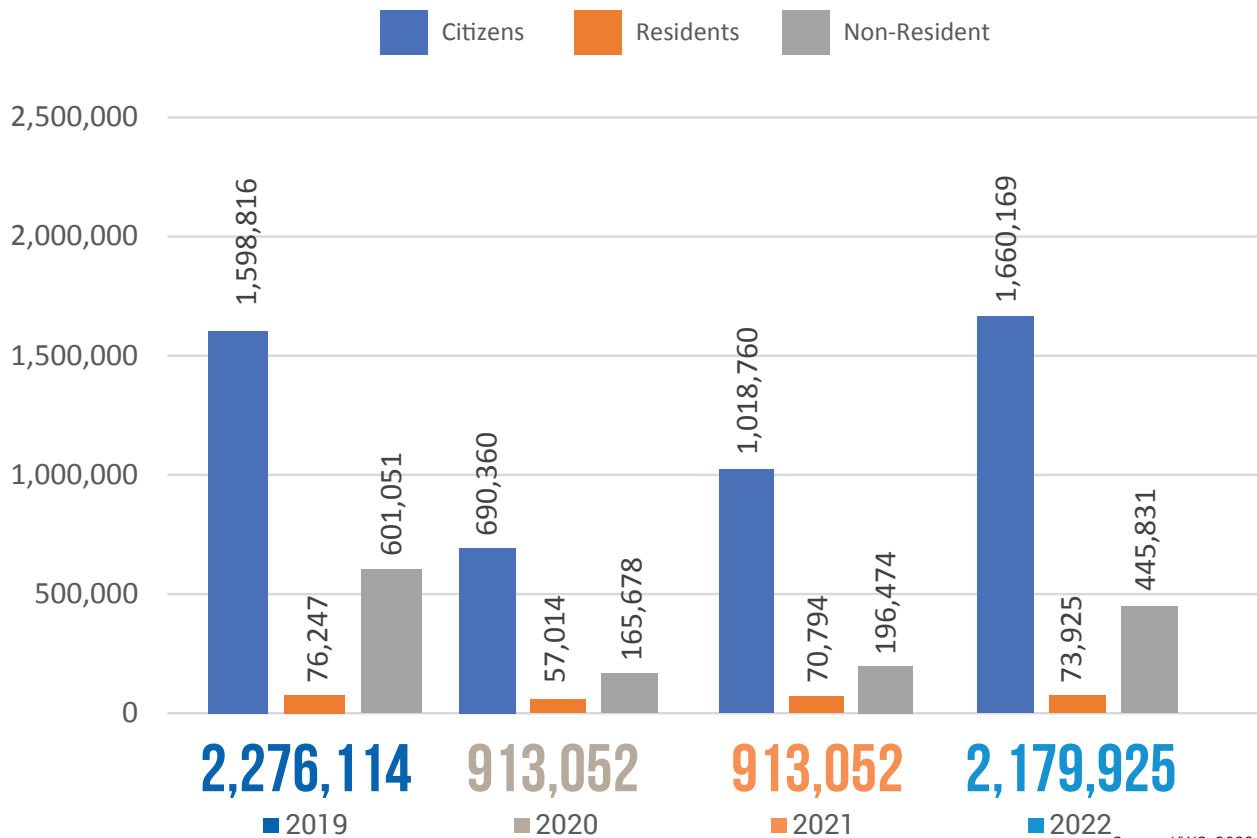


Figure 33: Annual KWS Visitation Numbers over 2019 to 2022

Source KWS, 2022

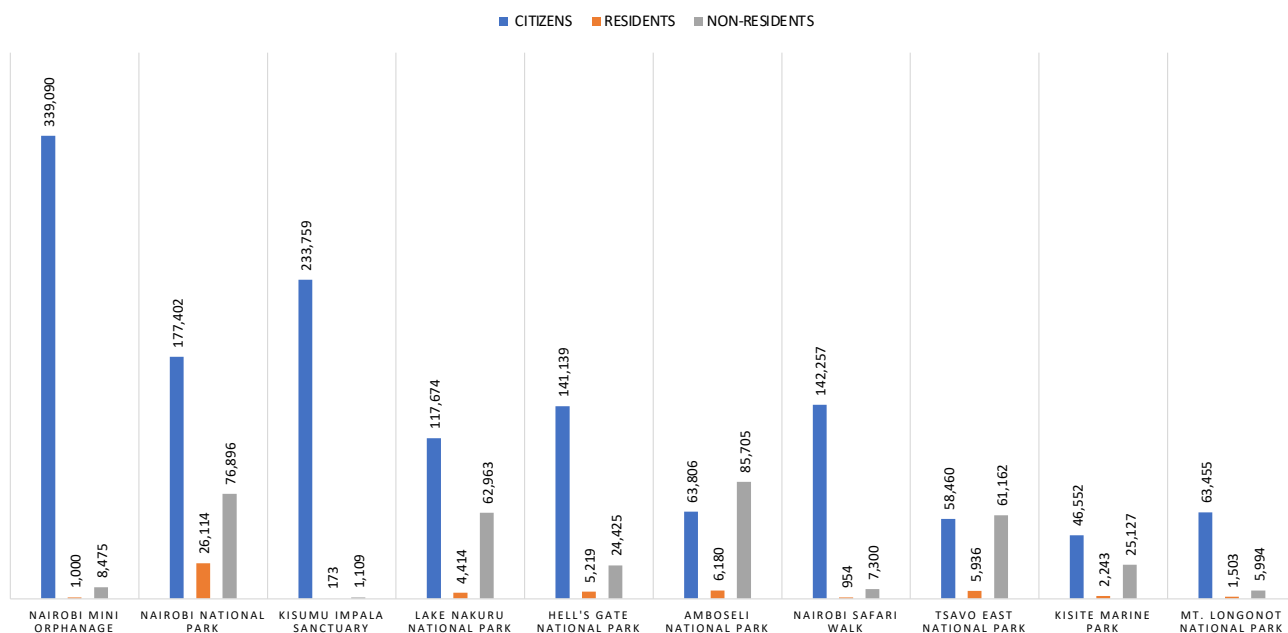


Figure 34: 2022 Top 10 Parks and Reserves Visitation

Source KWS, 2022

7.2 VISITATION TO MUSEUMS AND HERITAGE SITES IN 2022

The culture and heritage sites received a total of 856,604 visitors in the year 2022, reflecting a 114% growth compared to 2021(401,165) visitation numbers. The 2022 total visitations were 16% shy from 2019 numbers.

◀ 856,604

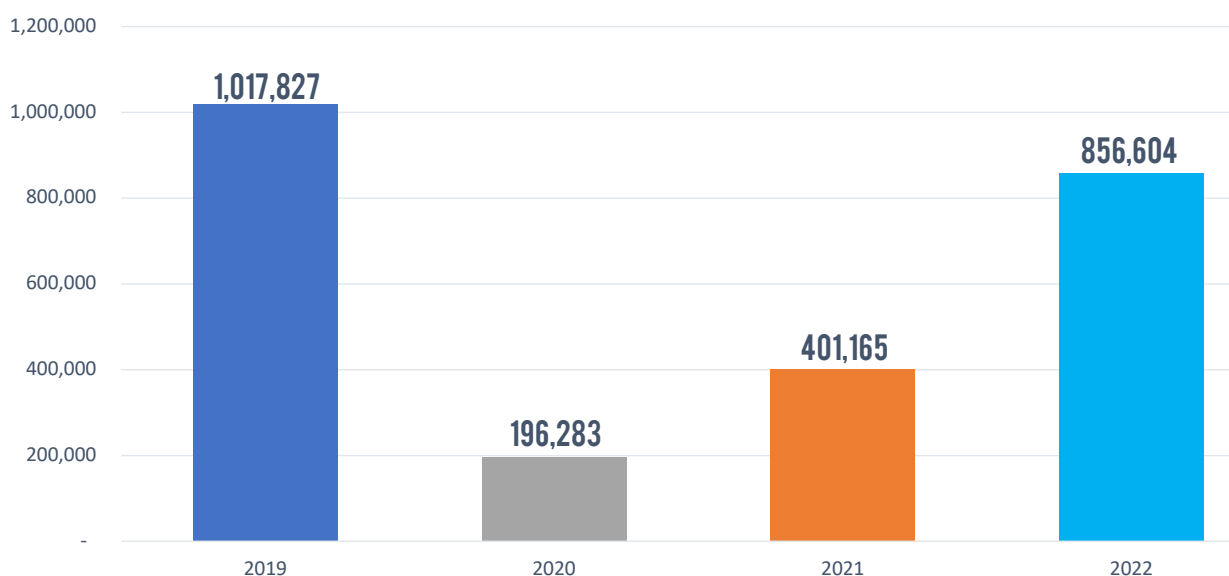


Figure 35: Total visitation 2019, 2020, 2021 and 2022

Source National Museum of Kenya

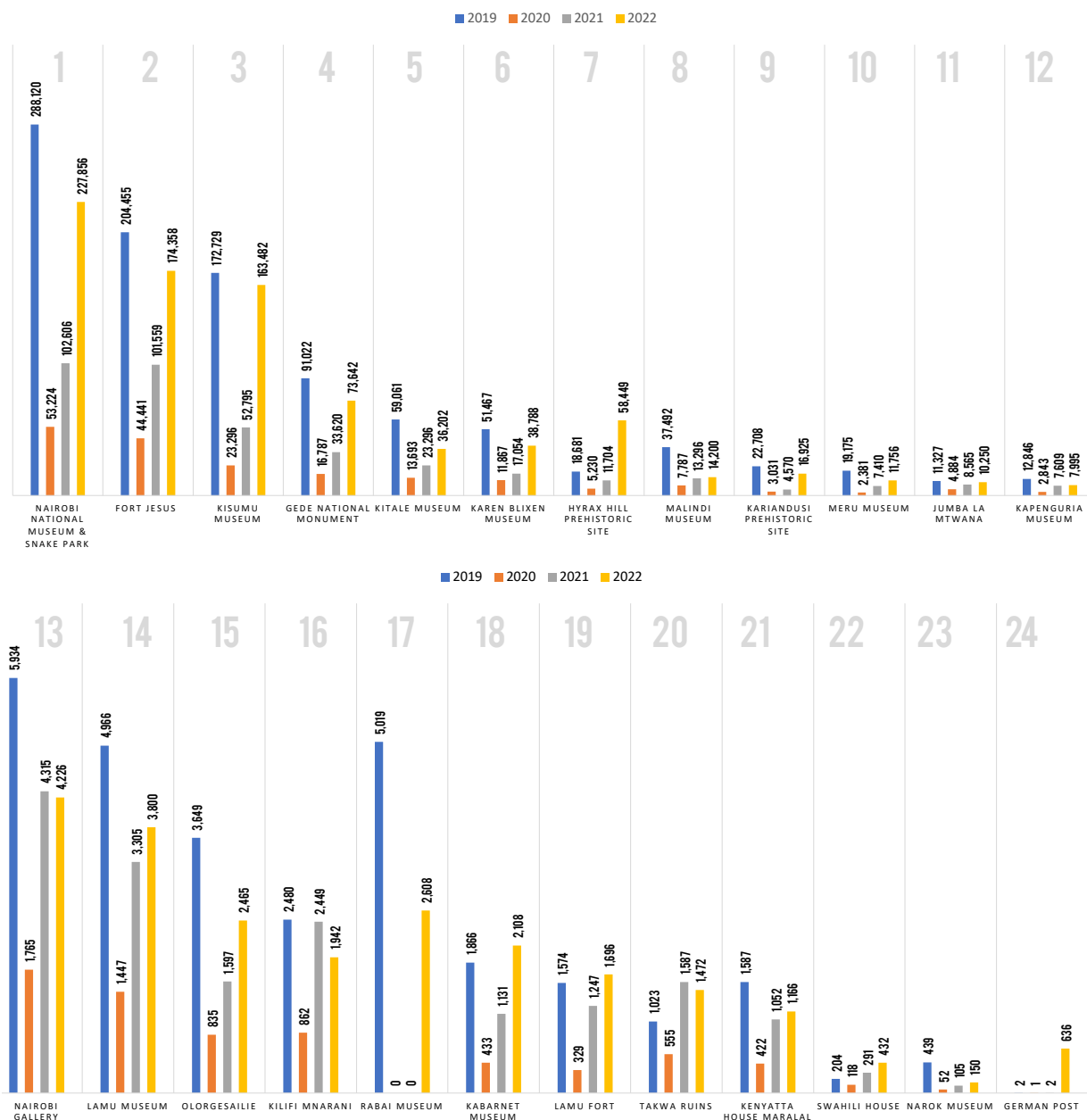


Figure 36: National Museum Visitation 2019, 2020, 2021, 2022

Source National Museum of Kenya

08

INITIATIVES SUPPORTING SECTOR PERFORMANCE IN 2022



Several initiatives by various players are noted to have significantly contributed to the performance of the tourism sector as reported in this report. These are discussed here below: -

1) Destination Campaigns

The country engaged in a number of destination marketing campaigns designed to promote Kenya as the preferred tourist destination. These promotions and initiatives centered their attention on emphasizing Kenya's distinctive attractions, experiences and offerings while assuring travelers of their safety while here. Key Destination Campaigns have continued to keep the global eyeballs on Magical Kenya, demonstrating the resilience of the destination. In this respect, innovations have been key with new experiences that are in line with the current Travellers' demands gaining focus. The success of destination marketing initiatives in 2022 translated to significant growth in the tourism industry in the country. This growth has been attributed to the increased awareness of the destination, as well as the improved quality of the services and experiences that are available.

The destinations campaigns carried out in 2022 were:

- i. Unlock Campaign – The Real Deal
- ii. India Joint Marketing Campaign
- iii. Real Deal Campaign in India & GCC
- iv. Experience Africa 2022
- v. Pan European Campaign
- vi. Domestic Market : "You Deserve A Holiday" Campaign

The destination also used Social Media / Influencer Campaigns to increase brand Magical Kenya recognition. These social media/ influencer campaigns included: -

- i. Conversion Campaign with Lastminute.Com For Five Months
- ii. Partnership with Africa American Travel Trade-Colored Girl
- iii. Awareness Creation for The Magical Kenya Tembo Naming Festival Initiative-Edward Norton Influencer Campaign
- iv. Edward Norton Social Media Campaign – May 2022
- v. Unveiling of Magical Kenya Brand Ambassador –Eliud Kipchoge
- vi. Eliud Kipchoge Content Shoot for Western Tourism Circuit

2) Events Hosted Within the Year 2022

Kenya had opportunity to host and participate in key roadshows, conventions and sporting initiatives within the country and internationally that activated its campaigns emphasizing its distinctive attractions, experiences and offerings. They included:

- i. Dubai Expo 2020 - Kenyan Week
- ii. UNEA Conference
- iii. Eurowings Roadshow
- iv. Ota Campaign in Germany
- v. Costco Travel /Lion World Conversion Campaign
- vi. Africities Event: The 9th Africities Summit in Kisumu
- vii. East Africa Community – Meeting on The Joint Tourism Marketing Strategy & Karibu-Kilifair Tourism Expo 2022

Sports Initiatives

- i. Magical Kenya Ladies Open (Mklo)
- ii. East African Safari Rally Classic (Easrc)
- iii. Magical Kenya Open (Mko)
- iv. The 2022 World Rally Championship (WRC)
- v. Berlin Marathon Activation

3) Destination Campaigns

Destination Kenya continues to gain from this strategic location as a global and regional air transport hub hence

the sustained resumption of flights by major global airlines.

4) Sector Initiatives and Innovations

Many public and private sector players have operated under the health protocols and adopted innovative initiatives that have revitalized their businesses and hosting of hybrid meetings hence enhancing the visitors' experiences and

destination offerings. There have been innovations in holiday packages and pricing strategies, which are geared to satisfy the needs and demands of the traveler. Some of these innovations include: -

- i. **Entry of new airlines** and launch of new air offerings to attract more travelers into the destination.
- ii. **Accommodation and conference facilities** are constantly being improved all over the country.
- iii. **Cruise tourism** – resumption of cruise has boosted the sector's numbers and earnings. The government and sector stakeholders are putting policies and strategies to grow cruise tourism as a niche product.
- iv. **Digitization of tourism data with VisaCard, MasterCard and other players**- the sector is embracing digital platforms to collect data for more informed decisions.

5) Anchor Projects propelling the Economy and Tourism

A number of strategic infrastructure projects have eased access to various areas of interest within the country thereby enriching the experience of both international and domestic travelers and giving Kenya a competitive edge. They include:

- i. **Revival of the Nairobi - Nanyuki and Nairobi - Kisumu train service** that has enhanced travel to these two circuits in Central and Western Kenya respectively.
- ii. **Increased frequencies** of the SGR Madaraka Express between Nairobi and Mombasa with a number of tourism facilities at the Coast and along the SGR route creating innovative packages around the SGR service.
- iii. **Construction and expansion of major roads** - all around the country continue to ease and offer varied options for access of attraction sites and new tourist circuits such as the Nairobi Expressway which was opened during the year under review.

6) New Tourism Strategy for Kenya 2021-2025

To foster recovery and growth of Kenya's tourism sector due to the post Covid-19 effects, the sector through the ministry developed a 5-year Plan- New Tourism Strategy for Kenya 2021-2025 and its implementation is ongoing. The strategy is founded on four strategic shifts: - a. Kenya becoming an all-year-round tourism destination; b. Creating

new and more diverse customer experiences and products; c. Building a refreshed brand image and repositioning Kenya as a sustainable destination; d. Developing enablers including unlocking alternative and innovative sources of funding and optimizing the adoption of digital innovations and new technologies by the sector.



A full-page background image of a savanna landscape. In the foreground, a zebra stands in tall, golden-brown grass, looking towards the camera. In the background, a giraffe is visible, also in the grass, looking towards the left. The horizon is flat under a clear sky. A large, dark grey rectangular overlay is positioned on the left side of the page, containing the number '09' in white.

09

TOURISM PROJECTIONS AND TRENDS

9.1

PROJECTIONS

Table 2: Forecast Data Based on Quarterly Period Year 2025

Aspects		Actual					Forecast				
Visitors Arrivals	Duration	2019	2020	2021	2022	2023	2024	2025	2026	2027	
	Quarter 1	473,438	389,590	157,702	287,796	445,498	468,664	750,121	789,127	830,162	
	Quarter 2	452,489	745	147,933	355,574	503,507	529,689	589,798	620,467	652,732	
	Quarter 3	589,505	40,743	265,602	412,195	677,797	713,042	731,682	769,729	809,755	
	Quarter 4	533,402	136,770	299,230	428,187	727,507	765,337	637,519	670,670	705,545	
	Total	2,048,834	567,848	870,467	1,483,752	2,354,309	2,476,733	2,709,120	2,849,994	2,998,194	
Inbound Receipts	Duration	2019	2020	2021	2022	2023	2024	2025	2026	2027	
	Quarter 1	68,445,000,000	62,866,000,000	27,137,000,000	51,999,556,872	80,493,469,636	84,679,130,057	135,533,299,480	142,581,031,053	149,995,244,668	
	Quarter 2	65,416,000,000	119,000,000	25,456,000,000	64,245,821,468	90,974,651,774	95,705,333,666	106,565,882,236	112,107,308,112	117,936,888,134	
	Quarter 3	85,226,000,000	6,573,000,000	45,704,000,000	74,476,216,990	122,465,717,554	128,833,934,867	132,201,767,124	139,076,259,014	146,308,224,483	
	Quarter 4	77,114,000,000	19,004,000,000	48,217,060,000	77,365,683,534	131,447,419,774	138,282,685,602	115,188,207,958	121,177,994,772	127,479,250,500	
	Total	296,201,000,000	88,562,000,000	146,514,060,000	268,087,278,864	425,381,258,738	447,501,084,192	489,489,156,798	514,942,592,951	541,719,607,785	

Source: African Economic Outlook (AEO) 2022 and TRI

9.2 TOURISM TRENDS IN 2023

There are a number of tourism trends that will shape travel globally in 2023, below is a list of specific trends that the destination can capitalize on to accelerate tourism growth.



1. Health and Wellness Tourism

Health and wellness tourism is now being sought after due to the pandemic, many people are now conscious of their health, self-care is becoming a lifestyle. A large number of tourists will be looking for retreats to improve their health

and mental wellness. Travel operators need to curate packages targeting this type of tourists for both domestic and international tourists. Package retreats that target those who want to reset and rediscover themselves.



2. Cultural and Historic destinations

Tourists will want authentic experiences where they get immersed into a destination's culture. Tourists want to learn about the culture and traditions of particular places. Kenya

being rich in culture and heritage creates an opportunity to tap into this trend for 2023. There will be need to market and develop packages that offer rich cultural experiences.



3. Multi-Generational Travel Continues to Grow in Popularity

Multigenerational travel has been popular for more than a few years, but with the isolation requirements of a global pandemic, this movement has gained new significance and momentum as family travel continues to expand to be more multi-generational as a way to make up for the time

and memories lost during the pandemic. Families will yearn purposeful with bucket-list journeys to reconnect and bond as they were not spending much time together during the pandemic.



4. Beach Vacations

According to data from Travelzoo's October survey of its 15 million members, 57% of travellers are considering beach trips in 2023, followed by 53% of people who are considering cultural and historical getaways and 44% of people who are anticipating a road trip. Renowned beach destinations will experience steady demand in 2023, as anyone looking for a coastal or island escape should make reservations as soon

as possible. Post-Covid, particularly, the beach is seen as a destination that offers both a quintessential getaway and a lot of open space. Kenya can tap onto this by improving the quality of the beach experience as well as diversify beach activities and water sports including a cruise from Mombasa to Malindi and to Lamu.







10

CONCLUSION AND RECOMMENDATIONS

10.1 CONCLUSION

The performance of the tourism sector in the year 2022 was impressive as compared to the year 2021. There was no figure growth in the total number of visitors who arrived from different source markets. International tourist arrivals were 1,483,752 which represents 70.45% increase as compared to 2021 arrivals of 870,465. Inbound receipts in the year grew up to Kshs.268.09 billion compared to Kshs.146.51 billion in 2021 which is a growth of 83%.

Jomo Kenyatta airport recorded growth in passengers with a 44% growth as compared to 2021. This growth was also recorded in domestic airports such as Kisumu, Malindi, and Ukunda indicating a recovery in the aviation sector in both international and domestic travel. The same growth was recorded for domestic travelers to the coast and other tourist regions in the country.

The country recorded an increase in flight landings in all airports for both international and domestic visitors. An increase in charter flights was also noted in Mombasa where some new charter flights from Europe were reported. The increase in charter flights contributed to the growth of leisure travel in most regions of the country.

The number of visitors to Kenya was higher than in 2021 but still lower than those in the year 2019. The recovery rate at 72.4% against 2019 arrivals was higher than the global average of 63% recovery. The improvement in Kenya's air passenger arrivals was also higher than the global average. This may be attributed to relaxed travel restrictions that allowed leisure and business travel.

The United States of America remained Kenya's biggest source market followed by Uganda and Tanzania. From Europe, visitors from the United Kingdom were leading while in the Middle East, Israel was the leading. For the Asian market, India was leading. All these markets had substantial recovery in the year 2022 although the numbers were still lower than the figures recorded in 2019.

Australia, Italy, United Kingdom, and Denmark were the countries registering the highest growth rate between 2021 and 2022. From all source markets, the main reasons visitors gave for visiting Kenya were holiday, visiting friends and relatives as well as business.

The recovery and performance in the sectors may be attributed to visitors' change in travel behavior and perceived risks associated with travel, relaxation of travel restrictions, and vaccination against Covid-19.

There were also extensive marketing campaigns, social media and other digital marketing, road shows, and other forms of promotion.

In summary, despite the destination not attaining the performance before the Covid - 19, there has been improved performance in 2021 and 2022. If the growth is sustained, most tourism sectors will recover faster than earlier projected while others will surpass the 2019 arrivals, revenues generated, and bed occupancies.

10.2 RECOMMENDATIONS

1 Domestic and Regional Tourism Promotion

Domestic tourism; The domestic market sustained the sector during Covid-19 pandemic and therefore it is evident that it is a market that cannot be ignored. There is need to develop packages that can be consumed by all Kenyans putting into consideration the elderly and physically challenged.

Africa Regional Tourism; According to a report by Africa development Bank, Africa middle class is the world's fastest growing. About 313 million Africans are in middle class and by 2060 the number is expected to rise to 1.1 billion. This class of Africans are potential tourists that Kenya should target. Data also indicates that the best performing destinations benefit much from neighbouring countries (eg. South Africa). This market segment does not require a lot of resources for marketing and with the AfCFTA agreement being in place, intra-regional tourism will grow. In 2022, the Africa regional market accounted for 43.2% of the total arrivals and business and visiting friends and family were the main purposes of travel for them. This number can be increased by implementing a regional marketing strategy targeting holiday makers.

Policy makers and tourism practitioners to prioritize the African market which is more resilient, predictable and sustainable than the international markets which are susceptible to many factors and sensitive.

2

Development and Promotion of Niche Products

There is need to develop niche products to diversify the country's tourism products base and experiences thus making the destination more competitive by attracting the dynamic and ever-changing tastes and preferences of the modern travellers. Key niche products for Kenya include;

Cruise tourism; during the year under review the country received 2 cruise ships in the months of November and December bringing on board 1034 tourists. The International Maritime Organisation (IMO) that regulates the shipping industry recently removed the Indian Ocean from the list of High-Risk Areas (HRA). This is a major boost for the Kenya tourism sector. There is need now to engage global cruise players to market the destination for cruise tourism.

Sports tourism; Tourism arrivals for the year under review indicate that sports tourism ranked the least as purpose of visit with 0.22% of the total arrivals. Although the numbers are low, the country has a huge potential to grow this segment of tourism and accrue substantial revenues. A study of the Impact of the WRC Safari Rally during its debut in 2021 showed that it generated direct expenditure by visitors (domestic & international) of kshs.6.736 billion. Due to tourism's versatile nature and its huge multiplier effect, it generated a total of kshs.3.757 billion in employment income while leading to kshs.9.610 billion in total value addition to the country's economy (TRI, 2022). There is need to develop sports related infrastructure so as to successfully bid for high profile sporting events. Kenya can leverage on the fact that it is globally known for its excellent sporting performance in athletics. The destination can curate packages of running with Kenyan marathon champions.

Adventure Tourism; according to Global Adventure Tourism Association, adventure tourism market is growing. The Kenyan unique landscapes offer a huge potential to develop this category of tourism. Kenya should leverage on this and develop adventure tourism resorts near major adventure spots such as Mt. Kenya. In addition, in the short-term the existing adventure activities such as Mountain/rock climbing, hiking, mountain biking, zip lining, scuba diving among others should be enhanced.

3

Promotion of Meetings Incentives Convention & Exhibitions, (MICE) Events and Festivals

- Business Tourism and MICE accounted for 27.24% of the total tourism arrivals ranking it number 3 after holiday and VFR. But over the years, the performance of MICE has declined. Kenya is advantaged in that it has a strong presence of key international organizations and regional headquarters of global corporates as well as strong supporting sectors like finance, IT and health. To boost MICE performance, the immediate action should be to modernize and expand KICC to reclaim its place as the leading convention centre in the region. The result should be a modern, high capacity and adaptive convention centre.
- The country also needs to market events for both local and international tourists. Hosting events has a huge advantage to the hosting country such as economic impact, infrastructure development, development of technology and human resource as well as enhancing a destination image among others. Impacts of all MICE play out in a similar manner as it has been illustrated on the impact of the sporting events above. A study conducted on the economic impact of The 9th Edition of Africities Summit 2022, revealed that direct visitors' expenditure (international and domestic) during the summit amounted to kshs.1.771 billion. This is a clear indication of the importance of this market segment. For Kenya to grow this market, there is need to create and market signature events as well as bid for global events.
- There will be need to package festivals that would interest the youth in various parts of the country especially to the underserved areas. This will encourage travel and boost these underserved areas, improving livelihoods. County Governments should take lead in this by packaging and marketing festivals to bring numbers to their counties.

4

Aviation and Access

The aviation industry is paramount for tourism to grow even for the regional and domestic markets. Kenya is geographically very well placed as an aviation hub but almost losing out to nations that have recently developed or are developing new modern airports. JKIA must be modernized and expanded including a second runway. With a vibrant dominant hub, the increased airline passenger and cargo numbers will almost automatically support the profitability of the national carrier. These are the models that have worked in all other major hubs like Dubai, Doha Hamad and Schiphol, Amsterdam and their national carriers thrive. With a vibrant JKIA, we will then find it even easier to open up Moi International Airport to other airlines both scheduled and chartered.

5

Chinese and other Emerging Markets

Due to the reopening of China, there is need to now aggressively target the Chinese market who will now want to travel having been under lockdown. In 2019 and 2021, Chinese arrivals to Kenya were among top 10 arrivals, however in the year under review China dropped to No. 19 holiday being the main purpose of visit. With the reopening of its borders to travel, there is need to reactivate and accelerate marketing efforts there. This report has also identified other high potential markets like Australia, Canada and India and marketing efforts need to be enhanced there too.

6

Training and Capacity Building

Kenya Utalii College is key for training at service level and operational management. For a service-oriented sector like tourism and indeed one where personalized professional service is being demanded the more, studies have shown that our destination competitiveness will depend largely on how we deliver the service. Despite there being other training institutions in the country, some of them do not have the capacity and infrastructure required to impart technical skills and competencies needed for the hospitality sector. KUC hence remains even more viable than ever and the expectations are high. It is of great importance to the sector if Ronald Ngala Utalii College, is commissioned and Kenya Utalii College curriculum reviewed to reduce the skills gap. In addition, there is need to standardize the training curricula so that the other training institutions can also produce graduates with the competencies that the sector needs. The need for a more detailed skills gaps and training needs analysis across that country has also been realized.

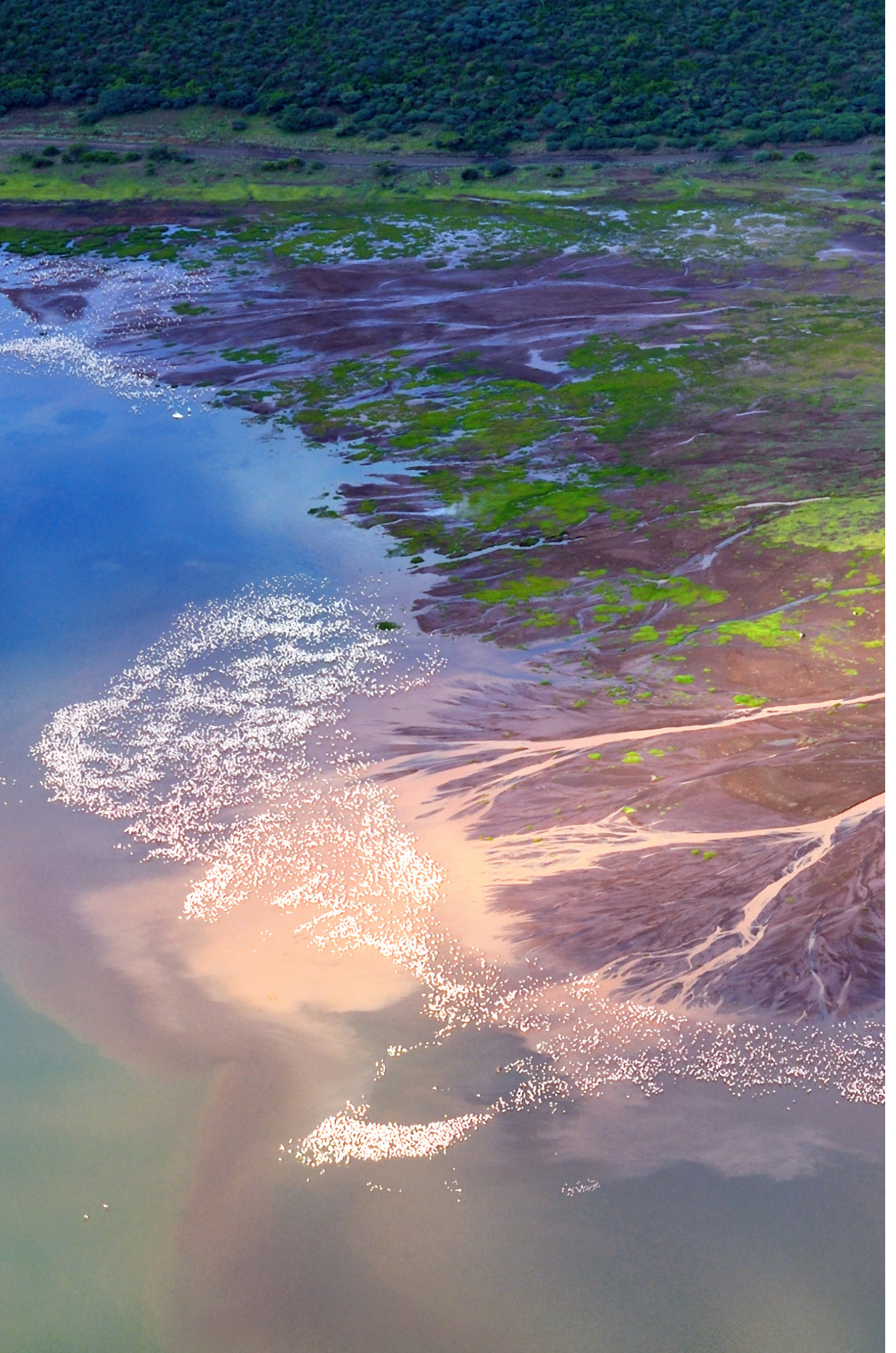
7

Tourism stakeholders should prioritize investing in affordable accommodation, transport modules and ICT platforms to cater for new segment of independent and youth travelers. These facilities need to be registered by the sector regulator Tourism Regulatory Authority (TRA) and supported to maintain the necessary standards and ensure satisfactory delivery of services.

8

The government should digitize all tourism operations and review pricing strategy to position Kenya as an attractive and competitive tourism destination (TTCI report 2021).









REPUBLIC OF KENYA



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