



## REPUBLIC OF KENYA

### MINISTRY OF TOURISM

#### PRESS STATEMENT AS AT 18<sup>TH</sup> DECEMBER, 2015

The performance of the Tourism sector has recorded a dip in the recent past with myriad of challenges among them insecurity.

The coastal region whose economic mainstay is tourism has borne the brunt with the drop in number of charters leading to booking cancellations with some hotels having to lay off workers in the aftermath of the dip in arrivals.

This notwithstanding, our transformative agenda in the tourism sector has been to identify mitigating measures.

My Ministry is therefore undertaking to recover the sector and I have unveiled a raft of incentive programs aimed at stimulating demand for Kenya as the preferred tourism destination and ultimately attaining recovery.

According to UNWTO, fifty four percent (**54%**) of tourists travel to a destination by air. In the case of Africa where road and rail connectivity within and beyond is still developing, the figure is above **70%**.

This is the reason why my Ministry has taken air growth strategy as a critical success factor to tourism sector recovery.

In addition, each tourist charter airline that operates once per week in Kenya while bringing an average of 290 passengers every week

contributes a minimum of **Kshs.1.65 billion** of actual tourists spend in the economy.

Currently Moi International Airport Mombasa receives only three (3) charter airlines down from over thirty (30) just a few years ago owing to the challenges enumerated above.

It is worthy to note however that security has greatly improved and it's time for tourist charter airlines to resume flights into Kenya.

It is in this regard that we today unveiled the following programs;

- **Charter Incentives Program (CIP).**

We have set aside **Kshs.1.2 Billion** Charter Incentive Program for Kenya (CIP) aimed at recovering lost business from tourist charters.

Under the program, all tourist charter aircrafts with passengers terminating at Moi International Airport Mombasa and Malindi Airport will enjoy the following:

- a) No landing fees for a period one year 8 months beginning from 1<sup>st</sup> January to **30<sup>th</sup> June 2017**.
- b) A passenger subsidy of **USD.30 per** seat filled by international passengers who terminate or disembark in Kenya over the same period.

In order to qualify for the program, charter airlines will be required to ensure that:

- i. A minimum of **80%** of the passengers brought by any charter airline must be terminating in Malindi or Mombasa.
- ii. Commit to operate the Kenya route for a minimum of at least two (2) consecutive years.

The Charter Incentive Program is aimed at:

- i. Subsidizing the cost of tourist flights into Kenya by charters i.e. the marketing spend they undertake on behalf of Kenya;

- ii. Stimulating demand for Kenya by new charters while encouraging charters already flying to Kenya to increase their route frequencies; and,
- iii. Rewarding charter airlines that make long term capacity growth commitments to bring tourists to experience Kenya's tourism product.

An inter-agency committee comprising of Kenya Tourism Board, Kenya Airports Authority, Immigration and any other relevant organization will be set up to ensure that the incentives program is implemented to the latter and in accordance with the Government regulations.

The incentive period is **18 months** effective **1<sup>st</sup> January 2016** and will end **on 30<sup>th</sup> June 2018**.

We will continue to monitor, evaluate and adjust these incentives every six (6) months in order to suit prevailing market conditions.

We would like to tell all airlines, tour operators and travel agents that control and organize tourist charters that Kenya is open for business.

We encourage them to take up the CIP and further give us input on how to improve it as we go along.

Thank you.



**HON. NAJIB BALALA, EGH**  
**CABINET SECRETARY**

