TOURISM FUND
Propelling Kenyan tourism

REPUBLIC OF KENYA

TOURISM FUND
STRATEGIC PLAN

FY2024/25 –FY2028/29

KENYA VISION 2030

Propelling Kenyan Tourism

Vision

The ultimate source of funding for sustainable development of the tourism industry in Kenya.

Mission

To diversify the resource base for financing sustainable tourism industry development through innovation, service excellence, and stakeholders' engagement.

Core Values

Teamwork

Customer Focus

Integrity

Accountability

Professionalism

Innovation

Equitability

Table of Content

List of Tables

Acronyms and Abbreviations

AU	African Union
BETA	Bottom-up Economic Transformation Agenda
CEO	Chief Executive Officer
CLT	Catering Levy Trustee
CoG	Council of Governors
CTDLT	Catering and Tourism Development Levy Trustee
EK	Ecotourism Kenya
EAC	East Africa Community
EATGA	East Africa Tour Guides association
FY	Financial Year
GDP	Gross domestic Product
ICT	Information and Communication Technology
ISO	International Standards Organization
KAHC	Kenya Association of Hotel Keepers
KECOBAT	Kenya Community Based Tourism Network
KPSGA	Kenya Professional Guides Association
KTB	Kenya Tourism Board
KTF	Kenya Tourism Federation
KUC	Kenya Utalii College
KRA	Key Result Area
LVTA	Lake Victoria Tourism Association
MCTA	Mombasa Coast Tourism Association
MDA	Ministries, Departments and Agencies
MDG	Millennium Development Goal
MER	Monitoring, Evaluation and Reporting
MoTW	Ministry of Tourism and Wildlife

MoU	Memorandum of Understanding
MTP	Medium Term Plan
NITA	National Industrial Training Authority
NRTA	North Rift Tourism Association
MKTA	Mount Kenya Tourism Association
PC	Performance Contract
PCC	Performance Contacting Committee
PDU	President's Delivery Unit
PERAK	Pubs, Entertainment and Restaurants Association of Kenya
PSC	Public Service Commission
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PMF	Public Finance Management
RNUC	Ronald Ngala Utalii College
RSP	Research, Strategy and Planning
SAGA	Semi-Autonomous Government Agency
SCAC	State Corporations Advisory Council
SPDC	Strategic Plan Development Committee
TF	Tourism Fund
TPA	Tourism Professional Association
QAR	Quality Assurance and Risk
UN	United Nations
UN-WTO	United Nations World Tourism Organization
USD	United States Dollar

Foreword
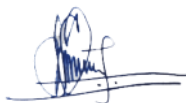
The Fifth Cycle Strategic Plan (2024/25 - 2028/29) is a culmination of extensive engagement with internal and external stakeholders. This plan reflects on strategic priorities identified through stakeholder feedback, emphasizing the Fund's operational, growth, and sustainable service delivery needs.

Learning from the challenges faced during the 2019/20 - 2023/24 Strategic Plan period, this plan introduces improved approaches for the Fund's development, design, and execution. It highlights essential measures required to stabilize resource generation for the Tourism Sector.

The focus is on executing the Fund's duties as outlined in the Tourism Act, CAP 381, optimizing current resources to boost revenue, and initiating vital operational reforms. These include enhancing efficiency, diversifying income sources through resource mobilization efforts, funding tourism product development, and managing revolving funds. Additionally, the plan emphasizes restructuring and boosting staff motivation and skills development essential for successful plan execution.

This Strategic Plan aligns with Kenya's Vision 2030, the National Development Goals, and the National Tourism Development Plan 2030. Capitalizing on existing goodwill, a strong brand presence and visibility, Tourism Fund aspires to continue its rich legacy. This is by adhering to its core values and mission so as to propel Kenya Tourism as the "catalyst in tourism fund mobilization and development growth" and in "capacity building and training for the tourism sector".

Chairman
Board of Trustees.

Acknowledgment

Tourism Fund has continued to execute its mandate as stipulated in the Tourism Act, CAP 381. This Strategic Plan sets Tourism Fund in a growth mode with expected performance to strengthen institutional capacity and expand revenue level and base. The plan prioritizes the overarching goals: Enhance revenue collection and widen the resource base; Finance the activities mandated in the Tourism Act 2011.

For this strategic plan to succeed, all involved parties need to collaborate effectively. The plan recognizes the critical need for funding tourism sector activities and product development. It proposes a revamp of the institution to enhance its capacity to meet its obligations and seize opportunities.

The plan outlines specific strategies, breaking them down into actionable activities along with key performance indicators. These activities will be organized and detailed in annual and departmental work plans to assist in budgeting, execution, as well as monitoring and evaluation processes.

Despite the challenges that may arise during the implementation of these strategies, the Fund will prioritize securing resources for the sector. It will ensure equitable and judicious funding of tourism-related activities, fostering a work environment characterized by teamwork, integrity, accountability, motivation, a focus on customers, professionalism, and fairness.

I am delighted to acknowledge and express my sincere thanks to all the staff, management, board members, and stakeholders who have contributed their insights, feedback, and suggestions in making this strategic plan a collaborative effort.

David K. Mwangi, MBS
Chief Executive Officer. (Ag)

Executive Summary of the Fund's 5ᵗʰ Strategic Plan

Chapter One of this Strategic Plan introduces the Strategic Planning Process. This Strategic Plan is the Tourism Fund's Fifth Plan. It is set to continue and build momentum set during the incumbent 4th Cycle plan by expanding capacity-building opportunity developments and support through the establishment of Ronald Ngara Utalii College (RNUC) (that will have an excess of 5300 training opportunities) while continuing to support Kenya Utalii College (KUC) and, destination Kenya marketing through Kenya Tourism Board (KTB). The 5th Generation Plan intends to raise the fund portfolio to KShs. 6.244 billion in the first year of implementation, up from Kshs. 4.9 billion reported by the end of FY 2023/24 and an estimated cumulative five-year collection of KShs. 36.95 billion at a cost of KShs. 9.275 billion.

In aiming at the preceding ambitious targets, the Fund shall entrench a focused planning and performance management framework in line with the Public Finance Management (PFM) Act and in tandem with The National Treasury and Economic Planning Revised Guidelines for Preparation of the Fifth-Generation Strategic Plans (2023-2027) dated June 2023. The Strategic Planning has incorporated and enabled alignment to BETA priorities, Sustainable Development Goals (SDGs), African Union (AU) Agenda 2063, East Africa Community (EAC) Vision 2050, Fourth Medium Term Plan (MTP IV) and the National Tourism Board 2030 Sectoral Blue Print.

Chapter Two provides the Strategic Direction of the Tourism Fund. The Vision of the Fund is, *"ultimate source of funding for sustainable development of the tourism industry in Kenya"*. The Mission is, **"To diversify the resource base for financing development of a sustainable tourism industry through innovation, service excellence, and stakeholders' engagement".**

In pursuing the Mission stated above, the Fund shall pursue a set of core values to define its culture namely**; Innovation, Customer Focus, Integrity, teamwork, Accountability, Professionalism,** and **Equitability**.

Chapter Three presents the Situational Analysis and Stakeholder Analysis. The situational analysis utilized PESTEL tool and internal institutional variables; tourism industry environment and; market to discern Opportunities and Threats.

Strategic Issues, Goals, and Key Result Areas are covered in Chapter Four. In pursuing the Fund's mandate as provided for in Section 68 and 69 of the Tourism Act CAP 381, the Fund will manage four strategic issues, namely: **Financing of Tourism Sector Development**; **Strategic Partnerships, Linkages & Support**; **Capacity Building of Tourism Sector Personnel;** and **Institutional Capacity and Competence** which will be delivered through four (4) Key Result Areas namely **Fund Portfolio**, **Strategic Partnerships Portfolio**, **Hospitality and Tourism Training and Capacity Building** and **Quality Services-Based Operation** to attain the following goals:

Sustainable Source of Funds for Tourism Sector Development; Enhanced linkages with strategic partners and stakeholders; Improved human capital competence and service quality in the Tourism Industry; and Optimal institutional capacity and competence in service delivery. Further, the Fund commits to accomplishing five (5) Strategic Objectives and 13 Strategies which are broadly stated in Chapter Five.

Chapter Six outlines the Implementation and Coordination Framework for the delivery of the Strategic Plan. The Chapter provides details on Performance Contracting and Management to steer implementation and the institutional Framework to deliver on the Plan. The Section also elaborates on leadership and staff establishment including necessary skills base necessary for execution of the Plan. The Chapter ends with a Risk Management Framework that defines the implementation environment.

Resource requirements and mobilization strategies for implementation of the Plan are presented in Chapter Seven. The Fund requires KShs.8.5 billion to implement the Strategies set out for a period of 5 years. The resource requirement per Key Result Area (KRA) has been presented in detail in Chapter Seven. The resource gap will be bridged through resource mobilization from development partners.

Chapter Eight describes the Monitoring Evaluation and Reporting Framework. Monitoring Evaluation and Reporting shall be done based on the Reporting Framework and Feedback Mechanism outlined in Section 8.4 of the Plan. Reporting shall be quarterly with tracking of delivery through Departments done monthly. External filing of performance results arising shall be done biannually as per the Revised Guidelines. Staff Members shall be sensitized and targets cascaded and contracted down to individual staff.

The Fund will conduct a mid-term evaluation of this Strategic Plan in FY 2026/27 to examine the progress towards achieving the set targets. End-term evaluation will be conducted at the end of the Strategic Plan period in FY 2028/29.

The lead responsibility for the development, review and coordination of the implementation of the Strategic Plan is with the Manager- Research, Strategy and Planning. This undertaking was assisted by the Strategic Plan Development Committee (SPDC) and Performance Contract Committee (PCC). The SPDC and PCC draw membership from all the Departments to enhance the championship of delivery, coordination and sensitization. The overall accounting responsibility shall rest with the CEO and oversight by the Board of Trustees.

TOURISM FUND STRATEGY AT A GLANCE

VISION:
The ultimate source of funding for sustainable development of the tourism industry in Kenya

MISSION:
To diversify the resource base for financing development of a sustainable tourism industry through innovation, service excellence and stakeholders' engagement.

STRATEGIC ISSUES

1 Financing of Tourism Sector Development

2 Strategic Partnerships, Linkages & Support

3 Capacity Building of Tourism Sector Personnel

4 Institutional Capacity and Competence

GOALS

- Sustainable Source of Fund for Tourism Sector Development
- Enhanced linkages with strategic partners and stakeholders
- Improved human capital competence & service quality in the Tourism Industry
- Optimal institutional capacity and competence in service delivery

KEY RESULT AREAS

- Fund Portfolio
- Strategic Partnerships Portfolio
- Hospitality & Tourism Training & Capacity Building
- Quality Services-based Operation

ENABLERS

1. People, Skills and Competencies
2. Networks and Partnerships
3. Systems and Procedures
4. Leadership
5. Environmental sustainability
6. Culture, Ethics and behaviour

Core Values : Teamwork | Customer Focus | Equitability | Integrity | Accountability | Professionalism | Innovation | Equitability

CHAPTER

1

Introduction

The Chapter presents the context of strategic planning and explains how strategy is vital for organizational success. It also highlights how the Tourism Fund Strategic Plan 2024/25 – 2028/29 is aligned to the key international, regional, and national long-term development initiatives. This includes the United Nations 2030 Agenda for Sustainable Development, African Union Agenda 2063, East African Community Vision 2030 and the country's long-term development blueprint, Kenya Vision 2030, the Fourth Medium Term Plan (MTP IV), and the National Development Agenda: Bottom-Up Economic Transformation Agenda (BETA).

1.1 Strategy Driving Tourism Fund's Success

This Strategic Plan is the Fund's Fifth Plan that is built on the successes and lessons learned from the preceding four (4) Strategic Plans. From the onset, the establishment and operationalization of long-term planning has driven transformation of the Fund by enabling an all-round interpretation of the mandate. The initial priority was derived from the need to expand capacity building for the tourism sector and funding of training and marketing through KUC and KTB respectively.

It is important to note that the 3rd Plan played a key role in enabling the Fund to surpass the Billion (KShs.) mark level in levy collection and transforming levy collection operations through the Tourism Act, CAP 381.

The 4th Plan not only consolidated gains in levy collection but also prepared and transformed the Fund into a financial institution while also rebranding the organization to Tourism Fund. Each plan has had its major thrust and this Fifth-Generation Plan, no doubt shall have its focus on expanding revenue volume intended to facilitate supporting of all the funding areas while recognizing the approach on establishing, equipping, and controlling colleges as well as focusing on industry capacity building by the end of its life.

The strategy has been instrumental in enabling the Fund to identify its priorities and needs to restructure and build institutional capacity and competence. In pursuing mandate realization through strategy, particularly from the arising issues during operating environment analysis, the Fund has had to re-engineer its service delivery as well as institute and be ISO certified.

Through strategic planning, the fund has organized and continues to implement plans to prioritize time-bound activities and allocate resources to achieve established goals. The ensuing planning regime has seen each main goal area have targets set and progressively reviewed to be in tandem with ensuing factors. Strategic planning has enabled the setting of measurable targets and accountability at both departmental and individual staff level through the cascading of targets and performance contracting.

The transformation entrenched through the use of strategic planning and its management has seen the Fund establish a credible Monitoring, Evaluation, and Reporting (MER) framework. This is reinforced by a planning framework championed by the department of Research, Strategy and Planning and supported by two (2) standing technical committees on Strategy, Development and Performance Contacting drawn from different departments.

The use of Annual Work Plans has enabled tracking of Strategic Plan implementation and target realization. Work Plans have been a key reference and source of Performance contracting items and targets. Preceding budgets, the work plans have also been crucial in guiding budget considerations and cash flow planning. The Fund has experienced significant growth by structuring operations around work plans and using them to create budgets and manage cash flow. The Annual Work Plan also forms the basis for developing the organization's procurement plan.

Efficiency has become deeply rooted in the Fund's operations through strategic planning, making it indisputable. Resource reallocation, restructuring and capacity enhancement and deployment in the Fund are developments, in many instances, that are arising from the facts and information based on trends and reports born of planning and reports arising. It's important to note that the strategy has helped eliminate inefficiencies, and encouraged specialization, and alignment with best practices.

1.1.1 Anchorage of Strategic Plan

The Government developed and launched the Strategy for Performance Improvement in the Public Service in 2001, which sought to increase productivity and improve service delivery. A key hinge of the strategy was Results Oriented Management (ROM) approach, which culminated into the introduction of Results Based Management (RBM) in 2004. This was a deliberate policy to improve

performance, service delivery, and governance. With it came Strategic Plans (SPs), service delivery standards and benchmarks, Service Charters, Annual Work Plans, Staff Performance Appraisal, merit-based promotion, and performance contracts.

The PFM Act Section 68(2) (g) requires that Accounting Officers (National Government) prepare a strategic plan for the entity in conformity with the medium-term fiscal framework and fiscal policy objectives of the national government. This is further amplified by the Public Service Commission Management (Performance Management) Regulations of 2021, Part III on Planning for Efficient and Effective Delivery of Services. Specifically, section (11) (1) mandates every public body to develop and implement a strategic plan in a participatory manner, while the programs and activities in the plan should be in line with the guidelines issued by the Ministry responsible for Planning, and are aligned to the national development agenda and policy priorities [Section (11) (3)]. Since then, it is a requirement that each Public Sector institution prepares a five-year strategic plan as a guide in the implementation of its mandate aligned to the current Medium-Term Plan (Fourth Medium Term Plan).

The Tourism Fund Fifth-Generation Strategic Plan is aligned to the National Treasury and Economic Planning Revised Guidelines for Preparation of Fifth-Generation Strategic Plans (2023-2027). The Revised Guidelines reflect the evolving global, regional, and national socio-economic, and political governance landscape while espousing the underlying mantra of 'Delivering as One'. Furthermore, these Guidelines are in cognizance of the transformative government development aspirations as prescribed in the Bottom-Up Economic Transformation Agenda (BETA) and the Kenya Vision 2030 Fourth Medium Term Plan. BETA encompasses five (5) core pillars of Agriculture; Micro, Small, and Medium-Term Enterprises (MSMEs); Universal Healthcare; Affordable Housing and Settlement; and Digital Superhighway & Creative Economy. The BETA priorities were used to align policies, development priorities, context structure, and contained priorities.

1.1.2 Purpose and Place of this Strategic Plan

The purpose of this Strategic Plan is to aid the Fund to achieve the following objectives:

  a. Align stakeholders on the Fund's mandate, object and purpose as prescribed in the Tourism Act, CAP 381;

b. To prioritize and prudently schedule programs and organization's efforts;

c. To mainstream and align Presidential and Government directives;

d. Effectively allocate resources and organize cashflow;

e. To ensure that the arising organizational goals thereof are backed by quality data, facts and sound logical reasoning at all times of the plan implementation period, and;

f. Entrench efficiency by weeding out overlaps between different departments and synchronize activities that are executed in teams.

1.2 Aligning the Fund's Strategy to Relevant Frameworks and Policies

The development of this Fifth-Generation Strategic Plan is a deliberate initiative to not only fulfill the requirements of PFM Act but to also place the Fund on best practices in Governance and Management. The formulation of this Plan involved deliberate scanning of the global and national socio-economic landscape resulting in the cognizance of national development priorities, and regional and international development frameworks.

1.2.1 United Nation's Agenda 2030 on SDGs

Tourism remains a key economic pillar with dependable potential for expansion despite the threats of climate change, the Ukraine-Russian war, and COVID-19 pandemic among other current challenges. According to the United Nations World Trade Organization (UN-WTO), "International tourist arrivals grew 86% in Q1 of 2023 and reached 80% of pre-pandemic levels in the same quarter." Hence, need to stimulate its growth through concerted efforts aimed at expanding and diversifying tourism products and attracting more tourists. Priority, and at the core of the Tourism Fund mandate, is the development of competence for the Tourism Sector.

Pursuant to this, the Fund in positioning and setting its growth and performance strategies and, cognizant of the global policies as set in the Global Agenda, has noted and aligned the Strategic Plan, up to 12 goals of the 17 Sustainable Development Goals (SDGs). Table 1.1 below highlights the main SDGs and targets related to the mandates of the Fund and the initiatives/actions that will contribute to their realization.

Table 1.1: Tourism Fund Contribution to Realization of Sustainable Development Goals

S/NO	SDGS	TARGET	TOURISM FUND INITIATIVES/ACTIONS
1.	SDG 4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Establishing, equipping, and controlling hospitality and Tourism Training Institutions. Funding quality training at KUC and RNUC. Establishing a Revolving Fund for the sector training. Upskilling of the tourism industry workforce.
2.	SDG 11	Strengthen efforts to protect and safeguard the world's cultural and natural heritage	Financing Tourism Products and Services in Cultural Tourism.
3.	SDG 12	Ensure sustainable consumption and production patterns.	Funding Sustainable Projects. Investing in community–based tourism projects that benefit local economies and preserve cultural heritage. Promoting Sustainable Tourism Practices.
4.	SDG 13	Take urgent action to combat climate change and its impacts.	Beautification and Greening for Tourism (Tree Planting). Encouraging innovation in sustainable tourism products and services.
5.	SDG 14	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.	Fish Exploratorium and Science Park. Cruise ship Tourism, Flotels, and Entertainment Births. Beach Tourism Development.

1.2.2 African Union Agenda 2063

Tourism is one of the most promising sectors in Africa with the highest potential for improving societies, economies, and livelihoods. In the African Union (AU) 2063 development agenda, tourism, by 2019, was already accounting for 7.8% of the continent's Gross Domestic Product (GDP) valued at USD 165 Billion. The AU 2063 documents that tourism accounts for more than 6.2% of total investments valued at USD 28.5 billion, employing over 20 Million people, thus, accommodating 6.5% of the employed workforce. And that tourism is projected to grow at 5%, higher than the global level placed at 4.8%.

The foregoing positive trend and focus areas on prioritizing tourism as a key economic enabler align directly with the national and the Fund's mandate and prioritized initiatives.

Aspiration 1: A prosperous Africa based on inclusive growth and sustainable development

1) **Blue/Ocean Economy for accelerated economic growth:** exploiting the vast potential of Africa's blue/ocean economy.

2) **Environmentally sustainable climate and resilient economies and communities:** putting in place measures to sustainably manage the continent's rich biodiversity, forests, land, and waters and using mainly adaptive measures to address climate change risks.

Aspiration 5: An Africa with a strong cultural identity, common heritage, shared values and ethics

1. Africa's cultural renaissance is pre-eminent: inculcating the spirit of Pan Africanism; tapping Africa's rich heritage and culture to ensure that the creative arts are major contributors to Africa's growth and transformation; and restoring and preserving Africa's cultural heritage, including its languages.

1.2.3 East Africa Community Vision 2050

Tourism, trade, and service development is one of the five (5) pillars prioritized in EAC Vision 2050 pursuing the *Goal of* ***"Enhancing tourism, trade in goods and other services within the EAC region and with the rest of the world."*** Noting the immense contribution of tourism in the region at 8.9%, the plan focuses on interventions in tourism that offer value for money and are ideally cheaper, cost-effective, and have high returns on investment. In this initiative, the EAC Vision 2050 plans to increase indirect and direct jobs supported by the tourism sector from 1.7 million in 2008 to 2.3 million jobs by 2025 and further escalate this to 5.6 million by 2050.

Initiatives to drive these developments include but are not limited to establishing a regional tourism hub and promotion as a single destination requiring one visa; aggressive marketing; establishment of centers of excellence for capacity building; product development and diversification and; investment in tourism support infrastructure such as ICTs, accommodation, and transport. All these initiatives touch directly on the Fund's functions and have been aligned herein.

1.2.4 Constitution of Kenya

The Fund's Strategic Plan aligns to several constitutional provisions. The process of development ensured stakeholders' participation, conformity with the relevant laws, and, strategic

requirements on incorporating the national values and principles of governance. The Plan also considered and mainstreamed a sustainability principle by ensuring a balance in operative costs, sensitivity to and investment in both the natural and social environment. The latter is in line with the core business of capacity building of the tourism sector to entrench and enhance service quality which is a key anchor for sustainability. The Fund will entrench compliance with the spirit and letter of the Constitution and ensure adherence to principles of Public Service.

1.2.5 Kenya Vision 2030, Bottom-Up Economic Transformation Agenda and Fourth Medium-Term Plan

The programs in this Plan are aligned to the Kenya Vision 2030 Economic Pillar where the Fund has pivotal responsibility to expand the establishment of tourism training capacity. This is an undertaking mainstreamed in the MTP IV which is in sync with the sector plan documented in the Tourism Blueprint 2030. To deliver on this and other mandates, the Fund has prioritized establishing and maintaining an enabling business environment internally and externally for and with stakeholders. This Plan sets the Fund to cultivate a more effective and efficient institutional capability and competence. It prioritizes resource mobilization and, supporting the tourism sector for sustainable development in tune with the Bottom-up Economic Transformation Agenda (BETA) priorities. The Fund used this Plan cycle to mainstream BETA among other policy guidelines. This Strategic Plan used programmatic planning and its attendant implementation management as provided for in The National Treasury and Economic Planning Revised Guidelines for Preparation of the Fifth-Generation Strategic Plans, 2023-2027.

1.2.6 Sector Policies and Laws

The National Tourism Blueprint 2030 (NTB 2030)

The National Tourism Blueprint 2030 (NTB 2030) developed in 2017 prioritizes strategic initiatives in six areas, namely; Tourism Product, Infrastructure, Investment Promotion, Marketing, Human Resource and, Research and Knowledge Management as Critical for Driving Positive Change.

The Tourism Act, CAP 381

The Fund is a body corporate established by the Tourism Act, CAP 381 with the main purpose of establishing a fund for financing various activities of the Tourism industry specified in Sections 68 and 69. The Fund's

functions are directly aligned to supporting all the interventions of the NTB 2030. The Plan deploys interventions on capacity building, funding of product development and marketing at the centre of the Fund's Strategic Plan aimed at positively impacting the tourism sector.

1.3 The History of Tourism Fund

Tourism Fund is a State Corporation established under the Tourism Act, CAP 381. The Fund is the legal successor to Catering Levy Trustees (CLT) vide Hotels and Restaurants Act (HRA) Cap. 494 of 1972 and, Catering and Tourism Development Levy Trustees (CTDLT) created through CLT Subsidiary Legislation of 1997. The Fund, vide the two (2) previous entities has been in existence since 1972, operating under the Hotel and Restaurant Act, Cap 494 that was repealed when the Tourism Act, CAP 381 came into effect. The Fund was a private sector initiative that was born of the desire to build professional capacity to serve the then-budding post-independence tourism industry. The private sector through their association negotiated with the Government to set aside funds to support sector training. This later saw the establishment and equipping of Kenya Utalii College (KUC) and funding of training therein, a milestone that was commenced in 1969 and was later

legislated vide Hotel and Restaurant Act, Cap 494 of 1972. This saw Kenya Utalii College (KUC) was set in 1974 from this Fund with the assistance of the Swiss Government funding on a shilling for a shilling basis.

The then Catering Levy Trustees (CLT) managed KUC under its Board of Trustees until 1989 during which time it proceeded to develop the college and staff housing as well as supplement fees for training students to date.

Policy reviews from 2006 to 2009 culminated in the Tourism Act, CAP 381 that expanded the role of CTDLT and renamed the Organization to Tourism Fund. In its new role, the Fund is mandated in the Act to undertake the following functions:

I.   Collect the tourism levy imposed under Section 105 of this Act or any other written law;

II. Establish, equip, and control such other tourism and hospitality training institutions as it may be necessary upon approval by the Minister;

III. Formulate sound policies for the regulation and management of the Fund;

IV. Solicit for funds and other assistance to promote the

object for which the Fund is established;

V. Determine the amounts of money payable for the Fund and formulate the conditions for disbursement;

VI. Invest any surplus funds not immediately required in securities approved by the Treasury, to realize the objectives and purpose for which the Fund is established;

VII. Establish a tourism training revolving fund;

VIII. Keep and maintain audited accounts of the Fund and publish the accounts in the manner approved by the National Treasury;

IX. Cause to be kept all proper books and records of account of the income, expenditure, assets, and liabilities of the Fund;

X. Receive any gifts, donations, grants, or endowments made to the Fund, and make legitimate disbursements; and

XI. Perform any other functions that are ancillary to the objects and purpose for which the Fund is established.

1.4. Methodology Used in Developing Fund's Strategic Plan

The development of this Strategic Plan was triggered by the Annual Work Plan schedule and commissioned by the Fund's Chief Executive/Accounting Officer in liaison with the Board of Trustees. The Department of Research, Strategy and Planning, working with the Strategic Plan Development and Review Committee and the Fund's Management has coordinated and led to the development of this Plan. The development process oversaw a raft of the preceding Committee and Management holding several drafting and moderation meetings to consider views and information drawn from staff through Departmental meetings.

The Research, Strategy, and Planning (RSP) Department commenced the development process by sensitizing and educating Strategic Plan Development Committee members. This was followed by a two (2) weeks session of desk reviews that considered policies; progress and performance reports; stakeholders' perspectives, and; industry performance trends to scan the operating environment. The team also checked out templates from peers on key considerations and inclusions. The Heads of Departments were then sensitized on their role and contribution to the development of the

Strategic Plan and, the need to use or rely on The National Treasury and Economic Planning Revised Guidelines for Preparation of the Fifth-Generation Strategic Plans, 2023-2027.

The Heads of the Department were guided to work with their respective member of the Strategic Plan Development Committee (SPDC) for quick results. Besides the Departmental role, the SPDC champions drawn from each Department were also charged with analyzing and providing opinions on the various parts of the Strategic Plan under the coordination and guidance of the Department of Research, Strategy, and Planning (RSP).

The Department of RSP took the primary responsibility to coordinate and draft the Strategic Plan culminating in the formulation of a zero draft.

The Department of RSP managed the involvement of stakeholders and moderated the document. This included coordinating and participating in multiple stage-by-stage reviews and moderation by management, staff, the Board of Trustees, and industry stakeholders before approval and adoption. The Plan was then submitted to The State Department for Economic Planning for review and feedback to inform the finalization

CHAPTER

Tourism Fund's Strategic Direction

This Chapter explains the Fund's mandate as noted through the object and purpose as well as the functions provided for in the Tourism Act, CAP 381. The Fund's vision and mission together with the guiding philosophies steering actualization and operationalization and the core values are outlined. The Chapter highlights the main strategic goals before concluding with the Fund's quality policy statement.

2.1 The Fund's Mandate

The Fund's mandate is captured in the Tourism Act, CAP 381, Section 68 as Object and Purpose.

The Fund is mandated to:

   I.   Finance the development of tourism products and services;
  II.   Finance the marketing of Kenya as a tourist destination through the Tourism Board;
 III.   Finance the activities of the Protection Service;
  IV.   Finance the tourism research, tourism intelligence and the national tourism information management system;
   V.   Finance the activities of the Tourism Sector Safety, Communication and Crisis Management Centre to be established and managed by the Ministry;
  VI.   Finance training and capacity development activities of the College and university offering training in tourism and hospitality, and;
 VII.   Mobilize resources to support tourism-related activities.

2.2 Vision Statement

In order to operationalize the mandates as spelt in the Object and Purpose (Section 68) and the Functions (Section 69) of the Tourism Act, the Fund envision its future, thus:

> **The ultimate source of funding for sustainable development of the tourism industry in Kenya**

2.3 Mission Statement

Operationalizing this vision shall see the fund pursue the following mission:

> **To diversify the resource base for financing development of a sustainable tourism industry through innovation, service excellence and stakeholders engagement**

2.4 Strategic Goals

During the development of this Plan, staff and stakeholders were tasked to give the top ten issues they would like to see addressed in the next five (5) years. The call and response were provided by individual respondents independently with firm consensus on commonality and belief around the issues as key in defining the future of the Fund. Numerous issues were mentioned, some tactical and some part of or directly citing the following four (4) key issues as strategic in defining the Fund's future in especially the next five years and beyond:

I.   Financing of Tourism Sector Development;
II. Strategic Partnerships, Linkages and Support;
III. Capacity Building of Tourism Sector Personnel and;
IV. Institutional Capacity and Competence.

The Strategic Goals that address the highlighted issues are:

Goal 1: Sustainable Source of Fund for Tourism Sector Development.

Goal 2: Enhanced Linkages with Strategic Partners and Stakeholders.

Goal 3: Improved Human Capital Competence and Service Quality in The Tourism Industry

Goal 4: Optimal Institutional Capacity and Competence in Service Delivery

2.5 Core Values

The Fund shall pursue a set of core values to define its culture. The set of seven (7) core values are captured in Figure 2.1 below. Teamwork remains central and at the core of culture of the Fund.

Figure 2.1: Core Values
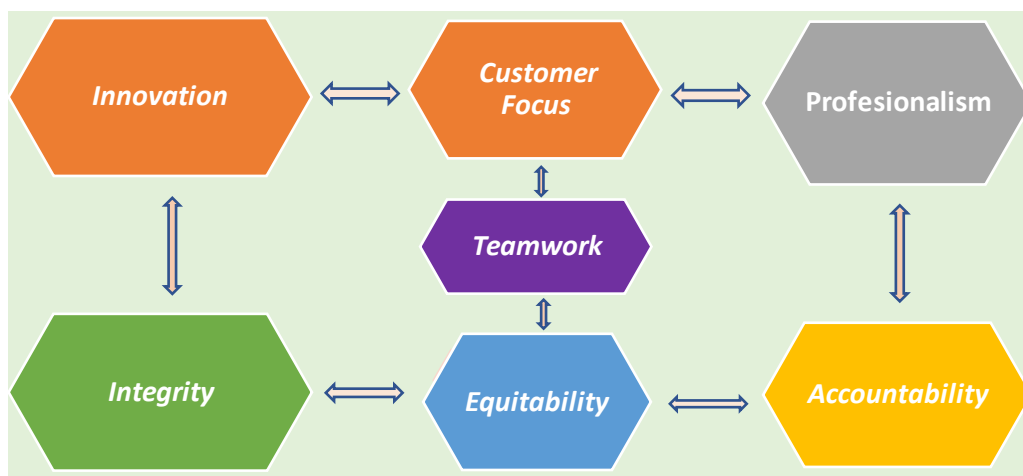
Operationalizing the core values presents several opportunities for improvement and consequently overall performance. This Strategic Plan has incorporated deliberate strategic undertaking to anchor and enhance corporate culture through the core values. Table 2.1 below provides a profile of some of the key strategic issues and undertakings that can facilitate entrenchment of the core values.

Table 2.1: Core Values Operationalization Matrix

CORE VALUE	CONTEXT	OPERATIONALIZATION POINTS
Team work	To create one body that works in synch though made of parts with different specializations	• Work and execute duties to the best of your ability. • Put Tourism Fund and public good first in all execution of duty. • Staff bonding to strengthen team spirit be invested and maintained.
Integrity	To uphold good conduct and ethics in all our operations	• Be of good conduct and observe ethics at all times. Establish and run a sustainable and effective reward scheme to promote moral behavior by staff. • Create and maintain employee satisfaction. • Training on pro-integrity culture change.
Customer focus	To meet and surpass expectations of all our customers	• Profile and know the Fund's customers, their service needs and the desired quality of service delivery through relevant and up to date service charter and procedures. • Do periodic customer satisfaction survey and implement arising findings. • Empower and train staff to be responsive and to be of the right competence in serving customers.

CORE VALUE	CONTEXT	OPERATIONALIZATION POINTS
Accountability	To be transparent, logical in dealings and to operate credibly and on evidence basis	• Base operations on set rules, procedures and manuals. • Document and evidence all operations. • Supervise and hold all operations to account through well laid down appraisal, implementation and performance monitoring tools. • Institute accountability in core and critical issues and undertakings right from the top.
Professionalism	To render services within best practice standards and ethos desirable in the profession and call of duty	• Induct and train staff on code of ethics and expectations in Public Service. • Establish capacity building and networking that encourages continuous capacity development. • Set policies that enables membership to professional associations and participation in credit workshops focused on expanding staff on current best practices. • Involve staff in benchmarking and exchange programme missions and exposures. • Institute professionalism in core and critical issues and undertakings right from the top.
Innovation	To promote and reward creativity and embrace best practices in service delivery	• Develop and operationalize a Creativity and Innovation Scheme. • Undertake and utilize operation research findings to improve quality of service delivery. • Build and maintain a credible Knowledge Management Scheme.
Equitability	To be committed to equitable treatment of stakeholders and handling of obligations	• To act on and respond to all mandated obligations equitably. • To be an equal opportunity employer and to be fair in promotion, accountable and transparent when handling staff welfare. • To handle, motivate and respond to stakeholders and CSR&I obligations equitably.

2.6 Fund's Quality Policy Statement

Tourism Fund prides itself on providing products and services that meet and exceed customer expectations while maintaining high quality. The implementation of the Tourism Fund quality policy is the responsibility of all staff. Tourism Fund's quality objective is to establish standards that ensure consistently high-quality work throughout the processes, thus guaranteeing customer satisfaction and continual improvement in service provision.

To maintain quality, the Fund will ensure the following:

I.   Staff are adequately trained, motivated and competent for the job they are required to do.

II.   Risks are identified, evaluated, analyzed, mitigated and monitored.

III.   The selection and approval of externally provided services are controlled by Quality Management System (QMS) procedures, thus ensuring the company's health, safety and environmental culture is not compromised while staff, customers and stakeholders are not put at risk. Provision of these external services is subject to reviews.

IV.   All gaps in the Quality Management Systems will be investigated and corrective actions taken at the earliest opportunity to avoid non-compliance.

The foregoing action areas have been mainstreamed in the Fund's Standard Operating Procedures (SOPs) and included in this Strategic Plan as programmes and activities on actualizing the strategic issue on institutional capacity and competence.

CHAPTER

3

Situational and Stakeholder Analyses

This Chapter documents situational and stakeholders' analyses. The situational analyses utilized PESTEL (Political, Economic, Social, Technological, Environmental and Legal) tool and internal institutional variables; tourism industry environment and; industry market to discern Opportunities and Threats. The Chapter then provide analyses of the Fund's internal environment comprised of Governance and Administrative Structures, Business Processes and, Resources and Capabilities to establish Strengths and Weaknesses. It also entails an evaluation of the Fund's historical performance and lessons learnt. Finally, the chapter concludes with a Stakeholder analysis, mapping out the Fund's stakeholders with the aim of understanding their roles and expectations and what they expect of the Fund.

3.1 Situational Analysis

The situational analyses have been done in both external and internal operating environments at both macro and micro levels using PESTEL tool and internal institutional variables of staff labour relations, customer profile and service providers. The analysis of the

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immediate tourism industry environment and market that the Fund is serving in the context of customer interface is conducted to conclude the assessment of the external environment, which provides the Fund's Opportunities. The assessment of the internal environment consisting of Governance and Administrative Structures, Business Processes and, Resources and Capabilities generated strengths and weaknesses of the Fund.

3.1.1 External Environment

Analysis of the Fund's external environment utilized PESTEL for the Macro environment. This identified several opportunities that need exploiting, sixteen (16) priority ones highlighted Table 3.2. The internal micro environment was scanned for factors around staff-work dynamics in the context of Industrial Labour Relations; Customer Profile involving Suppliers and Creditors, and; Tenants of Tourism Fund Building. The Fund's Industry and Market environment analyses brought out issues related to those captured under Economic Factor in PESTEL and those of customer relationship under Micro-environment.

3.1.1.1 Macro Environment (PESTEL)

The Fund's macro environment analysis contexed under PESTEL model provided the following issues.

Table 3.1: Analysis of the Macro-environment using PESTEL

CATEGORY	STRATEGIC ISSUE	STRATEGIC IMPLICATION	STRATEGIC INTERVENTION
Political	• Political instability • Policy gap in tourism development • Low prioritization and capitalization of tourism development	• Effects of political instability on business environment • Uncoordinated policy interventions in the Tourism industry • Inadequate allocation of resources to the tourism sector	• Ensure sustainable development in tourism development • Strengthen stakeholder coordination in the tourism sector • Development of a resource mobilization strategy
Economic	• Slow pace of Economic Growth • Ease and cost of doing business in the country • National development agenda (Bottom Up-Economic Transformation Agenda)	• High unemployment rate • Investment in tourism industry • Adequacy of resources to finance tourism products and services development	• Promote tourism industry to spur employment opportunities • Instituting targeted affirmative action on tourism product development • Leverage on the good will by the Government to finance tourism development
Social	• Population demographic changes • Perception towards careers in tourism and hospitality	• Changes in preferences of tourists creating new niche markets • Low uptake of careers in hospitality and tourism	• Investment in training facilities • Repackaging for the niche markets and developing new niche products • Creation of awareness on tourism careers and opportunities
Technological	• Digitalization and automation need and pace	• Changing dynamics of technology	• Leverage on technology to enhance reach and

CATEGORY	STRATEGIC ISSUE	STRATEGIC IMPLICATION	STRATEGIC INTERVENTION
	• Data harvesting and analytics • Social media management and communication option	• High cost of ICT infrastructure and maintenance	efficiency in service delivery
Environmental	• Climate change	• Degradation of nature-based tourism products	• Institutionalizing climate financing for tourism product development through a national martial plan on going green for tourism (developing green cities, neighbourhoods, tourist attractions, leisure centres, roads and walkways)
Legal	• Non-clarified roles between National Government agencies and County Governments	• Duplication of roles between National and County Governments	• Reform of the legal and institutional framework in the tourism sector • Provide clarity on the statutes governing the tourism sector in Kenya

3.1.1.2 Micro Environment

The Fund does not have any staff in a union, nor has there been any labor unrest cases. The analysis also focused on the Customer Profile, where levy-paying agents were profiled. It was noted that issues arose around expectations regarding training and support, as well as financial cushioning during difficult economic times, such as those experienced during the Covid-19 pandemic. The service providers, suppliers and creditors were analyzed in one group with our Customer Tenants. The main issues revolved around settlement of payments, timely communication responses, and information and sensitization on policy changes. In regard to customer tenants,

the primary areas of concern were maintenance, payment terms, and rates.

3.1.1.3 Industry Environment

The pressure has been to bring the cost down to a competitive ratio lest the role be transferred to Kenya Revenue Authority. The way levy collection is structured and specialized remains one of the key strengths that the Fund has built to grow revenue as one of the moves to cut the ratio while building and retaining necessary capacity in this role. The control of operation cost against development portfolio and funding to 25:75% has been a priority focus to deflate the pressure. This is set to be improved to 21.7% threshold and lower in future. The main thrust being pegged on comprehensive reach on collection, verification for correctness in payment through shift to accounts management and, the positive industry projections for enhanced collection.

Tourism Fund has also noted what the industry stakeholders consider as duplication of role with National Industrial Training Authority (NITA) on collection and provision of support in industry training. The analysis noted and has prioritized in this Plan, the need to review and strengthen regulations while also scheduling sensitization and stronger stakeholder engagement and partnership to resolve what comes out as conflicted roles with NITA. The same has been done for perceived competition and need to share revenue with Counties.

The demand and pressure for the Fund to live up to the mandate of establishing, equipping and controlling colleges is also a strong strategic undertaking noted. The Strategic Plan noted the need to act favorably on this, being the primary reason for which the tourism levy was established. Thus, in line with the stakeholders' expectations and demands, and in accordance with MTP IV, this Strategic Plan includes the development of new colleges along with online-based training to enhance access and outreach.

The stakeholders are concerned about the impact of proliferation of training colleges and courses of questionable quality. Thus, there is a need to expand opportunities and access for credible high-quality training and to regulate personnel in the industry in order to eliminate unqualified individuals and undesirable practices. The Fund aims to collaborate with the Tourism Regulatory Authority to establish a reliable repository and registration system for monitoring and improving professionalism and service quality in the tourism sector.

While demanding for direct benefits from levy collected, agents are also desirous of getting tourism product development support or accounts by the Fund. Slow and context of funding tourism product development against industry needs and what competing destinations are doing on the same is under focus by stakeholders. Funding product development is looked at together with the nature and existing or lack of structured set-up and plan amongst and between role players of tourism product development. Funding product development is considered alongside the nature and the presence or absence of a structured setup and plan among the stakeholders of tourism product development. The Fund is expected to provide funding as part of a structured inter-agency collaboration with the State Department of Tourism and the host County Governments to develop products.

The Fund, as the primary funding agency for the sector, is also expected to lobby and lead resource mobilization efforts. The stakeholders expect the Fund to bring together development partners and secure government funding/grants for the sector's product development and funding needs.

3.1.1.4 Market Analysis

The Fund collects revenue from regulated Tourism activities categorized in classes of A & B enterprises. Levy agents registered under Class A are 6,304 with an estimated revenue base of Ksh1.837 Million and Class B, 6,765 establishments with estimated revenue base of Ksh1.978 million per financial year (2022/2023) in all the 39 zones spread across the regions in the country. Compliance and Default level for FY2022/23 is at 69% and 31% respectively.

The Online Booking Platforms still possess a challenge considering the fact that 8,000 units have not yet been tapped. The Fund will enhance its revenue collection base by ensuring amendment of the Tourism Act to enable collection levy from classes C, G and F enterprises. Inclusion of this classes in levy collection will increase revenue by about 1 Billion KShs. in the next two (2) financial years.

Revolving Fund targets to build capacity by issuing loans to 21,900 students and train/improve skills of 18,800 employees working in the industry. Tourism Fund Building has a lettable space of 81,750 sq ft, with 3,300 sq ft vacant/let-out space and 29,232 sq ft occupied by TF. The estimated income from the tenants is Kshs4.7 million, with

a default rate of approximately 12% of the total income per month.

3.1.2 Summary of Opportunities and Threats

The Macro and Micro environment, Industry and Market analyses provided numerous opportunities and threats that the Fund in this Strategic Plan noted for exploitation and management. The Macro-environment has been detailed under PESTEL together with the other areas as summarized in Table 3.2 below.

Table 3.2: Summary of Opportunities and Threats

ENVIRONMENTAL FACTORS		OPPORTUNITIES	THREATS
Macro Environmental factors	Political	• National policies on Tourism and hospitality sector • Regional integration policies and ideologies • Prioritization level of Tourism and Hospitality interest • Reform in light of big four agenda	• Effects of political instability on business environment • Changes in national taxation policy • Demand by Counties to charge Tourism Levy
	Economic	• National economic performance and growth rate • Regional economic policies and trade regulations • Ease and cost of doing business in the county • Bottom-up Economic Transformation Agenda (BETA)	• High unemployment rate • Adequacy of resources for Tourism Sector training • Adequacy of resources for marketing destination Kenya
	Social	• Population demographic changes • Perception towards careers in tourism and hospitality	• Compliance with Government policies and regulations • Security as an enabler in business environment • Perception towards careers in tourism and hospitality
	Technological	• Digitalization and automation need and pace • Data harvesting and analytics • Social medial management and communication option	• Changing dynamics of technology • High cost of ICT infrastructure and maintenance
	Environmental	• Compliance to National Environmental	• Compliance to National Environmental Management

ENVIRONMENTAL FACTORS		OPPORTUNITIES	THREATS
		Management Authority Act and Regulations inclusive of management of electronic waste (e-waste) • Investing in tree planting and care	Authority Act and Regulations inclusive of management of electronic waste (e-waste) • Pandemics
	Legal	• Tourism Act CAP 381 and, VAT Act 2013	• NITA – Cap 237 vs Levy Order Amendments 2020
Micro Factors	Labour Relations	• Competent and motivated staff	• Labor disputes • Vacancies in key positions
Micro Factors	Customer Profile; Creditors, Suppliers and, Tenants	• Diverse, multi-sectorial and geographically dispersed clients.	• Pending bills • Default payments
Industry Environment / Market Environment	Collection Efficiency and Cost	• Use of emergent technologies in collection of levy • Real time customer feedbacks	• Cyber security and increased threats to iCT infrastructure • Exorbitant costs associated with implementation of new systems and technologies • System downtimes and outages
	Pressure to levy by County Governments	• Funding opportunities for new tourism circuits. • Collaboration in product development. • Marketing county Tourism	• Double levying/ taxation of levy payers. • Misappropriation of levy funds
	TTRF role versus NITA on levy	• Leverage on the fact that the Fund is anchored on law to entrench role	• Double levying/ taxation of levy payers
	Demand for funding tourism product development	• Develop &Evaluation, Funding and monitoring criteria	• Limited resources
	Equitable funding of mandate in Tourism Act	• Develop funding criteria	• Limited resources
	Levy paying class A and B	• Register all eligible levy payer • Expand levy payers to other classes	• Levy payers circumventing the eligibility criteria • Inability to reach all potential levy payers
	OBPs that are not yet tapped and the	• Include OBPs in the Tourism Regulations	• • Inability to reach all potential OBPs

ENVIRONMENTAL FACTORS	OPPORTUNITIES	THREATS
estimated numbers and amounts out there;	• Profile and register OBP establishments • Work with OBP platform service provider like Airbnb	
Profile of Revolving fund targets/ beneficiaries	• Expand loan portfolio • Undertake precise loan regime • Expand competencies in the right target areas	• Branding to distinguish from another funds HELB, County government etc
Tenants profile and by amount and default	• Attach the right tenants • Manage default and increase rent revenue	• Increased default rates • Legal cases • High maintenance costs

3.1.3 Internal Environment

Tourism Fund is resourced from Appropriation-in-Aid (A-in-A) from the levy collected and other revenue streams. The Fund has relied on collected revenue with no support from the exchequer on running her operations. On funding the listed functions listed in Sections 68 and 69 of the Tourism Act, CAP 381 and in particular, funding the development of RNUC, the Fund has had to seek support from The National Treasury through the Ministry of Tourism and Wildlife. Equally, the Fund has not been harnessing adequate resources to fund all the agencies and functions listed under the Tourism Act. Thus, the Strategic Plan has projected plans to build revenue and to be more responsive to meeting the funding obligation.

The supporting staffing capacity; skill set and competence base is currently enabling fourteen specialized Departments in mandate realization. The Fund has four (4) technical and core Departments, all set as provided for in staff establishment. Enhancing capacity has, however, been noted in the areas of professionalizing debt collection services, enhancing capacity in prosecution, and beefing up the two (2) technical departments of Resource Mobilization and Revolving Fund. The Fund currently has only anchor staff for operationalizing tourism training revolving fund. The need to expand capacity for effectiveness during the Strategic Plan period need not be emphasized. The Fund is also set to institute structural reorganization of Directorates and Departments to function effectively. This initiative is set to also see Corporation Secretary, Internal Audit Departments and,

Directorate of Policy, Planning and Research elevated to Directorate levels in line with the provisions of the law and Public Service Commission (PSC) and State Corporations Advisory Committee (SCAC) guidelines on best practice.

Tourism Fund is set to maintain a thriving organization's culture through documented procedures, work ethics and, modus operandi. The Plan has incorporated a robust culture change programme that shall continue the transformation started in the life of the incumbent plan. This shall be complemented by team building, sensitization and training of staff on teamwork and ethical behavior as well as tenets of quality service among other virtues and values.

The Plan, in its programmatic design, is set to underpin contribution of each Department to the overall performance of the organization and/or mandate realization in each undertaking. Assessment shall be entrenched to steer and discern performance. As an existing standard already in place, periodic evaluation shall be used to determine and compare Departmental, Regions and overall performance of the Fund and peers. At peer level, the Fund,

through Performance Contracting, is in top 10 best performing MDAs nationally.

3.1.3.1 Governance and Administration Structures

Governance structure and mechanisms

The Fund is governed by a Board of Trustees appointed in accordance with provisions of the Tourism Act, CAP 381. The Board of Trustees is composed of the Chair appointed by the President and three independent trustees drawn from the Tourism Industry; three (3) alternate trustees drawn from the parent Ministry, The National Treasury and, State Corporation Advisory Council, and; one (1) trustee representing Tourism Sector associations. In executing their mandate and in conformity with the Mwongozo Guidelines, the Board is organized into four (4) functional committees, namely; Board Audit and Risk Committee; Corporate and Procurement Services Committee; Revenue, Revolving Fund and Legal Matters Committee, and; Strategy, Resource Mobilization and Partnership Committee.

Fund's Management

The existing staff establishment provides for a staffing level of 267. This is spread across various Departments as structured in Figure 3.1 below.

Figure 3.1: Incumbent Fund's Organo-chart
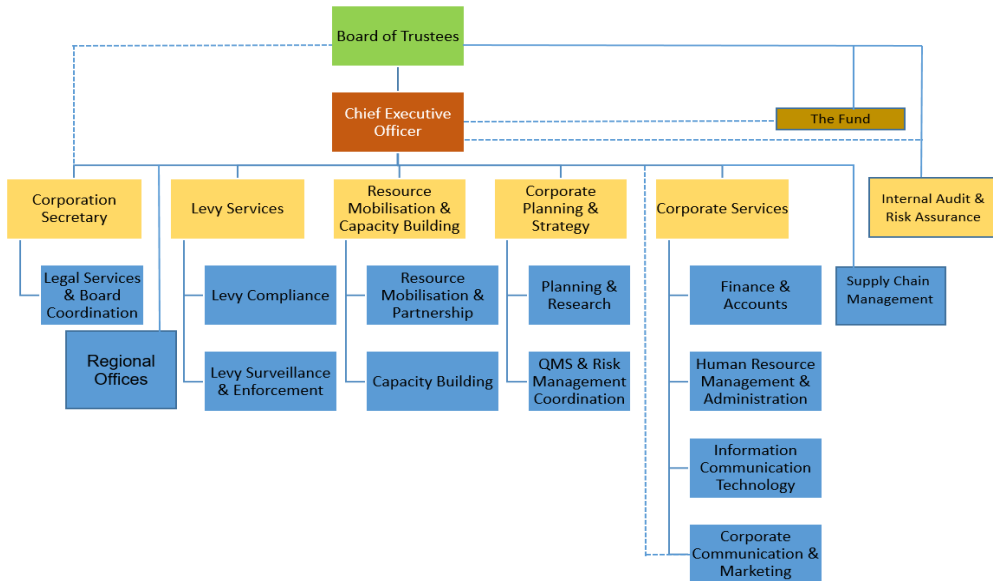
The Directorate of Levy Services is responsible for collection of tourism levy. The Directorate of Corporate Planning and Strategy is responsible for the planning functions. Directorate of Resource Mobilization is responsible for resource mobilization functions of the Fund. Corporate Services directorate coordinates all the support function of the finance, ICT, Human Resource and Administration. Directorate of Corporation secretary coordinates matters of the Board of Trustees and legal services. Internal Audit and Risk Assurance directorate is responsible for matters audit and risk

assurance and is answerable to both the CEO and the Board.

The Resource Mobilization role was revamped to enable the Fund enhance its resource base. The Fund needs to activate areas spelt in the Tourism Act,

CAP 381 Section 68 and 69 on establishing a Fund and to be more responsive to tourism industry capacity building and, establishment of colleges.

3.1.3.2 Internal Business Processes

The Fund is operating through Departments with Management and complementing Committees setting functional teams for especially strategic

and overarching roles. Some of the main standing Committees include SPDC, HRAC, PCC, Complaints Handling Committee, Corruption Prevention Committee and Budget Committee among others. This is complemented by ad hoc committees, including the Committee on Going Paperless, the Culture Change Committee, as well as committees for procurement processes, projects, and task forces. In every instance, whether it is a standing committee, ad hoc committee, or task force, the appointment and commissioning process is preceded by specific documented Terms of References to eliminate any ambiguity in roles.

Notwithstanding the Terms of Reference, like every role, service or function, every operation and undertaking in the Fund is guided and bound by ISO procedures. QMS with its SOPs guide every service delivery in process, timeliness, documentation and reporting. The same goes for evidence of actions and achievements.

3.1.3.3 Resource Capabilities

The Fund relies on levy collected to fund her operations. The Fund has had to seek support from The National Treasury on mega capital developments like RNUC. Also, due to

limited revenue streams, expanding funding to all listed agencies and functions in the Tourism Act still remains a challenge. Equally, while the need to prepare for disaster and eventualities remains apparent, no tangible investment has been made to cushion the organization and tourism sector from harsh economic conditions as was occasioned by Covid 19. In deepening ability to effectively fund the mandate fully, the Fund needs to diversify its revenue stream and invest in tourism product development as mandated. It is also necessary to work with the parent Ministry to review the Tourism Act to expand levy collection base and to consolidate gains already firmed through levy order to enhance compliance and conformation on remittance.

3.1.4 Summary of Strength and Weaknesses

The internal environment was analyzed from the historical and present scenarios that were documented in the previous Strategic Plans together with the ensuing status. The top seven(7) Strengths and Weaknesses were identified and prioritized from the numerous others. These have been summarized in Table 3.3 below.

Table 3.3: Summary of Strengths and Weaknesses

FACTOR	STRENGTHS	WEAKNESSES
Governance and Administrative Structures	• Mandate firmly anchored in law – Tourism Act • Strong Governance and Management • Strong corporate image • Favourable goodwill and support from Government • Good and supportive relationship with stakeholders	• Nonexistent tourism sector data repository • Weak or lack of system integration on data sharing especially with County Governments • Conflicting training levy collection role with that of NITA
Internal Business Processes	• Robust ICT infrastructure, digitization and digitalization • Developed Quality Management (QMS) System	• Lack of financial policy and criteria on especially sharing of funds • Incorrect perception that levy agents are the levy payers
Resources and Capabilities	• Motivated and competent workforce • Suitable working environment	• Gaps in staffing and structure • Inadequate capacity building for the tourism industry

3.1.5 Analysis of Past Performance

The Fund's 4th Strategic Plan has seen the Fund grow its revenue inflow to KShs. 3.89 Billion in FY2022/23. This represents 62% increase over the best result of the preceding Plan and 39% over the best pre-Covid19 performance. The Fund's performance was slowed during the second and third FY by the global economic pressures occasioned by the Ukraine-Russian war and Covid-19 with the consequent recession. The national stage was equally challenging with transitionary politics and the unsettled relationship between National and County Governments. The Plan's review established that the pressures mentioned above and austerity measures affected performance greatly. The implementation level was established to be at an overall 51.4% by the Mid-Term of the Plan life and, is estimated to complete at about 67.2% as at retire by the close of the current FY2023/24. This estimate is going by the fifth year Work Plans under implementation.

By internationally acceptable standards, the Plan implementation level of 51.4% is in tier four level on the implementation quality rating applicable in evaluating Strategic Plan use and adherence. Ideally, projected overall implementation shall place the Fund at "Good" for reasons that were unavoidable. The actual Mid-Term Review summaries based on actual status are as tabulated below.

Table 3.4: Fund's 4th Strategic Plan Implementation Status

STRATEGIC PILLAR	IMPLEMENTATION LEVEL	IMPLEMENTATION QUALITY RATING	
Sustainable Environment	61.4%	Excellent	80 to 100%
Institutional Capability & Competence	62.66%	Very good	70 to 79%
Resource Mobilization	45.29%	Good	60 to 69%
Support Tourism Sector's Sustainable Dev't	36.3%	Average	50 to 59%
Overall Implementation Level	51.4%	Poor	Below 50%

3.1.5.1 Key Achievements

The main strategic priorities that the Fund's plan focused on included resource mobilization, enhancing sector support, development of RNUC, maintaining financial prudence and overall institutional quality of management. The following table summarizes the main dashboard achievements.

Table 3.5: Fund's Dashboard Performance Statistic

ITEM		2019/20	2020/21	2021/22	2022/23	2023/24
Levy Collection level		2.433B	1,453B	2.8B	3.977B	4.9B
Registration of Establishment		2,820	980	816	1,621	1,500
Levy paying Establishments		8302	14,516	12,277	13,898	15,398
Compliance & Conformance Level		75%	63.5%	69%	71%	75%
Resources Mobilized (Levy & Rent)		-	850M	80M	500M	1.0B
Staffing Level		221	261	258	265	265
SP Implementation rate		78%	62.1%	80%	77.7%	80%
Funding KUC		427.5M	70M	352.7M	360M	552M
Funding KTB		322.5M	20M	191M	300M	360M
RNUC Development	Funding	55M	1,237M	693.6M	1.351B	1.228B
	Completion level		63%	74%	77.78%	85%
Funds Operating Expenses		878.9M	996.4M	1.3B	1.433B	1.391B
Operation Efficiency Index (%)		40.33*	41.7*	45.1	36.01	25%
PC Implementation	Score	3.35	2.6129	2.2648	2.2648	2.20
	National Ranking	167	11	10	10	9

3.1.5.2 Main Challenges and Arising Opportunities

The review highlighted the importance of explicitly aligning them with the duration of the Strategic Plan. The Plan identified areas that need to be incorporated and delivered. It was also noted that the main lessons highlighted here and the overall

experience from the incumbent Plan be used to formulate programme based Plan moving forward. The assessment of the gaps, challenges and opportunities was done for each pillar. The table below plots out some of the most outstanding Gaps, Challenges and Opportunities emanating from the Strategic Plan implementation.

Table 3.6: Gaps, Challenges and Opportunities Plan

PILLAR	CHALLENGES/GAPS	OPPORTUNITIES
1.Sustainable Environment	Stale or gaps in legal framework and regulations (Tourism Act Cap.381 and 4th Schedule)	The Act and the regulations to be reviewed and strengthened.
	Adhering to legislations, policy and Government Circulars as well as best practices	Mainstream on all legislation and Government Circulars.
	Prioritization of Hospitality Capacity Building support	Prioritize implementation of capacity building programs.
	Inadequate funds to support Funds' functions effectively.	Enhance revenue collection and strategic partnerships to expand revenue
2.Institutional Capability and Competence	Slow implementation of HR Programmes.	Management goodwill and commitment to undertake HR programs
	Inadequate policy to guide investment (TF master plan not developed)	Develop a Tourism Fund Investment Policy and Strategy as well as a Master Plan
	Untimely staff sensitization on TF policies.	Enhance staff sensitizations activities
	Inadequate staffing levels in some roles	Rationalize staff placement
	Inadequate consolidated Business continuity and disaster recovery plan	Enhance Business continuity and disaster recovery plan to staff
	Inadequate training and sensitizing staff on culture & core values that the Fund ascribes to	Develop and implement Tourism Fund's Culture Change programs
	Low digitalization levels in TF	Improve digitalization of process & services
3.Resource Mobilization	Slow process of actualizing the proposed amendments of Tourism Act and Regulations	Intervention by the board of trustees/ AG & the Parent ministry
	Inadequate policies and guidelines on investments for Tourism Fund	Support from the new regime on reviewing of existing laws to improve service delivery
	Staff Redeployment to fully actualize resource mobilization and Investments	Exploit internal capacity to build capacity to operationalize Resource Mobilization
	Prioritization of government agenda	Aligning strategies to Gov't priority agenda to expand revenue base
	Partnerships in Product Development	Improve on collaborations
	Collection of Levy Revenue in the areas not yet paying Tourism Levy	Diversification of Tourism Products
	Lack MOU of information sharing from other institutions	Improve on collaborations

PILLAR	CHALLENGES/GAPS	OPPORTUNITIES
4.Support Tourism Sector's Sustainable Development	Inadequate resources to operationalize some TF mandate	Operationalize functions fully
	Overlaps in departmental functions and roles	Review organizational structure and clarify departmental functions
	Conflicting roles/ activities between Tourism Fund and other agencies	Work with SAGAs and Council of Governors to clarify roles and mandates
	Inadequate policies and guidelines	Prepare relevant policies

Incorporating the foregoing opportunities been done by having Departments formulating activities around core programmes for which functions and roles are hinged.

3.1.5.3 Key Lessons Learnt

In retiring the incumbent Fund Strategic Plan for 2019/20 – 2023/24, it was a matter of consequence that the plan that follows is improved and better aligned. Lessons learnt from the Fourth-Generation Plan intended to enable the Fund schedule, target and implement better were necessities for a more efficient and effective operation and performance. This Plan has also served to prioritize culture change management as well as knowledge management and innovation. Equally, the rationale of the review recognizes the following:

- Enable the Fund achieve its Mission, Vision and Strategies internally and externally.
- Rationalize and transform internal processes and procedures in order to improve efficiency and effectiveness.
- Enhance resource mobilization and allocation using innovative strategic approaches

This Strategic Plan FY2024/25 – 2028/29, informed by Covid-19 experiences, has deliberately incorporated disaster preparedness. Particular attention was placed on possibility of disasters, especially those that may have direct impact on the tourism industry. Cushioning the Fund and supported institutions have been factored in the Plan.

3.2 Stakeholders Analysis

The Fund's Stakeholders mapping was done to discern main strategic issues that the planning needs to appreciate and incorporate or manage. The profiling categorized the stakeholders into seven groupings, two (2) of which were internal,

namely; Board of Trustees and' Management and staff. The other five (5) comprised of external stakeholders that were grouped as MDAs and sister State Agencies; County Governments and Council of Governors (CoG); Tourism Sector Associations; Levy paying Agents and Development Partners, and; Tenants, Service Providers and Contractors.

The main issues together with expectations and needs ensuing from each group were identified and summarized in Table 3.7 below

Table 3.7: Stakeholder Analysis

S.NO	STAKEHOLDER	ROLE	EXPECTATION OF THE STAKEHOLDER	EXPECTATION OF THE ORGANIZATION
1.	Board of Trustees	Strategic direction, governance and oversight	• Implementation of Fund's Functions provided in the Tourism Act, CAP 381 • Timely and appropriate facilitation of BOT	• Strategic direction and leadership • Approval of policies and regulations • Strategic engagement and lobbying for resources and favorable positions
2.	Management and Staff	Execution of functions of the Fund	• Reward and Growth • Job satisfaction • Training	• Adherence to rules and regulations • Excellent delivery of services • Optimal productivity
3.	Ministry of Tourism and Wildlife	Sector Coordination and Policy Development Budget and resource allocation	• Implementation policies and mandated functions	• Development of suitable policies • Timely release of exchequer • Strategic sector coordination and direction
4.	Kenya Tourism Board	Marketing destination Kenya	• Provide adequate funding for marketing	• Acknowledgement of Tourism Fund financing • Marketing Destination Kenya • Prudent use of marketing funds • Competitive Marketing
5.	Kenya Utalii College	Training in hospitality and tourism	• Provide adequate funding for training	• Acknowledgement of Tourism Fund financing • Offer quality training in hospitality and tourism
6.	Tourism Protection Unit	Provision of protection services to Tourists and	• Provide adequate funding of protection services	• Acknowledgement of Tourism Fund financing • Offer effective and adequate protection services

S.NO	STAKEHOLDER	ROLE	EXPECTATION OF THE STAKEHOLDER	EXPECTATION OF THE ORGANIZATION
		tourism interests		
7.	Tourism Research Institute	Undertake tourism sector research	• Provide adequate funding for research	• Acknowledgement of Tourism Fund financing • Undertake quality research • Support the fund on thematic research to improve productivity • Support on dissemination of research findings in the tourism and data sharing
8.	Tourism Regulatory Authority	Sector standards development and regulation	• Sector liaison and support for tourism development	• Sector liaison and support for tourism development
9.	County Governments and the Council of Governors	Execute devolved functions relating to local tourism as stipulated in the Fourth Schedule of the Constitution of Kenya, 2010	• Support County tourism activities and development	• Cooperation in service delivery and execution of tourism fund functions in resource mobilization, capacity building, and establishment of hospitality and tourism colleges
10.	Tourism Sector Associations and Others	Promote industry standards and oversight over their members	• Supporting activities of TSAs • Collaboration and Information Sharing • Supporting Tourism sector training and capacity building	• Support and resources in fulfilling TF mandate
11.	Levy Paying Establishments, Partners and	Industry owners and operators	• Sensitization and education on levy payment	• Cooperation and support in the

S.NO	STAKEHOLDER	ROLE	EXPECTATION OF THE STAKEHOLDER	EXPECTATION OF THE ORGANIZATION
	Revolving Fund Beneficiaries	rendering services	• Collaboration and Information Sharing • Supporting Tourism circuits by marketing	execution of TF functions • Compliance with sector laws and regulations • Timely remittance of tourism levy
12.	Tenants	Occupation and use of Tourism Fund Building	• Market rate charges of lettable space • Secure and well-maintained premises • Provision of support services and amenities	• Timely remittance of rent • Careful and prudent use of property
13.	Service Providers	Provision of procurable goods and services	• Timely transactional services and support • Timely payment of goods and services delivered • Transparency in procurement processes	• Timely provision of high-quality goods and services

CHAPTER

4

Strategic Issues, Goals and Key Result Areas

This Chapter provides a comprehensive overview of the Strategic Issues, Strategic Goals and Key Result Areas that the Fund will pursue in implementation of its Mandate.

4.1 Strategic Issues

The analyses in Chapter 3 above raises several issues that are of strategic importance to the Fund. The issues are interrelated and, in some cases, repeated under various analyses. In building the strategic direction, a number of issues of high impact and consequence to the Fund's sustainability and effective performance, were identified.

Strategic Issue 1: Financing of Tourism Sector Development

The Fund is charged with the responsibility to fund activities that are priority for the development of tourism industry in Kenya. Tourism Fund is to be the lead source of fund that supports rebound, finances product development and marketing, cushions tourism investments post disasters, political chaos and violence as well as negative travel advisories impacts.

Goal 1: Sustainable Source of Fund for Tourism Sector Development

Strategic Issue 2: Strategic Partnerships, Linkages and Support

The Fund stakeholders are diverse with equally divergent expectations. Devolution of Government and the thrust of prioritizing resource mobilization places stakeholders' engagement and maintenance of development linkages and partnerships as crucial and critical. Equally, the Fund should note and act on the need to support Tourism Associations to function effectively for the overall improvement of quality of services in the Sector for it is strategic and critical. Tourism Sector Associations in their nascent stage are faced with low membership and remittances by their membership, thus, lack funds to function effectively. This renders sectors associations' lobbying capacity and contribution to standards development and voluntary enforcement to remain weak. This is a fact which consequently slows standardization and erodes service quality and traction in tourism development in the long run.

Goal 2: Enhanced linkages with strategic partners and stakeholders.

Strategic Issue 3: Capacity Building of Tourism Sector Personnel

The industry stakeholders, going by the traditional mandate for which the Fund was established, is looking unto the Fund to remain true to her core primary and historical role of funding the establishment of colleges and supporting capacity building for the tourism sector personnel in order to entrench quality service and growth. Expanding opportunities, access and support is at the centre of expectations and is core to traction in the destination development of tourism.

Goal 3: Improved human capital competence and service quality in the Tourism Industry

Strategic Issue 4: Institutional Capacity and Competence

The Fund, through the Tourism Act got expanded mandate and is operating on a fast-changing skill base and service processes terrain. The need to work smart, institute and deploy technology and modern working infrastructure cannot be gainsaid. The Constitution of Kenya outlines the national values, and; right to accessible quality services among other standards to align to. And related to this is the Presidential directive to digitalize services while

instituting austerity measures and prudence in budget use, all against thinning workforce, calls for reengineering services and processes, and; that the organization to restructure and adapt its functions to best practices.

Goal 4: Optimal institutional capacity and competence in service delivery

4.2 Strategic Goals

In fulfilling its mandate, coping with the changing dynamics and operating environment pressures and, the issues arising from the situational and stakeholders' analysis, the Fund has four overarching goals. The overarching goals are also overlapping and interconnected. The success in one has multiple dimensions and is contingent upon the success in the other dimensions. Equally, success in one goal has a ripple effect and impact on the other dimensions and goals.

The overarching goals are as follows:

I. Sustainable Source of Funds for Tourism Sector Development;
II. Enhanced linkages with strategic partners and stakeholders;
III. Improved human capital competence and service quality in the Tourism Industry and;

IV.   Optimal   institutional   capacity
and   competence   in   service
delivery.

4.3 Key Result Areas

In resolving the overarching goals arising from the prioritized strategic issues, a
total of four (4) Key Result Areas (KRAs) have been identified and scheduled for
realization in this Strategic Plan period. The set of KRAs were determined to
embrace all the Departmental strategic activities and programmes. The KRAs here
guided the strategies portfolio preferred to facilitate action plans that will guide
implementation. Table 4.1 below provides a tabulation of Strategic Issues, Goals
and Key Result Areas (KRAs).

Table: 4.1: Strategic Issues, Goals and Key Result Areas (KRAs)

STRATEGIC ISSUE	GOAL		KRAS
Financing of Tourism Sector Development	Sustainable Source of Fund for Tourism Sector Development	KRA1	Fund Portfolio
Strategic Partnerships, Linkages & Support	Enhanced Linkages with Strategic Partners and Stakeholders	KRA 2	Strategic Partnerships Portfolio
Capacity Building of Tourism Sector Personnel	Improved Human Capital Competence and Service Quality in The Tourism Industry	KRA 3	Hospitality and Tourism Training and Capacity Building
Institutional Capacity and Competence	Optimal Institutional Capacity and Competence in Service Delivery	KRA 4	Quality Services-Based Operation

The foregoing tabulation strategic issues and the respective goals has a total of four
(4) KRAs prioritized to rally operations towards fulfilling the Fund's mandate. These
have been operationalized into strategic objectives and actionable programmes in
the next Chapter.

CHAPTER

5

Strategic Objectives and Strategies

This Chapter outlines the strategic objectives and strategies that are prioritized to operationalize the Fund's Issues, Goals and KRAs. The prioritization of the Strategic Objectives and the facilitating strategies has been done a gainst the backdrop of the operation environment, stakeholders' needs and sustainability demands. Sustainable Balance Scorecard perspectives have been used to context the strategies into six perspectives, namely; Financial Performance; Customer Focus; Internal Business Processes; Learning and Growth; Social Justice, and; Environmental Performance.

5.1 Strategic Objectives

In formulating the prioritized strategic objective, care has been exercised to ensure that a 360-degree context that also resonate with the recommended BSC's six perspectives are aligned. The Strategic Objectives and the projected targets covering the five years of this Strategic Plan have been identified and tabulated as in Table 5.1 below.

Table 5.1: Outcomes Annual Projections

STRATEGIC OBJECTIVE	OUTCOME	OUTCOME INDICATOR	YEAR 1 (2024/25)	YEAR 2 (2025/26)	YEAR 3 (2026/27)	YEAR 4 (2027/28)	YEAR 5 (2028/29)
			Projections				
Strategic Objective	Outcome	Outcome Indicator	Year 1	Year 2	Year 3	Year 4	Year 5
KRA1: Fund portfolio							
SO1: To enhance the Fund's resource base	Growth in the Tourism fund revenue	Annual growth of the fund (KShs.)	5.50 B	6.05 B	6.655 B	7.321 B	8.05 B
		Resource Mobilization (KShs Bn)	1.2	1.56	2.028	2.36	3.427
		Returns from Investment (KShs Bn)	-	-	0.160	0.3328	0.5203
		TTRF Recoveries (KShs Bn)	-	-	0.0071	0.0194	0.0414
		Other Income (Rent, and Others)	0.073	0.076	0.080	0.081	0.082
		Fund Portfolio (KShs. Bn)	6.773	8.686	8.9301	10.1142	12.1207
	Improved Efficiency	Operation Cost /Total Revenue (%)	23.05	20.25	20.82	19.88	17.87
KRA2: Strategic partnerships portfolio							
SO2: To expand collaboration and partnerships with stakeholders and development partners	Improved collaboration and partnership with stakeholders	No. of bankable partnerships established	5	6	8	10	12
KRA 3: Hospitality and tourism training and Capacity Building							
SO3: To improve quality of service delivery and tourism sector competency	Improved service delivery and professionalism in the tourism industry	Customer satisfaction index	80	82	84	85	86
KRA 4: Quality services-based operation							
SO4: To enhance quality of service delivery and resource optimization	Accountable, efficient and effective operation	Performance score	2.1500	2.1000	2.0500	2.0000	1.95000
SO5: To enhance human resource capacity in the Fund	Optimal staff productivity	Productivity index	2.1	2.2	2.3	2.4	2.5

5.2 Strategic Choices and Facilitating Strategies

The realization of the foregoing strategic objectives shall be done through numerous programmes. Table 5.2 below provides a summary of the strategic objectives and the respective facilitating programmes.

Table 5.2: Summary of Strategic Objectives and Facilitating Strategies

KEY RESULT AREA	STRATEGIC OBJECTIVE	STRATEGIES
KRA1: Fund portfolio	**SO1**: To enhance the Fund's resource base	**S1**: Increase tourism Levy Collection
		S2: Enhance resource mobilization
		S3: Operate Tourism Training Revolving Fund
		S4: Invest in and through tourism product and service development
KRA2: Strategic partnerships portfolio	**SO2**: To expand collaboration and partnerships with stakeholders and development partners	**S5**: Create and work with dependable and relevant stakeholders and partners
		S6: Institutionalize market development and marketing to position the Fund's offerings
KRA 3: Hospitality and tourism training and Capacity Building	**SO3**: To improve quality of service delivery and tourism sector competency	**S7**: Expand training opportunities and reach for tourism industry career development
		S8: Provide accessible refresher training for the tourism sector workforce
		S9: Establish dynamic and thriving innovations hub supporting tourism industry
KRA 4: Quality services-based operation	**SO4**: To enhance quality of service delivery and resource optimization	**S10**: Institutionalize compliance with National Policies, statutory obligation and best practices
		S11: Institutionalize and maintain favorable culture
		S12: Digitalize services to and for optimal productivity
	SO5: To enhance human resource capacity in the Fund	**S13**: Attract, retain and operate on aligned skill-to-job regime

CHAPTER

6
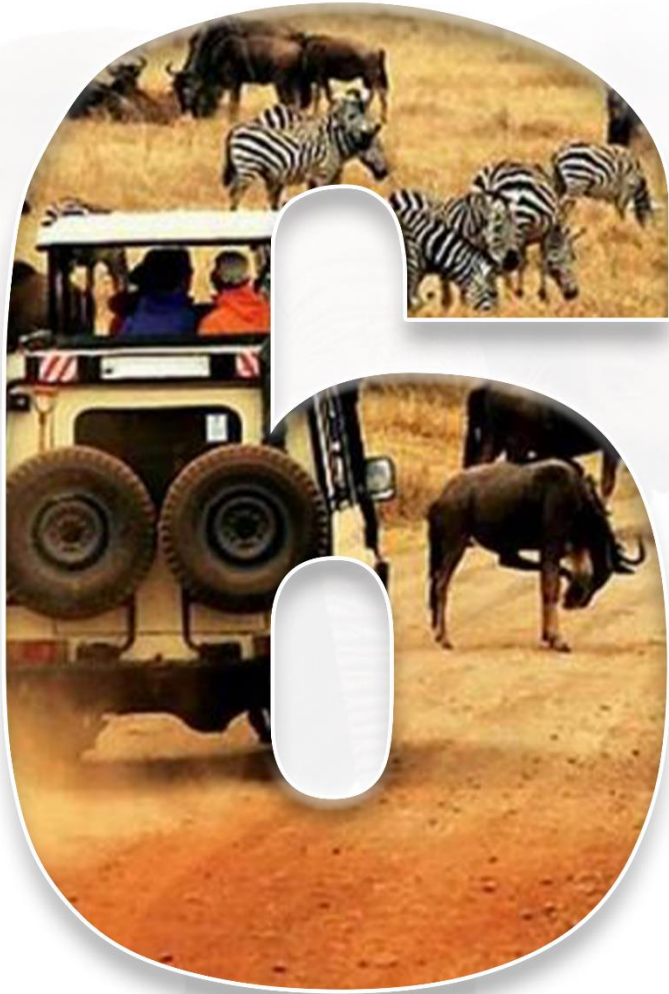
Strategy Implementation & Coordination Framework

This Chapter outlines the Action Plan for the delivery of the Strategic Activities through Work Plan Schedule. The Chapter provide details on Performance Contracting and Management to steer implementation and the institutional Framework to deliver on the Plan. The Section also elaborates on leadership and staff establishment including necessary skills base necessary for execution of the Plan. The Chapter ends with Risk Management Framework that defines the implementation environment.

6.1 Cycle 5 Strategy Implementation Plan

The implementation plan shall follow the set financial year schedule. These shall be programmed vide Annual Work Plans. The facilitating Action plans shall premise budgets and implementation time schedule.

6.1.1 Action Plan

The action plan for the implementation of this strategic plan constitutes the tr for execution of the activities, as detailed in the Annual Work Plan matrix. Annual Work Plans shall be developed and reviewed for use every financial year in time to premise the budgetary process. The same shall guide plan delivery, Monitoring, Evaluation and Reporting (MER) and the general performance management. The same shall form the basis for prioritizing performance contract targets setting.

Table 6.1: Implementation Matrix

Strategic Issue: Financing of Tourism Sector Development
Strategic Goal: Sustainable Source of Fund for Tourism Sector Development
KRA 1: Fund portfolio
Outcome: Growth in the Tourism fund revenue
Strategic Objective 1: To enhance the Fund's resource base

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET Y1	Y2	Y3	Y4	Y5	BUDGET (KSH. MN) Y1	Y2	Y3	Y4	Y5	RESPONSIBILITY* Lead	Support
S1: Increase tourism Levy Collection	S1.1: Sensitise and Register Tourism Levy Payers	Tourism Levy payers sensitized and registered	% of levy payers sensitized	100	100	100	100	100	100	16	16	16	16	16	LC	All
			No. of new levy payers registered	9150	1600	1750	1900	1900	2000	-	-	-	-	-	LC	All
	S1.2: Undertake verification of establishment data base	Levy payers' establishments mapped	Updated register of levy payers (%)	100	100	100	100	100	100	12	12	12	12	12	LC	All
	S1.3: Conduct Assessments of establishment records	Compliance assessments conducted	% level of compliance	75	72	73	74	74	75	-	-	-	-	-	LC & LE	IA
			No. of establishments assessed	80000	16000	16000	16000	16000	16000	14	14	14	14	14	LE & LC	
			% of non-compliance cases handled	100	100	100	100	100	100	-	-	-	-	-	LE	
	S1.4: Manage levy debt recovery	Reduced debt level	% of debt level	100	100	100	100	100	100	10	10	10	10	10	LE	CS&LS
	S1.5: Review levy collection framework	Levy collection framework reviewed	Updated levy collection framework	2	1	-	-	-	1	5	-	-	-	5	LC & LE	CS&LS
	S1.6: Review Compliance Policy & Strategy	Compliance Policy & Strategy reviewed	Reviewed Compliance Policy & Strategy	1	-	-	-	1	-	-	-	-	5	-	LC & LE	RSP
	S1.7: Develop proposal for amendment for the review of the Legal Framework	Proposals for amendment of the legal framework developed	No. of proposals	2	1	-	-	-	1	5	-	-	-	5	LC & LE	CS&LS

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET Y1	Y2	Y3	Y4	Y5	BUDGET (KSH. MN) Y1	Y2	Y3	Y4	Y5	RESPONSIBILITY Lead	Support
	S1.8: Sensitize stakeholders on expansion of tourism levy base	Stakeholders sensitised on expansion of tourism levy base	No of stakeholder forums held	35	7	7	7	7	7	10.5	10.5	10.5	10.5	10.5	LC	CCM RF RM
S2: Enhance resource mobilization	S2.1: Review Resource Mobilization Strategy	Resource Mobilisation Strategy Reviewed	Resource Mobilisation Strategy	1	1	-	-	-	-	5	-	-	-	-	RM	RSP
	S2.2: Establish and maintain partnerships and collaborations	Resource Need Analysis conducted	Resource Need Analysis report	1	1	-	-	-	-	15	-	-	-	-	RM	RSP
		Profile potential development partners	Database of potential development partners	1	1	-	-	-	-	15	-	-	-	-	RM	RSP
		Bankable Funding proposals developed	No. of bankable funding proposals developed	50	10	10	10	10	10	-	-	-	-	-	RM	
			Amount secured from bankable proposals/pitches made (KShs. Billion)	50	10	10	10	10	10	5	5	5	5	5	RM	
		Outreach and engagements with development partners undertaken	No. of outreach programmes	50	10	10	10	10	10	20	20	20	20	20	RM	
S3: Operate Tourism Training Revolving Fund	S3.1: Develop and operationalize a student-cantered need-based loaning scheme	Tourism sector Training loan need assessment undertaken	Training loan need assessment reports	1	-	-	-	1	-	-	-	-	5	-	RF	
	S3.2: Market and position tourism training revolving fund	Tourism revolving fund marketing undertaken	Customer awareness index	70	50	55	60	65	70	10	10	10	10	10	RF	CCM
			No. of marketing campaign forums	50	10	10	10	10	10	-	-	-	-	-	RF	CCM
	S3.3: Build adequate and sustainable	Tourism Training Revolving Fund financed	Amount of money available for loaning (Kshs. Billion)	2.09	0.14	0.24	0.43	0.57	0.71	-	-	-	-	-	Board	FA RF

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET Y1	Y2	Y3	Y4	Y5	BUDGET (KSH. MN) Y1	Y2	Y3	Y4	Y5	RESPONSIBILITY* Lead	Support
	tourism training revolving fund															
	S3.4: Establish and institutionalize effective loan recovery system	Loan recovery system established and institutionalized	% of Operationalisation of the loan recovery system	100	75	25	-	-	-	3	2	-	-	-	RF	IA FA CS&LS
		Loan recovery system automated	Automated Loan Recovery System	1	-	-	1	-	-	-	-	5	-	-	RF	IA FA CS&LS ICT
	S3.5: Disburse tourism training revolving fund loans	Training revolving fund loans	Amount of loan disbursed	8	1.2	3	4.8	6.4	8	-	-	-	-	-	Board	FA RF
		disbursed	Disbursement Level (%)	100	100	100	100	100	100	-	-	-	-	-	RF	FA IA
			Annual Loan disbursement report	5	1	1	1	1	1	-	-	-	-	-	RF	FA RSP IA
	S3.6: Establish a merit-based scholarship and bursaries options	Framework for Merit-based Scholarship established	Scholarship Framework	1	1	-	-	-	-	5	-	-	-	-	RF	RSP
		Scholarships awarded	Amount availed for scholarship (Kshs. Millions)	110	7.5	12.5	22.5	30	37.5	-	-	-	-	-	RF	CCM FA
			No. of beneficiaries	1390	95	158	284	379	474	-	-	-	-	-	RF	FA
			Annual scholarship report	5	1	1	1	1	1	-	-	-	-	-	RF	CCM FA
S4: Invest in and through tourism product and service development	S4.1: Develop/review National Tourism Product and Services Opportunities and Potential Profile	National Tourism Product and Services Opportunities and Potentials Profile developed	National Tourism Product and Services Opportunities and Potentials report	2	1	-	-	-	1	8	-	-	-	8	RM	RSP

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET					BUDGET (KSH. MN)					RESPONSIBILITY*	
					Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
	S4.2: Design and develop tourism products and services for financing	Conduct feasibility study	Feasibility study Report	10	2	2	2	2	2	5	5	5	5	5	RM	RSP
	S4.3: Develop funding proposals for going green for	Funding proposals for tourism product developed	No. of Product development proposals	10	2	2	2	2	2	7	7	7	7	7	RM	
	tourism, blue economy,	Pitch and/or negotiate and signed contract	Number of Pitches and signed contract	10	2	2	2	2	2	1	1	1	1	1	RM	CCM CS&LS
	expanded home for wildlife, cultural restoration and preservations through tourism, development of social amenities/leisure centres for tourism.	signed contract	Number of Tourism product development projects	10	2	2	2	2	2	-	-	-	-	-	RM	FA CS&LS
			Level of investment in tourism product development (Kshs in Billions)	13.86	1.8	2.16	2.63	3.24	4.03	-	-	-	-	-	RM	FA

Strategic Issue: Strategic Partnerships, Linkages & Support

Strategic Goal: Enhanced linkages with strategic partners and stakeholders

KRA 2: Strategic partnerships portfolio

Outcome: Improved collaboration and partnership with stakeholders

Strategic Objective 2: To expand collaboration and partnerships with stakeholders and development partners

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
S5: Create and work with dependable and relevant stakeholders and partners	**S5.1:** Review and implement stakeholder engagement strategy	Stakeholder engagement strategy reviewed	Reviewed stakeholder engagement strategy	2	1	-	-	-	1	3.5	-	-	-	3.5	CCM	RM RF LS
		Stakeholder engagement strategy implemented	Implementation report	5	1	1	1	1	1	-	-	-	-	-	CCM	RM RF LS RSP

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET					BUDGET (KSH. MN)					RESPONSIBILITY*	
					Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
	S5.2: Profile and update the Fund's key stakeholders	Key Stakeholders profiled	Level of update of Stakeholders profile (%)	100	100	100	100	100	100	-	-	-	-	-	CCM	RSP
			Stakeholder profile report	2	1	-	-	-	1	3.5	-	-	-	3.5	CCM	RSP
		Stakeholders needs assessment conducted	Stakeholder needs assessment report	2	1	-	-	1	-	3.5	-	-	3.5	-	CCM	RM RF LS RSP
	S5.3: Undertake stakeholder engagement	Stakeholder engagement forum held	No. of forums held	50	10	10	10	10	10	15	15	15	15	15	CCM	RM RF LS
	S5.4: Develop and Implement CSR&I plan	CSR&I plan developed	CSR&I plan	2	1	-	-	-	1	3.5	-	-	-	3.5	CCM	RM RF LS RSP
		CSR&I plan implemented	Implementation report	5	1	1	1	1	1	-	-	-	-	-	CCM	RSP
			Amount of investment in CSR&I (% of operation budget)	5	5	5	5	5	5	40.5	45	46	48	50	CCM	RSP
S6: Institutionalize market development and marketing to position the Fund's offerings	S6.1: Develop and implement the Funds Branding and Marketing Strategy	Tourism Fund Branding and Marketing Strategy	Branding and Marketing Strategy	1	1	-	-	-	-	5	-	-	-	-	CCM	All
		Marketing Strategy developed and implemented	Implementation level (%)	100	100	100	100	100	100	20	20	20	20	20	CCM	All
		Media Mentions	Media Value	100	100	100	100	100	100	10	10	10	10	10	CCM	
	S6.2: Develop and Implement a TF Brand campaign plan	Tourism Fund branding undertaken	Brand Visibility Index	75	56	61	66	71	75	-	-	-	-	-	CCM	ALL
			Brand Visibility net worth	7.5	1.5	1.5	1.5	1.5	1.5	-	-	-	-	-	CCM	ALL
			Implementation report	5	1	1	1	1	1	-	-	-	-	-	CCM	RSP

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET Y1	Y2	Y3	Y4	Y5	BUDGET (KSH. MN) Y1	Y2	Y3	Y4	Y5	Lead	Support
	S6.3: Review and Implement Tourism Fund's Communication Strategy (social media update, event communiques, newsletters)	Tourism Fund's Communication Strategy reviewed and implemented	Communication Strategy	1	1	-	-	-	-	5	-	-	-	-	CCM	RSP
			Implementation level (%)	100	100	100	100	100	100	-	-	-	-	-	CCM	All
Strategic Issue: Capacity Building of Tourism Sector Personnel																
Strategic Goal: Improved human capital competence and service quality in the Tourism Industry																
KRA 3: Hospitality and tourism training and capacity building																
Outcome: Improved service delivery and professionalism in the tourism industry																
Strategic Objective 3: To improve quality of service delivery and tourism sector competency																
S7: Expand training opportunities and reach for tourism industry career development	S7.1: Establish, equip and control hospitality and tourism training colleges	RNUC established and equipped	Completion level of RNUC (%)	100	100	-	-	-	-	-	-	-	-	-	RM	FA RSP
		Hospitality and tourism training college in Kisumu established and equipped	Completion level (%)	100	5	35	65	85	100	120	200	300	360	460	RM	FA RSP
	S7.2: Establish and equip the development and operationalisation of online training platform	Online training platform developed	Functional online training platform commissioned (%)	100	5	35	65	85	100	60	100	150	150	100	RM	ICT
S8: Provide accessible refresher training for the tourism sector workforce	S8.1: Undertake tourism industry skill gap analysis	Tourism industry skill gap analysis undertaken	Skill Gap analysis report	2	1	-	-	-	1	5	-	-	-	5	RF	RM CCM LS
		Implement recommendations of the training gap analysis	Level of implementation by thematic areas (%)	100	10	35	60	85	100	-	-	-	-	-	RF	RM CCM LS RSP
	S8.2: Develop tourism sector refresher training	Tourism sector refresher training	Refresher training framework	1	1	-	-	-	-	5	-	-	-	-	RF	RM CCM

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET					BUDGET (KSH. MN)					RESPONSIBILITY*	
					Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
	refresher training framework	framework developed														LS RSP
	S8.3: Conduct refresher training for tourism sector	Refresher training conducted	No. of forums	94	13	15	18	22	26	40	40	40	40	40	RF	RM CCM LS
			No. of trained workforce	18,800	2600	3000	3600	4400	5200	-	-	-	-	-	RF	RM CCM LS
	S8.4: Conduct tourism sector competency evaluation	Tourism Sector competency evaluation conducted	Competency evaluation report	2	-	-	1	-	1	-	-	5	-	5	RF	RM CCM LS RSP
S9: Establish dynamic and thriving innovations hub supporting tourism Industry	S9.1: Establish and operate an innovation hub for the tourism sector	Innovation hub feasibility study undertaken	Feasibility study report	1	1	-	-	-	-	5	-	-	-	-	RF	RM CCM LS RSP
		Innovation hub operationalisation framework developed	Innovation hub operationalisation framework	1	-	1	-	-	-	-	5	-	-	-	RF	RM CCM LS RSP ICT
		Tourism sector innovation hub established and operationalised	Level of completion of the Tourism hub (%)	100	10	30	50	80	100	5	5	5	5	5	RF	RM CCM LS RSP ICT
	S9.2: Sensitize stakeholders on the existence and use of tourism sector innovation hub	Stakeholders sensitized	No. of forums	10	-	-	4	3	3	-	-	10	5	5	RF	RM CCM LS
	S9.3: Develop and operate a recognition and reward-based framework	Reward and recognition framework developed	Reward and recognition framework	1	1	-	-	-	-	5	-	-	-	-	RF	RM CCM LS RSP ICT

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET					BUDGET (KSH. MN)					RESPONSIBILITY*	
					Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
			No. of innovations	8	-	2	2	2	2	-	10	10	10	10	RF	RM CCM LS RSP ICT FA
Strategic Issue: Institutional Capacity and Competence																
Strategic Goal: Optimal Institutional capacity and competence in service delivery																
KRA 4: Quality services-based operation																
Outcome: Accountable, efficient and effective operation																
Strategic Objective 4: To enhance quality of service delivery and resource optimization																
S10: Institutionalize compliance with National Policies, statutory obligation and best practices	S10.1: Develop/review and implement Tourism Fund's operation policies and strategies in all functional areas	Tourism Fund operations policies developed/reviewed	Operational Policies developed/reviewed	100	100	100	100	100	100	10	10	10	10	10	RSP	All
	S10.2: Develop/review Tourism Fund Policy and Strategy Implementation Frameworks for functional units	Tourism Fund Policy and Strategy Implementation Framework developed/reviewed	Frameworks developed (%)	100	100	100	100	100	100	10	10	10	10	10	RSP	All
	S10.3: Develop/review Tourism Fund Operations Plans	Tourism Fund Operations Plans developed/reviewed	Tourism Fund Strategic Plan	2	-	-	1	-	1	-	-	5	-	8	RSP	All
			Corporate Tourism Fund Annual Workplan/ Procurement Plan (Departmental Annual Workplan)	5	1	1	1	1	1	5	5	5	5	5	RSP SCMS	All

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET					BUDGET (KSH. MN)					RESPONSIBILITY*	
					Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
			Performance Contract and, Productivity Mainstreaming	5	1	1	1	1	1	8	8	8	8	8	RSP	All
			Tourism Fund MTEF Budget Proposal	5	1	1	1	1	1	10	10	10	10	10	RSP FA	ALL
	S10.4: Develop and Implement Tourism Fund Sustainability Policy and Strategy	Tourism Fund Sustainability Strategy developed and implemented	Tourism Fund Sustainability Policy and Strategy	1	-	1	-	-	-	-	8	-	-	-	RSP	All
			Level of Implementation (%)	100	-	-	30	60	100	-	-	3.5	3.5	3.5	RSP	All
	S10.5: Monitor and evaluate implementation of the Tourism Fund operation plans	Tourism Fund operational plans implemented	Level of Implementation (%)	100	100	100	100	100	100	-	-	-	-	-	RSP	All
			No. of reports	50	10	10	10	10	10	5	5	5	5	5	RSP	All
	S10.6: Undertake legal and regulations audit and review	Legal and Regulation audit and review undertaken	Legal/regulation Audit and review report	2	-	1	-	1	-	-	5	-	5	-	CS & LS	All
	S10.7: Develop and implement disbursement policy and instruments	Disbursement Policy and Instruments developed and implemented	Disbursement policy	1	1	-	-	-	-	5	-	-	-	-	FA	RM
			Fund disbursement report	5	1	1	1	1	1	-	-	-	-	-	FA	RM
S11: Institutionalize and maintain favourable culture	S11.1: Develop and implement an organisational culture change plan	Tourism Fund culture change plan developed	TF Organisational Culture Change plan	2	1	-	-	-	1	5	-	-	-	5	HRA	All
			Level of Implementation	100	100	100	100	100	100	10	10	10	10	10	HRA	All
	S11.2: Undertake Staff Welfare and Development Advocacy and Information	Staff Welfare and Development Advocacy and Information undertaken	No. of engagements	60	12	12	12	12	12	10	10	10	10	10	HRA	All

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET					BUDGET (KSH. MN)					RESPONSIBILITY*	
					Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
S12: Digitalize services to and for optimal productivity	S12.1: Undertake an information, technology and communication needs analysis	ICT needs analysis undertaken	ICT Need analysis report	2	1	-	-	-	1	5	-	-	-	5	ICT	All
	S12.2: Develop an ICT Policy & Strategy	ICT Policy & Strategy Developed	ICT Strategy	2	1	-	-	-	1	5	-	-	-	5	ICT	All
		Implement recommendation of the ICT Strategy	Level of implementation (%)	100	100	100	100	100	100	15	15	15	15	15	ICT	All
	S12.3: Re-engineer and Automate internal services and processes (and BPR)	Services and Process re-engineered and automated	Level of Implementation of (%)	100	100	100	100	100	100	-	-	-	-	-	ICT	All
			Level of Automation (%)	85	75	78	80	82	85	15	15	15	15	15	ICT	All

Strategic Issue: Institutional Capacity and Competence

Strategic Goal: Optimal institutional capacity and competence in service delivery

KRA 4: Quality services-based operation

Outcome: Optimal staff productivity

Strategic Objective 5: To enhance human resource capacity in the Fund

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
S13: Attract, retain and operate on a aligned skill-to-job regime	S13.1: Undertake a change management training for staff members	Change Management Training for Staff undertaken	Level of training need responsiveness (%)	100	100	100	100	100	100	10	10	10	10	10	RSP	HRM
	S13.2: Undertake a Need-Based Staff Competency Development	Need Based Staff Competency Development undertaken	Need Based Staff Competency Development Annual Report	5	1	1	1	1	1	50	50	50	50	50	HRM	All
	S13.3: Undertake Staff Sensitization on Departmental Roles and Functions	Staff Sensitization on Departmental Roles and Functions undertaken	No. of fora (by department)	70	14	14	14	14	14	2	2	2	2	2	RSP	All

STRATEGY	KEY ACTIVITIES	EXPECTED OUTPUT	OUTPUT INDICATORS	TARGET FOR 5 YEARS	TARGET					BUDGET (KSH. MN)					RESPONSIBILITY*	
					Y1	Y2	Y3	Y4	Y5	Y1	Y2	Y3	Y4	Y5	Lead	Support
	S13.4: Develop/Review an elaborate Tourism Fund Succession Plan (and Knowledge Management)	Tourism Fund Succession Plan developed/reviewed	Tourism Fund Succession Plan	2	1	-	-	-	1	5	-	-	-	5	HRM	All
			Level of implementation (%)	100	20	20	20	20	20	-	-	-	-	-	HRM	All

6.1.2 Cascading Targets and Performance Contracting

The implementation of this Plan shall utilize performance contracting to cascade and prioritize programme delivery. The format of PC and a hybrid of strategic plan implementation evaluation shall be used to assess delivery. The MER schedule shall be used as has been developed and used for the incumbent Strategic Plan.

6.2 Coordinating Strategic Plan Implementation

This Strategic Plan will be implemented within the Fund's structure as organized in Departments through Annual Work Plans. The Annual Work Plan targets will be cascaded to individual targets. The same will be the basis for performance contracts and budget setting.

Each department is expected to plan and provide regular progress reports on implementation against established deliverables in line with Fund's management schedule and statutory guidelines.

6.2.1 Institutional Framework

The lead responsibility to lead the development, review and coordination of the implementation of the Strategic Plan is with the Manager- Research, Strategy and Planning. The undertaking is assisted by Strategic Plan Development Committee (SPDC) and, Performance Contracting Committee (PCC).

The SPDC and PCC draw membership from all the Departments to enhance championship of delivery, coordination and sensitization.

6.2.2 Competence Base and Capacity Building

Delivery of prioritized strategic activities is by and through the functional Departments. The Fund is staffed to offer the set of skills and competences necessary to anchor the Departmental roles and responsibilities professionally and at acceptable level of service quality. Fund's competence and skill base and internal capacity vide staff establishment are summarized in Table 6.2 and Table 6.3 below.

Table 6.2: Summary of Staff Establishment

CADRE	DESIGNATION	APPROVED ESTABLISHMENT (A)	IN-POST (C)	VARIANCE D=(B-C)
1	CEO	1	0	1
2	Directors	6	3	3
3	Managers/ Deputy Directors	21	16	5
4	Principals	22	15	7
5&6	Senior Officers/ Officers	52	66	14
7&8	Assistant Officers	49	110	61
9/10	Support Staff	48	39	9
Totals		**199**	**249**	**50**

Table 6.3: Skills Set and Competency Development

CADRE	SKILL SET	SKILL GAPS	COMPETENCY DEVELOPMENT
Chief Executive Officer	• Strong analytical skills • Strategic and innovative thinking • Strong interpersonal skills • Strong leadership skills • Negotiation skills	• C-suite Communication • Crisis Management	• C-suite Communication • Conflict Prevention Management and Resolution • Corporate Governance • Public Policy Formulation and Implementation
Director	• Strong analytical skills • Strategic and innovative thinking • Strong interpersonal skills • Strong leadership skills • Negotiation skills • Collaboration	• C-suite Communication • Crisis Management	• C-suite Communication • Negotiation • Conflict Prevention Management and Resolution • Institution Re-Engineering and Change Management • Corporate Governance • Public Policy Formulation and Implementation
Manager	• Interpersonal communication skills • Conflict resolution • Organization and delegation • Planning and strategic thinking	• Project Management • Change Management	• Project Management • Institution Re-Engineering and Change Management • Strategic Leadership Development • Risk Management

CADRE	SKILL SET	SKILL GAPS	COMPETENCY DEVELOPMENT
	• Problem solving • Decision-making • Mentoring		• Public Policy Formulation and Implementation
Principal Officer	• Communication skills • Decision -making skills • Innovation • Leadership skills • Problem solving skills	• Analytical Skills • Supervisory skills	• Data Analytics • Senior Management • Public Service Values and Ethics • Public Policy Formulation and Implementation • Strategic Planning and Implementation • Institution Re-Engineering and Change Management • Innovation and Creativity in Public Service.
Officer/ Senior Officer	• Communication skills • Decision-making skills • Innovation Leadership skills	• Creativity Skills • Analytical skills	• Data Analytics • Ethics, Values and Integrity Development • Public Service Values and Ethics
Assistant Officer/ Senior Assistant Officer	• Organizational skills • Communication skills • Time Management • Performance Management • Inter-personal skills	• Communication skills • Report writing • Records Management • Interpersonal skills	• Report writing, Records Management, Communication skills • Public Service Doctrines and Professional Standards
Office Assistant/Senior Office Assistant	• Organizational skills • Communication skills • Time Management • Performance Management • Inter-personal skills	• Communication skills • Report writing • Defensive Driving • Interpersonal skills	• Report writing • Records Management • Communication skills • Public Service Doctrines and Professional Standards

6.2.3 Leadership

Reporting on Plan implementation be based on incumbent templates adapted to programmatic data collection. Each Department will be expected to generate reports on Management and statutory schedule as already stated above. The CEO takes the overall responsibility on the implementation of the Strategic plan. The Plan implementation; monitoring, evaluation and reporting shall be coordinated by Manager in charge of planning. The Director Strategy will ensure prompt submission of summaries of key results areas and their implementation status to the CEO for presentation to the Board of Trustees, on a quarterly basis.

6.2.4 Systems and Procedures

The Fund is an ISO certified entity that operates on set procedures. The same shall guide the implementation of this Strategic Plan. The institutionalized MER and surveillance on adherence to use of procedures shall apply as coordinated by the Risk and Quality Assurance Department. Non-compliance and non-conformities shall be dealt with and addressed through the set framework.

6.3 Risk Management Framework

The situational analysis was finalized by an assessment of the Fund's risk universe. This Strategic Plan includes strategies and activities aimed at managing the risks and their impacts. The following are some of the risks identified, their level of seriousness and appropriate mitigation.

Table 6.4: Risk Management Framework

S/NO.	RISKS	RISK LIKELIHOOD (L/M/H)	SEVERITY (L/M/H)	OVERALL RISK LEVEL (L/M/H)	MITIGATION MEASURE(S)
1.	Insecurity/Terrorism/ Negative Travel Advisory	Low	High	Medium	Fund the Tourism Protection Service. Support Tourism Crisis management. Implement communication policy.
2.	Negative political influence	High	High	High	Lobby and network to drive a favourable political environment.
3.	Noncompliance with relevant procedures and regulations	Medium	Medium	Medium	Ensure compliance with the all institution's policies, procedures and relevant external laws and regulations.
4.	Low collection of revenues	Medium	Medium	Medium	Enhance collection of Tourism Levy.
5.	Low partnership linkages	Medium	Medium	Medium	Establish and utilize a purposed investment and development networks and partnerships.
6.	Heavy/multiple taxes overburdening levy agents	Medium	Medium	Medium	Clear justification on levy agents on the payment of levy.
7.	Retirement or resignation of experienced staff	Low	Low	Low	Implement a succession management plan.
8.	Inadequate personnel	Low	Low	Low	• Undertake job evaluation to identify the gaps. • Recruit and train staff to expand their capacity.
9.	Lack of diversification of revenue base and sustainability of the fund	Medium	High	High	Diversify the Fund's revenue base.
10.	Inadequate budgetary provision	Medium	High	High	Ensure there is adequate budgetary provision.
11.	Lack of policies on strategic linkages	Medium	High	High	Ensure there are clear strategic linkages.

S/NO.	RISKS	RISK LIKELIHOOD (L/M/H)	SEVERITY (L/M/H)	OVERALL RISK LEVEL (L/M/H)	MITIGATION MEASURE(S)
12.	Failure to operationalize organizational policies	Medium	High	High	Ensure all organizational policies are operationalized.

CHAPTER

Implementation Resource Needs & Mobilization Strategies

This Chapter outlines financial requirements and schedule that is necessary to deliver this Strategic Plan. The mechanism prioritized to facilitate resource mobilization is detailed in the next part. The Chapter is concluded by an explanation on how the finances supporting delivery of the strategic plan shall be managed.

7.1 Financial requirements

Financial requirements for the delivery of the prioritized four (4) KRAs is scheduled by year for the five (5) FYs. Implementation shall require KShs. **9,237.5** Billion. This is detailed by the Department based on proposed programmes as tabulated in Table 7.1 and 7.2 below.

Table 7.1: Financial Requirements for Implementing the Fund's Strategic Plan

COST ITEM	PROJECTED RESOURCE REQUIREMENTS (KSHS. MILLION)					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
KRA 1: Fund portfolio	171.5	112.5	115.5	120.5	128.5	648.5
KRA 2: Strategic partnerships portfolio	109.5	90	91	96.5	105.5	492.5
KRA 3: Hospitality and tourism training and Capacity Building	245	360	520	570	630	2325
KRA 4: Quality services-based operation	185	173	168.5	168.5	191.5	886.5
Administrative Cost	250	275	305	335	350	1,515
Personell Emoluments	600	630	660	720	760	3,370
Total	**1,561**	**1,640.5**	**1,860**	**2,010.5**	**2,165.5**	**9,237.5**

Table 7.2: Resource Gaps

FY	A: ESTIMATED FINANCIAL REQUIREMENTS (KSHS. MILLION)	B: ESTIMATED ALLOCATION (KSHS. MILLION)	VARIANCE (B-A) (KSHS. MILLION)
2024/25	1,561	1,429.00	(132.00)
2025/26	1,640.5	1,572.53	(67.90)
2026/27	1,860	1,729.78	(130.22)
2027/28	2,010.5	1,902.56	(107.94)
2028/29	2,165.5	2,092.92	(72.58)
Totals	**9,237.5**	**8,726.79**	**(510.64)**

Note: Estimated allocation figures used are based on current FY2023/24 approved budget escalated every year at 10%.

7.2 Mobilizing Resources for Plan Implementation - Strategies

The Fund utilizes collected levies and mobilized resources to fund her operations and projects. Authority to utilize revenues realized as A-in-A follows mainstream budgetary cycle and approval. The same is capped by The National Treasury and prudence and efficiency rules requiring the Fund to operate within 25:75% ration apply, going by the current revenue levels and budgetary plan.

7.3 Resource Management

The Fund shall manage resources deployed for the implementation of the scheduled strategic plan activities and programmes within the institutionalized financial and accounting system. Finance and Accounts Department oversighted by the CEO as the lead accounting officer. Budget utilization and analyses thereof shall be monitored and reported vide PC and Strategic Plan monitoring framework within existing evaluation framework to discern and report on utilization and efficiency.

CHAPTER

8

Implementation Monitoring, Evaluation & Reporting

Chis Chapter explains the Framework that the Fund will use in monitoring the implementation. Performance standards and evaluation framework are explained to put all actors on the same understanding. Thus, the Chapter outlines the framework for MER and provide templates to format the evaluation and reports. The Chapter is concluded by indicating roles and responsibilities on MER.

8.1 Monitoring Framework

The monitoring framework provide the basis and frequency of collecting information and reporting on the indicators and the persons in each department, management, directorates, and committees of the Board of Trustees responsible for monitoring performance. It is expected that staff will provide periodic monitoring reports that will be used for decision making, systematic review of progress and remedy of problems during the implementation of this Strategic Plan.

Monitoring of progress and evaluation of results is a key governance process that will enable management assess whether the programs are being implemented as planned. Performance monitoring will be undertaken as an on-going process based on the monitoring framework. The monitoring framework shall outline the results to be monitored, key performance indicators for tracking progress and the baseline data which describes the current status of each indicator.

8.2 Performance Standards

Evaluation and assessment of delivery of this strategic plan shall use Work Plan arising as the basis and reference together with facilitating cascaded deeds. Best practice and practically feasible and comparable benchmarks shall be set for each delivery area. Scheduled timelines and budgets shall be used to determine performance level and quality.

8.3 Evaluation Framework

Second party evaluation shall be conducted by Manager-RSP and reports prepared as per Fund Management schedule. The reports will be tabled, discussed and moderated by Management before presentation to the Board of Trustees for approval and adoption. Subsequently, the reports will be filed with external party, PDU and staff sensitized on main findings to spur performance improvement.

Table 8.1: Outcome Performance Matrix

	KEY RESULT AREA	OUTCOME	OUTCOME INDICATOR	BASELINE TARGET		TARGET	
				Value	Year	Mid-Term	End-Term
1	**KRA1: Fund portfolio**	Growth in the Tourism fund revenue	Annual growth of the fund (Kshs.)	4.9 B	2023/24	7.44 B	8.662 B
2	**KRA2: Strategic partnerships portfolio**	Improved collaboration and partnership with stakeholders	No. of bankable partnerships established	3	2023/24	8	12
3	**KRA 3: Hospitality and tourism training and Capacity Building**	Improved service delivery and professionalism in the tourism industry	Customer satisfaction index	80	2023/24	84	86
4	**KRA 4: Quality services-based operation**	Accountable, efficient and effective operation	Performance Score	2.2000	2023/24	1.9000	1.7000
		Optimal staff productivity	Productivity Index	2.1	2023/24	2.3	2.5

8.3.1 Mid-Term Evaluation

The Fund will conduct a mid-term evaluation of this Strategic Plan to examine the progress towards achieving the set targets. The evaluation will be spearheaded internally by the Strategic Plan Implementation Committee. This will be undertaken in the FY 2026/2027. The midterm evaluation's recommendations will aid in strengthening how the Strategic Plan is implemented.

8.3.2 End-Term Evaluation

End-term evaluation will be conducted at the end of the Strategic Plan period i.e. FY 28/29. The evaluation shall determine:

a. how well the activities done were successful in achieving the goals;
b. Sustainability of the achievements made
c. Challenges faced;
d. Lessons learnt;
e. Mitigation strategies, and;
f. recommendations for the subsequent strategic planning process.

8.4 Reporting Framework and Feedback Mechanism

Reporting on the implementation of the plan will be done using the specified formats provided here. These formats are tables designed for collecting programmatic data and are in line with the program framework and templates from the Revised Guidelines for Preparation of Fifth Generation Guides. Each Department will be expected to generate reports aligned to the same as templated for Quarterly reporting as prescribed in Table 8.2 below.

Table 8.2: Quarterly Progress Reporting Template

Name of Organization: Tourism Fund
Quarterly Progress Report
Quarter Ending on:……………………………….…….………FY……..………..

EXPECTED OUTPUT	OUTPUT INDICATOR	ANNUAL TARGET	QUARTER FOR FY ……………………			CUMULATIVE TO DATE		REMARKS	CORRECTIVE INTERVENTION
			Target (A)	Actual (B)	Variance (C-B)				

Table 8.3: Annual Progress Reporting on Strategic Plan Implementation

Name of Organization: **Tourism Fund**
Quarterly Progress Report
Year Ending on: ………………………… FY………………

EXPECTED OUTPUT	OUTPUT INDICATOR	ANNUAL TARGET	ACHIEVEMENT FOR YR…………			CUMULATIVE TO DATE			REMARKS	CORRECTIVE INTERVENTION
			Target (A)	Actual (B)	Variance (C-B)	Target (D)	Actual (E)	Variance (E-D)		

Table 8.4: Evaluation Reporting Matrix

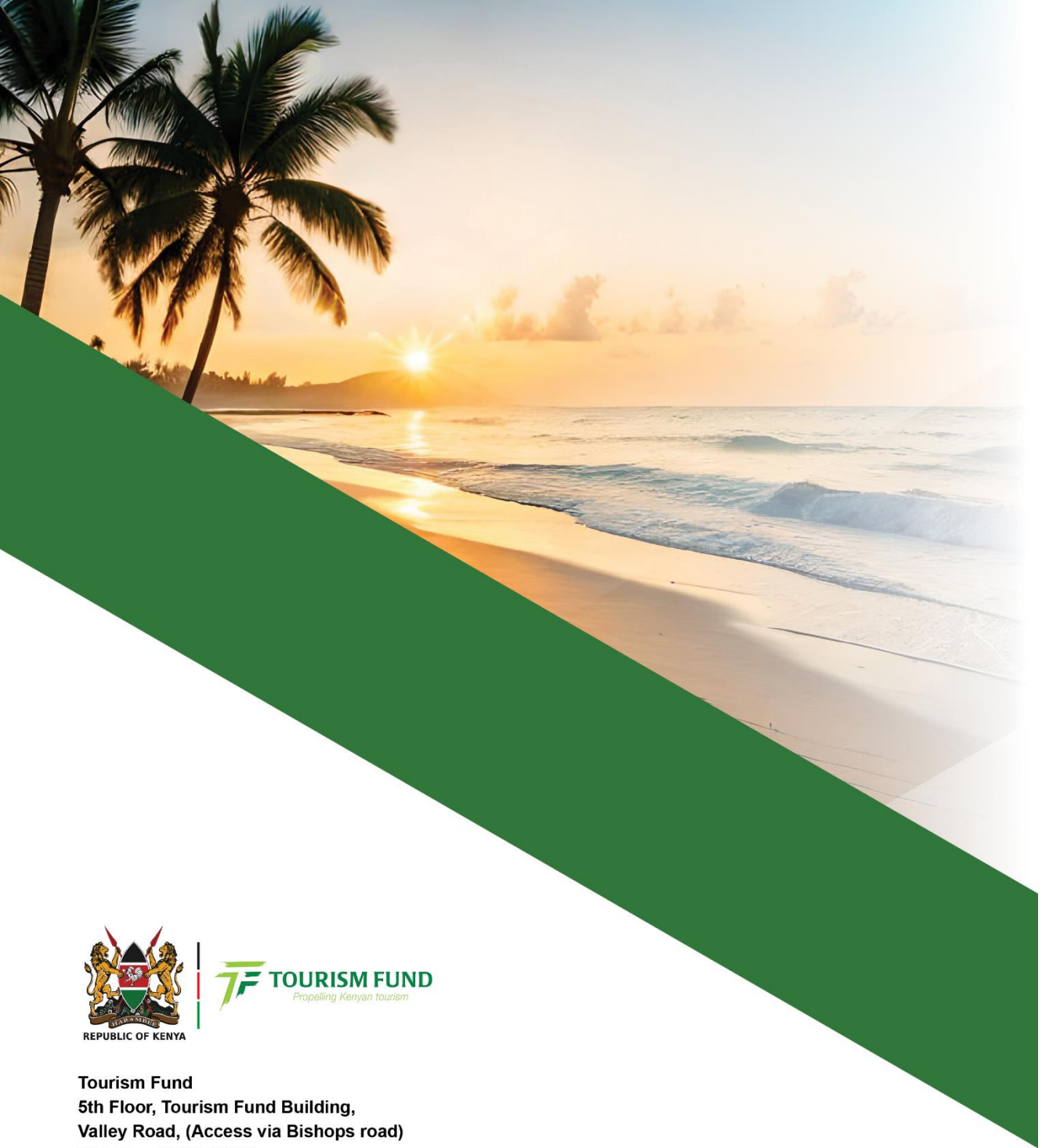|	PROGRAM	OUTCOME	OVI	BASELINE TARGET		MID-TERM EVALUATION		END-TERM EVALUATION		REMARKS
				Value	Year	Target	Achievement	Target	Achievement	
1										
2										
3										

The CEO takes the overall responsibility on the implementation of the Strategic plan. The Plan implementation; monitoring, evaluation and reporting shall be coordinated and championed by Manager in charge of Strategy and Planning. The Director responsible for Strategy shall oversight the operations, reporting and ensure prompt submission of summaries of key results areas and their implementation status to the CEO for presentation to the Board of Trustees, on a quarterly basis.

Annexes

Annex 1: Detailed Resource Requirements By Key Result Areas, Strategic Objectives and Strategies

KEY RESULT AREA	STRATEGIC OBJECTIVE	STRATEGIES	COST (KSHS. MN)					TOTAL COST PER STRATEGY (KSHS. MN)	CUMULATIVE COST PER KRA (KSHS. MN)
KRA1: Fund portfolio	SO1: To enhance the Fund's resource base	S1: Increase tourism Levy Collection	72.5	62.5	62.5	67.5	72.5	337.5	648.50
		S2: Enhance resource mobilization	60.0	25.0	25.0	25.0	25.0	160.0	
		S3: Establish and operationalize tourism training revolving fund	18.0	12.0	15.0	15.0	10.0	70.0	
		S4: Invest in and through tourism product and service development	21.0	13.0	13.0	13.0	21.0	81.0	
KRA2: Strategic partnerships portfolio	SO2: To expand collaboration and partnerships with stakeholders and development partners	S5: Create and work with dependable and relevant stakeholders and partners	69.5	60.0	61.0	66.5	75.5	332.5	492.50
		S6: Institutionalize market development and marketing to position the Fund's offerings	40.0	30.0	30.0	30.0	30.0	160.0	
KRA 3: Hospitality and tourism training and Capacity Building	SO3: To improve quality of service delivery and tourism sector competency	S7: Expand training opportunities and reach for tourism industry career development	180.0	300.0	450.0	510.0	560.0	2000.0	2325.00
		S8: Provide accessible refresher training for the tourism sector workforce	50.0	40.0	45.0	40.0	50.0	225.0	
		S9: Establish dynamic and thriving innovations hub supporting tourism industry	15.0	20.0	25.0	20.0	20.0	100.0	

KEY RESULT AREA	STRATEGIC OBJECTIVE	STRATEGIES	COST (KSHS. MN)					TOTAL COST PER STRATEGY (KSHS. MN)	CUMULATIVE COST PER KRA (KSHS. MN)
KRA 4: Quality services-based operation	**SO4:** To enhance quality of service delivery and resource optimization	S10: Institutionalize compliance with National Policies, statutory obligation and best practices	53.0	61.0	56.5	56.5	59.5	286.5	
		S11: Institutionalize and maintain favorable culture	25.0	20.0	20.0	20.0	25.0	110.0	
		S12: Digitalize services to and for optimal productivity	40.0	30.0	30.0	30.0	40.0	170.0	886.50
	SO5: To enhance human resource capacity in the Fund	S13: Attract, retain and operate on aligned skill-to-job regime	67.0	62.0	62.0	62.0	67.0	320.0	
Total									**4352.50**

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