Kenya Wildlife Service

Pricing of Park Tourist Recreation

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April 2011
OUR VISION
"To be a world leader in wildlife conservation"

OUR MISSION
"To sustainably conserve and manage Kenya’s wildlife and its habitats in collaboration with stakeholders for posterity"
• Kenya Wildlife Service is a state Corporation established by the act of Parliament Cap 376.

• It has the legal mandate to conserve and manage wildlife in Kenya and enforce related laws and regulations.
KWS controls approximately 8% of the country’s landmass

Area of Kenya = 582,646 sq km (100%)

23 National Parks = 30,348.29 sq km (5.2%)

28 National Reserves = 16,478.40 sq km (2.8%)

6 Marine National Reserves = 706,000 sq km (0.12%)

4 Marine Parks = 70.09 sq km (0.01%)

4 National Sanctuaries = 71.34 sq km (0.01%)
1. Mountain Conservation Area
2. Coast Conservation Area
3. Western Conservation Area
4. Meru Conservation Area
5. Southern Conservation Area
6. Northern Conservation Area
7. Eastern Conservation Area
8. Central Rift Conservation Area
9. Tsavo Conservation Area
KWS Tourist Products

Tourism Development Objectives

• Development of High-end tourism infrastructure.
• Maintenance of Wildlife species, habitats and natural environment.
• Promotion of Domestic tourism.
• Diversification of Visitor experience.
• Provision of Education and Interpretation.
• Enhance partnership with tourism stakeholders
• Enhance community Benefits from Tourism
ACCOMMODATION

Batian Guest House,
Mount Kenya National Park
For those who are lovers of outdoors, a wide range of camping sites are available country wide. Camping – for that real under the African skies experience
ACTIVITIES

- WALKING SAFARIS
  - BIRD WATCHING
  - NATURE WALKS
  - SUNDOWNERS
  - BUSH DINNERS
- BUSH BREAKFASTS

- ROCK CLIMBING
- BOATING
- RAFTING
NIGHT GAME DRIVES
TECHNICAL CLIMBS
- HORSE RIDING
1995: - KWS conducted a comprehensive Tourism Development, Policy and Pricing Study (Carl Bro Int. Hoff & Overgaard assoc.)

Objectives were: -
To define systems for charging for park access and whole revenue collection process.
To develop a differential pricing policy aimed at increasing revenue and better dispersal of tourists,
To develop an implementation plan and time schedule.

Findings from 1995 to 2000.
Differentiated tariff system based on Park characteristics and Visitor categories

From 2000 to 2010, KWS reviewed park entry fees 4 times (latest implemented January 2011).
The basis of these reviews has been:
• maintaining a competitive fee structure
• dollar inflation rate.
Tourism Pricing Policy:

Gazetted Park Entry tariff regime based on Park Differentiation – (premium, Wilderness, Urban, Scenic & Special interest and Mountain) and Visitor categories.

Tariff for special activities and services

Tariff regime does not provide for seasonality, special interest within Protected Areas and packages

Banda & guest houses Tariff based on visitor category, location, capacity & seasonality.

Proposed standardized (fixed) rent structure based on park, location within the park & bed capacity.

Management intends to maximize revenue generation through optimal pricing in tune with prevailing socio-economic conditions.
Revenue Base

1. Gate collection – visitors, vehicles, aircraft, annual passes
2. Accommodation – Camping, guesthouses, education hostels
3. Visitor Activities - horse ridding, walking, night game drive etc.
4. Rents – lodges, camp.
5. Aircraft hire
6. Security services
7. EIA services
8. Sale of boarded items
9. Sale of branded merchandise
10. Licenses- export, import of gazetted items/wildlife, filming etc.
11. Veterinary services (Capture)
12. Interest on short term deposits
13. Research in protected areas

Unexploited opportunities for diversification of revenue streams leveraging on KWS’s natural resources, touristic attractions, emerging markets, human capital and expertise
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<tbody>
<tr>
<td>Premium Parks</td>
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<tr>
<td>Amboseli, Nakuru</td>
<td>300</td>
<td>1000</td>
<td>60</td>
<td>500</td>
<td>1000</td>
<td>60/75</td>
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<td>Wilderness Parks</td>
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<td>Tsavo E&amp;W, Meru</td>
<td>300</td>
<td>1000</td>
<td>50</td>
<td>300</td>
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<td>50/60</td>
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<td>Urban Safari</td>
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<tr>
<td>Nairobi</td>
<td>300</td>
<td>1000</td>
<td>40</td>
<td>300</td>
<td>1000</td>
<td>40</td>
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<td>Mt Kenya (3 day package)</td>
<td>1300</td>
<td>2000</td>
<td>150</td>
<td>1500</td>
<td>2700</td>
<td>150</td>
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<td>Scenic &amp; Special Interest</td>
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<tr>
<td>Kakamega, Marsabit, Shimba</td>
<td>200</td>
<td>500</td>
<td>25</td>
<td>200</td>
<td>500</td>
<td>20</td>
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<tr>
<td>Marine Parks</td>
<td>200</td>
<td>300</td>
<td>20</td>
<td>200</td>
<td>300</td>
<td>20</td>
</tr>
<tr>
<td>Nairobi Safari Walk</td>
<td>100</td>
<td>300</td>
<td>20</td>
<td>150</td>
<td>300</td>
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To develop policy and regulations for the KWS tourist product which will enable the organization optimize its self generated tourism revenues and provide a framework and plan for diversification and expansion of its tourism revenue streams in order to establish a secure financial base for its conservation and wildlife management mandate.
Justification

Socio-Economic and Environmental changes over the last 6 yrs

- Changes in the local and international tourism industry
- Operational and structural changes in KWS
- Increased expenditure against declining government subvention
- Increased pressure on KWS conservation mandate
- Macro economic changes

Resulting in the Need to diversify & streamline revenue sources and competitively price products and services at sustainable levels in tune with prevailing socio-economic conditions
Specific Objectives of the Proposed study

1. Pricing policy
   - Evaluate current revenue collection systems
   - Evaluate the effectiveness of current differential pricing policy
   - Recommend a pricing policy and mechanism
   - Develop implementation plan

This is an ingoing activity.
Scope of the Study

To Cover Parks, Reserves, Sanctuaries, Stations

- review relevant literature
- Evaluate the current revenue collection systems
- Evaluate the current differential pricing model and policy
- Assess price sensitivity e.g. elasticity of demand, consumer surplus etc
- Consider KWS’s competitive position.
- Assess different pricing polices.
- Recommend an optimal pricing model & develop implementation strategy and plan.
Key Considerations and Decision Factors

- Cost recovery
- Equity
- Distribution of Tourist Activities
- Seasonality
- External impacts (Ecological and Economic)
THANK YOU