



**MINISTRY OF TOURISM AND WILDLIFE  
TOURISM PROMOTION FUND  
OFFICE OF THE CHIEF EXECUTIVE OFFICER**

Telephone: 254-20-2724646  
Fax No.: 254-20-310983  
[Email.ceotpf@tourism.go.ke](mailto:Email.ceotpf@tourism.go.ke)  
When replying please quote  
**TPF/DFM/FAB/2020/1(21)**

NSSF 'A' BUILDING  
P.O. Box 30027-0010  
NAIROBI, KENYA

**06<sup>th</sup> October, 2020**

**Principal Secretary**  
State Department for Tourism  
**NAIROBI**

**Principal Secretary**  
State Department for Wildlife  
**NAIROBI**

**Principal Secretary**  
State Department for Culture  
**NAIROBI**

**Principal Secretary**  
State Department for Interior and Citizens Service  
**NAIROBI**

**Principal Secretary**  
State Department for Transport  
**NAIROBI**

**Principal Secretary**  
State Department for Infrastructure  
**NAIROBI**

**Chief Executive Officer**  
Kenya Tourism Board  
**NAIROBI**

**Director General**  
Kenya Wildlife Service  
**NAIROBI**

**Managing Director**  
Tourism Finance Corporation  
**NAIROBI**

**Chief Executive Officer**  
Tourism Fund  
**NAIROBI**

**Director General**  
Tourism Regulatory Authority  
**NAIROBI**

**Chief Executive Officer**  
Kenyatta International Convention Centre  
**NAIROBI**

**Chief Executive Officer**  
Tourism Research Institute  
**NAIROBI**

**General Manager**  
Bomas of Kenya  
**NAIROBI**

**Chief Executive Officer/Principal**  
Kenya Utalii College  
**NAIROBI**

**National Co-coordinator**  
Kenya National Convention Bureau  
**NAIROBI**

**Director General**  
Kenya Civil Aviation Authority  
**NAIROBI**

**Director General**  
National Museums of Kenya  
**NAIROBI**

Dear

## **BUDGET CIRCULAR TO ELIGIBLE MINISTRIES AND STATE AGENCIES FOR THE FY 2021/2022 FUNDING FROM THE TOURISM PROMOTION FUND**

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### **1. Introduction**

In order to boost the tourism sector, the government, established the Tourism Promotion Fund, through the legal notice no 24 of 2019. The Funds mandate is to finance tourism development, promotion and branding by tourism implementing agencies in the country.

## **2. Objects of the Fund**

The object and purpose of the Fund shall be;

- i.** To provide funds to support development, promotion and branding of tourism sector
- ii.** Without prejudice to the generality of paragraph (1) of the regulation, the Fund shall provide for—
  - a. financing development, promotion and branding programmes and initiatives in relation to tourism products including tourism niche products and tourism events;
  - b. financing marketing, promotion and branding of Kenya in specific local, regional and international market segments;
  - c. financing tourism data capture, analysis and dissemination of the same and any other related research which may include deployment of technology-based applications;
  - d. financing development of tourism facilities and establishments in areas where the private sector is unable or unwilling to develop, but with a high potential for tourism promotion and branding;
  - e. co-financing of tourism development and promotion projects with the county governments on the basis of an agreed ratio of matching grants;
  - f. funding programmes and initiatives for tourism safety and security geared towards development, promotion and branding of tourism sector;
  - g. financing development of innovations and inventions which promote tourism development, promotion and branding;
  - h. funding of plugging projects which contribute to development, promotion and branding of tourism sector;
  - i. financing programmes and initiatives geared towards tourism intelligence and information gathering for purposes of developing, promoting and branding tourism in Kenya; and

- j. standards development and capacity building in the tourism sector

### **3. Funding Eligibility Criteria.**

A tourism implementing agency shall be eligible to apply for financing from the Fund if: -

#### ***Funding of State Corporation/ Government Agency.***

- (a) In the case of a state corporation or a government agency
  - i. Has an annual work programme aligned to the strategic plan of the corporation or agency and the medium-term plan approved by the governing body of the state corporation or agency;
  - ii. Has, in the case of an infrastructure development project, prepared
  - iii. project designs, plans and bills of quantities, approved by the governing body and the requisite regulatory approvals from relevant government institutions; and
  - iv. Meets any other criteria set out by the Board

#### ***Funding of a Ministry or State Department.***

- (b) in case of a Ministry or a State Department, that Ministry or State Department;
  - i. Has an annual work programme aligned to the strategic plan of the Ministry or state department and the medium-term plan approved by the Cabinet Secretary responsible for that Ministry or State Department
  - ii. Has, in the case of an infrastructure development project, prepared project designs, plans and bills of quantities, approved by the accounting officer of that Ministry or State Department and the requisite regulatory approvals from relevant government institutions; and
  - iii. Meets any other criteria set out by the Board.

#### **4. Procedure for funding.**

A Ministry/Department/agency that wishes to receive funding from the Fund and **meets the criteria set out under** the Tourism Promotion Fund **regulation (9)** shall apply to the Administrator of the Fund in such a manner as may be specified by the Board.

An application for funding shall be accompanied by;

##### **a. In case of a state corporation or government agency**

- i. The minutes of a properly constituted meeting of the governing body of the state corporation or government agency containing the resolution to apply for funding from the Fund;
- ii. An annual work programme aligned to the strategic plan of the state corporation or government agency approved by the governing body of that corporation or agency
- iii. The Medium-Term Plan approved by the Cabinet Secretary responsible for that state corporation or government agency
- iv. Where the project is an infrastructure development project, the project designs, plans and bills of quantities approved by the governing body and the requisite regulatory approvals from relevant government institutions, where applicable;
- v. A statutory declaration of programmes funded through other sources, if any;
- vi. The details and signatories of the bank account in the name of the state corporation or government agency where the funds shall be channeled; and
- vii. Any other additional information as may be required by the Board

##### **b. In the case of a Ministry or State Department**

- i. An annual work programme aligned to the strategic plan of that Ministry or State Department and the Medium-Term Plan
- ii. A written confirmation from the accounting officer responsible for

that Ministry or State Department that there is no other funding for the same programme, project or activity;

- iii. Where it is an infrastructure development project, the project designs, plans and bills of quantities approved by the accounting officer of that Ministry or State Department and the requisite regulatory approvals from relevant government institutions, where applicable;
- iv. An accounting officers' declaration of programmes funded through other sources, if any
- v. The details and signatories of the bank account in the name of that Ministry or State Department where the funds shall be channeled; and
- vi. Any other additional information as may be required by the Board

## 5. The Purpose of this Circular

The purpose of this circular is to request the eligible MDAs to apply for funding for the FY 2021/2022. This should be submitted to **Tourism Promotion Fund** not later than **31<sup>st</sup> December 2020**. The application must be in the format indicated in **Annex 1**. You are also expected to attach **a Concept note** as per format indicated in **Annex 11** of this Circular.

As outlined in TPF regulations, the projects to be financed must be included in the approved estimates of revenue and expenditure for the implementing agency as submitted to The National Treasury. In connection to this, the administrator of the Fund shall communicate the Oversight Boards financial allocation to successful applicants for their further action.

Your Cooperation will be highly appreciated.

**STEPHEN M. KINYANJUI**  
**A/G CHIEF EXECUTIVE OFFICER/  
ADMINISTRATOR OF THE FUND**

Copy to: **Hon Najib Balala. EGH**  
Cabinet Secretary  
Ministry of Tourism and Wildlife.

**Hon (Amb) Ukur Yatani. EGH**  
Cabinet Secretary  
The National Treasury and Planning.

**Dr Fred Matiang'i. EGH**  
Cabinet Secretary  
Ministry of Interior Security and Coordination.

**Mr. James W. Macharia, EGH**  
Cabinet Secretary  
Ministry of Transport, Infrastructure, Housing  
Urban Development and Public Works.

# ANNEX I: FUND APPLICATION FORM

**Important: All parts of this form must be completed in full, incomplete forms will be returned.**

## **PART 1: CONTACT DETAILS**

Name of Applicant / Entity (Tourism Implementing/ Ministry/Department/ Agency)\_\_\_\_\_

\_\_\_\_\_

Postal Address: \_\_\_\_\_

Office Telephone No. \_\_\_\_\_ Mobile No. \_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_ Website: \_\_\_\_\_

\_\_\_\_\_

Physical Address - \_\_\_\_\_

### **Name and Address of the Main/Focal Contact Person of the Ministry/ Department/ Agency**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Office Telephone No: \_\_\_\_\_ Mobile No. \_\_\_\_\_

Email: \_\_\_\_\_

## **PART 2: PROJECT/PROGRAMME DETAILS**

Describe the Project/Programme for which this funding is sought for:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



**Proposed Project/Programme Commencement date:**

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**Proposed Project/Programme Completion date:** \_

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**Estimated Total Project Cost: KES**

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### **PART 3: DETAILED COSTS OF REQUESTED FUNDING:**

Please outline breakdown of costs associated with the Project/ Programme or submit quotations/ estimates for all aspects of the Project/Programme.

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Has your Ministry/Department/Agency made, or intend to make, an application for funding towards this **Project**/Programme to any other source? If yes please give details:

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Has your Ministry/Department/Agency previously applied for funding from other public Source? If yes give details:

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Give details of the amount (in KES) and sources of funds that are available to your Ministry/Department/Agency for this Project/ Programme e.g.

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cash in hand, donations, fundraising etc. (Counterpart funded project);

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Please indicate the envisaged proposed procurement process to be sought or adopted in the implementation of these project/programme.

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**PART 4: DETAILS ON FEASIBILITY AND SUSTAINABILITY OF THE PROJECTS**

Please outline the expected Social, Economic and Environmental Impact of the Project/Program.

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Please outline the Project/Program expected contribution to the ecosystems and biodiversity conservation and its capacity to generate sustainable economic benefits from natural resources where necessary/applicable

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Please outline how the Project/Program is expected to promote and protect strong cultural and heritage assets and authenticity where necessary/applicable.

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Please outline how the Project/Program intertwine and link with the current global tourism trends (sustainability, green tourism, digitalization, innovation and technology, experiential Tourism) where necessary/ applicable.

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Please clearly define the Project/Program Specific, Measurable, Achievable, Realistic and Timely deliverables and Key performance indicators,

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Please outline how the project/ program shall enhance Kenya tourism industry growth and diversity through job creation and economic activity in communities across the Country or where the project is located where necessary/applicable.

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Please outline how the project / programs shall enhances competitiveness and stimulate increased tourist arrivals and receipts where necessary/applicable.

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Please detail the project / programs implementation timelines.

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## PART 5: IMPLEMENTING AGENCY COMMITMENTS

The head of implementing agency are expected to take note on the mandatory requirements for commitments as identified below and tick appropriately;

No	Requirement	Status	Implementing Agency Commitment (Please indicate appropriately)	
			(Yes)	(No)
1	Disclosure of all sources of Funding to the Programme /Project/ Initiative proposed for Funding and identification of Funding gap which the application seeks to bridge	Mandatory		
2	Indication of the Key Performance Indicators /Milestones for the Programme /Project/ Initiative proposed for Funding	Mandatory		
3	Commitment to submit quarterly, and annual progress reports of the programme /Project/ Initiative proposed for Funding (reports to include financial and non-financial information.	Mandatory		
4	Commitment to provide access by staff to the secretariat to monitor and evaluate applications of funds to the the programme /Project/ Initiative funded by the Fund.	Mandatory		
5	Commitment to return any unutilized funds disbursed upon completion/ or cancellation or termination of the specific programme /project / initiative.	Mandatory		
6	Commitment that the funds disbursed shall be utilized in accordance with the Fund regulations	Mandatory		
7	Commitment to provide any other information as may be required by TPF Oversight board.			

**DECLARATION:**

Our Ministry/Department/Agency ..... hereby shall commit to adhere to the mandatory requirements of the regulations as listed above. We also understand that any willful lack of commitment may render the cancellation of the project and return of funds disbursed.

Signature

Date

\_\_\_\_\_

**Chief Executive Officer/Head of the Agency**

**PART 6: CHECKLIST DETAILS (PLEASE TICK AS APPROPRIATE);**

This checklist informs the tourism implementing Ministries/ Department/ Agencies of all the documentation that must accompany this application:

It should be noted that that all applications will be regarded as invalid until all appropriate information is provided and the mandatory requirements attached.

<b>Government Agencies Mandatory Requirement CHECKLIST</b>		
	Yes	No
Completely Filled application Form.		
Approved Medium Term Plan		
Approved Strategic plan		
Approved Annual Work Programme / Annual calendar of Projects/ Programmes		
Project Concept/Proposals		
Approved Extract of Minutes		
<b>And /or for an infrastructure development project</b>		
Approved project designs & plans		
Approved Bills of Quantities		
Requisite regulatory approvals from relevant government institutions where necessary.		

<b>Ministry/Department/ Mandatory Requirement CHECKLIST</b>		
	Yes	No

Completely Filled application Form.		
Approved Medium Term Plan		
Approved Strategic plan		
Approved Annual Work Programme/ Annual calendar of Projects		
Project Concept/Proposals		
<b>And /or for an infrastructure development project</b>		
Approved project designs & plans		
Approved Bills of Quantities		
Other Requisite regulatory approvals from relevant government institutions where necessary		

**PART 7: DECLARATIONS**

***(To be completed by Chief Executive Officer or Head of the Agency)***

On \_\_\_\_\_ behalf \_\_\_\_\_ of \_\_\_\_\_

I, Prof/Dr/ Hon/Mr/Mrs/Ms \_\_\_\_\_ wish to apply for funding towards the above Project/ Programme and I declare that the information given in this form is true and complete to the best of my knowledge.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Chief Executive Officer/Head of the Agency**

or

***(To be completed by accounting officer of the Ministry/State Department)***

**On behalf of \_\_\_\_\_**  
\_\_\_\_\_

I, Prof/Dr/ Hon/Mr/Mrs/Ms \_\_\_\_\_ Accounting Officer Ministry, State Department for \_\_\_\_\_ wish to apply for funding towards the above Project/ Programme and declares that the information given in this form is true and complete to the best of my knowledge and belief.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Accounting Officer**

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**PART 8 .FOR OFFICIAL USE ONLY**

Application form Received by	.....	
Application form checked	<u>Form Complete</u>	<u>Form Incomplete</u>
Application form with/without attachment	<u>With attachments</u>	<u>Without attachment</u>
<u>Application form Approved by</u>	.....	
Name /Position.....	Signature.....	Date .....

**Head of Project Management Department Recommendations**

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Signature: \_\_\_\_\_ Date \_\_\_\_\_

**Head of Project Management Department**

Chief Executive Officer Comments

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Signature \_\_\_\_\_ Date \_\_\_\_\_

**Chief Executive Officer**

Completed Application Forms together with accompanying documentations should be sent in a sealed envelope and clearly marked "Tourism Promotion Fund" Address to:

**CHIEF EXECUTIVE OFFICER**

**TOURISM PROMOTION FUND**

**NSSF BUILDING BLOCK A, EASTERN WING 20TH FLR.**

**P.O BOX 30027-00100**

**TEL +254-20-2724646**

**NAIROBI**



## ANNEX 11: Project Concept Notes

<b>SECTION 1: PROJECT PROFILE</b>			
Project name:			
Project Reference No.			
Ministry / County Department:			
Implementing Agency (MDA)			
Initiating Department / Division / Section / Unit			
Budget Vote (where applicable)			
Estimated Project Cost			
MTEF Sector			
Accounting Officer			
Official Contact			
Project Threshold			
Project Geographic Location			
County: Kilifi	<b>Sub-County:</b>	<b>Ward:</b>	<b>Village:</b>
Planned Start Date:			
Planned End Date:			
Date of Submission			
<b>SECTION 2: PROJECT BACKGROUND</b>			
<b>1. Situation Analysis</b>			
Provide a background to the Project idea:			
<ul style="list-style-type: none"> <li>a) Briefly describe the current situation that rationalizes the project</li> <li>b) Briefly describe the past and on-going interventions to address the situation; quote official statistics including past trends to support your narrative, where applicable.</li> </ul>			
<b>2. Problem Statement</b>			
Provide details of the problem to be addressed in terms of challenges, constraints and gaps:			
<ul style="list-style-type: none"> <li>1. Nature of the problem</li> <li>2. Scope of the problem (How widespread or the magnitude of the problem)</li> <li>3. State the likely causes and effects of the problem both direct and indirect.</li> <li>4. Provide any alternative options that may be available to address the problem.</li> </ul>			

<p><b>3. Relevance of the project idea</b></p> <p>Justify the need for the proposed project by:</p> <ul style="list-style-type: none"> <li>a) Linking the project to the National /County Development Plan Strategic goals and objectives that the proposed project is expected to contribute to;</li> <li>b) Linking the proposed project to Sector Strategic Objectives and strategies by describing the sector outcomes that the project is expected to contribute to;</li> <li>c) Show the need for the project by analysing and describing the quantitative indicators of demand for the services or goods to be delivered by project using readily available information.</li> <li>d) Describe the rationale for the government to intervene through the project, whether or not the private sector can deliver the project objectives and the consequences of not implementing the project.</li> </ul>
<p><b>SECTION 3: SCOPE OF THE PROJECT</b></p> <p>Describe the scope of the project by defining the boundaries of the project in terms the outputs the project or deliverables of the project or the work that needs to be accomplished to deliver the product, service or result required.</p>
<p><b>SECTION 4: LOGICAL FRAMEWORK</b></p> <p>This section shows the result chain in a logical manner with a detailed description of the project goal, objectives, outcomes, outputs and inputs.</p>
<p><b>a) Goal</b></p> <p>State the goal in the MTP/CIDP the project intends to achieve. Also define the indicator that will be used to measure success of the project against the goal and briefly explain how information on this indicator shall be obtained.</p>
<p><b>b) Project Objectives / Outcomes</b></p> <p>Define the project objectives and the corresponding outcomes. These include the effects that will follow from the utilization of products or services (Outputs) delivered by the projects could be the eventual benefits to society that the project interventions are intended to achieve and are reflected in terms of what people will be able to do better, faster, or more efficiently, or what they could never do more.</p> <p>For each project outcome identified, define at least one indicator that will be used to measure performance of the project against the relevant outcome and briefly explain how information on this indicator (s) shall be obtained.</p>
<p><b>c) Proposed Project Outputs</b></p> <p>Describe the direct outputs that the project is expected to deliver. Outputs are the immediate and concrete consequences of the implemented activities and resources used. For each project output identified, define at least one indicator that will be used to track progress and means of verification.</p>
<p><b>d) Project Activities and Inputs</b></p> <p>For each output identified describe the major activities that should be implemented together with the inputs or resources required to deliver the planned results. To obtain the results of a project a number of activities have to be implemented using resources or inputs.</p>

## e) Project Logical Framework Matrix

Narrative	Indicators	Sources/Means of Verification	Assumptions
Goal (MTP/CIDP)			
Project Objectives / Outcomes			
Key Output			
Key Activities			

**NB:** Add additional rows for outcomes, outputs and activities as necessary.

### SECTION 5: INSTITUTIONAL ARRANGEMENTS

#### 1. Institutional Mandate

Describe how the project is linked to the mandate of the institution.

#### 2. Management of the Project

Demonstrate the technical, managerial and financial capacity of the implementing agency to deliver the project. This can also be better expressed by showing previous experience in handling projects of the same magnitude.

#### 3. Project Implementation Plan

Describe the sequence of activities overtime which should set clear benchmarks and timelines that can be used to track the overall project.

#### 4. Monitoring and Evaluation

Describe how the project will be monitored and evaluated in order to ascertain the progress towards achieving its objectives. Indicate the institutional framework for tracking project progress.

#### 5. Risk and Mitigation Measures

Describe the potential risks that can derail the project, the likelihood of occurrence, the impact of such risks and strategies for mitigating them.

#### 6. Project Sustainability

Describe how the project will continue providing the indented services and benefits to the beneficiaries after the project is completed. Describe how ownership will be fostered among stakeholders. Include anticipated annual operations and maintenance costs and the sources of financing.

#### 7. Project Stakeholders and Collaborators

Describe the stakeholders that the project has to constantly engage and their level of influence and interest among others. List all the government agencies, utilities or regulatory institutions that will need to be involved in the planning and implementation of the proposed project including any legal issues that will need to be addressed.

#### 8. Project Readiness

1. Describe how prepared the implementing agency to deliver the project by providing the following:
  - a) Has the project preliminary and detailed designs been prepared and approved.?
  - b) Has land been acquired (Site readiness)?

- c) Has necessary regulatory approvals been obtained?
  - d) What government agencies and stakeholder will be involved in the preparation of the project and what roles they will play in project development and approval?
  - e) Have you undertaken constitutions with other Government agencies in order to improve synergy and avoid duplication of effort?
2. If the answer is no to any of the above questions, then confirm whether this is part of the project implementation plan.
  3. Whether the project can be phased or scaled down.

**9. Financial Analysis**

**A. Capital Cost to complete the project: Estimate the capital costs associated with the project**

Consultancy and fees.....  
 Land Acquisition Costs.....  
 Site Access, Preparation and Utility.....  
 Construction: .....  
 Equipment.....  
 Other capital costs.....

**B. Recurrent Cost to complete the project (Kshs.) Estimate the Recurrent Costs associated of the project.**

Labour Cost.....  
 Operating Costs.....  
 Maintenance Costs.....  
 Others.....

**C. Estimated Total Project Cost Kshs. Per Year.**

FY 1	FY 2	FY 3	FY 4	FY 5
<b>Total</b>	<b>Kshs.(M)</b>	<b>Kshs.(M)</b>	<b>Kshs.(M)</b>	<b>Kshs.(M)</b>

**D. Indicate the proposed Financing Options for the project;**

- a) Government of Kenya
- b) Development Partners
- c) GoK and Development Partners
- d) Public Private Partner
- e) Private Sector.

**E. State all Other Costs Implications to other related projects**

Provide a breakdown of estimated cost for other projects that have to be implemented for the benefits to this project to be realised. Is land expropriation required/(Yes/No) If<YES> state the total expenses required to achieve required to a achieve this (Compensation/legal costs etc)

**F. Operational Cost after Implementation**

Provide estimated average annual personnel cost, annual maintenance cost, operation cost and revenues where explicatable. This should be attached as an annex to this PCN.