#### AVIATION, TOURISM AND CONSERVATION NEWS from Eastern Africa and the Indian Ocean islands.

A weekly roundup of breaking news, reports, travel stories and opinions by Prof. Dr. Wolfgang H. Thome



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### WORLD BANK SPEAKS UP ON AFRICAN TOURISM

(Posted 05th October 2013)



Following yesterday's article on 'World Banks gives thumbs up to Rwanda Tourism' (<a href="http://wolfganghthome.wordpress.com/2013/10/04/rwanda-tourism-gets-world-bank-recognition/">http://wolfganghthome.wordpress.com/2013/10/04/rwanda-tourism-gets-world-bank-recognition/</a>) numerous requests came in for some added details of the World Bank report in question. While the full report can be accessed via the main entry portal <a href="www.worldbank.org">www.worldbank.org</a> sections of it are shown below for ease of reference.

Africa's Tourism Set to Boost Economic Growth, Create New Jobs, and Now Outpace Other Regions for New Tourism Investment

**WASHINGTON, October 3, 2013** – Sub Saharan Africa's tourism industry is set to spur more economic growth for the continent and directly employ 6.7 million people by 2021, according to a new World Bank report released today.

The report—*Tourism in Africa: Harnessing Tourism for Growth and Improved Livelihoods*—says that tourism accounted directly or indirectly for one in every 20 jobs in Sub Saharan Africa in 2011, and is one of the few industries on the continent in which women are well represented as employees and managers. Sub Saharan Africa is outpacing other regions in tourism growth.

The report examines the potential of African countries to improve and expand their tourism sector, and suggests that 33 of Sub Saharan Africa's 48 countries currently have the capacity for tourism success through establishing strong political support for developing the industry and attracting increased private investment to help finance and sustain it.

The report cites successful examples of countries including Cape Verde, Kenya, Mauritius, Namibia, Rwanda, South Africa, Tanzania and others, who have simplified their tourism policies, liberalized air transport and diversified tourism while protecting their communities and environments, which created a positive investment climate for tourism development.

"Africa's private companies are increasingly attracting regional and international investment and the returns on investing in Africa are among the highest in the world," says Makhtar Diop, World Bank Vice President for Africa. In close alliance with the private sector, governments must also do their part to create better transport, electricity, infrastructure, and other key services to develop tourism for more broad-based growth and improved livelihoods.

Tourism is increasingly attracting regional and international investment, and returns on investments in the sector remain among the highest in the world. Global hotel chains are expanding across Africa, recognizing investment potential and committing millions of dollars in new projects over the next few years to meet increased demand from both international tourists and the continent's own fast-growing middle class.

In 2012, Africa attracted 33.8 million visitors, up from a low 6.7 million visitors in 1990, and its receipts from tourism for the same year amounted to over US\$36 billion, or 2.8 percent of the region's GDP.

In 2011, global tourism contributed 9.1 percent to world GDP, 5.9 percent of worldwide exports and 4.5 percent of global investment. Africa's tourism revenues are rising fast and are set to contribute more and more to world activity.

If developed effectively and managed efficiently over time, tourism has the potential to accelerate Africa's economic growth and job creation. It can also help accelerate the reforms needed to improve airline and road transport as well as other key infrastructure, besides raising the incomes of young men and women, who form a high percentage of the job holders in the sector.

"For African countries looking to sustain and increase growth, tourism can be harnessed through joint public and private sector efforts to achieve growth, wealth creation and shared prosperity," says Gaiv Tata, Director of Financial and Private Sector Development for the World Bank in Africa whose department prepared the study. This report is the first to comprehensively examine tourism in Sub-Saharan Africa at a regional level and to recommend practical evidence-based measures that could create an economic transformation by leveraging the tourism industry to help create jobs, stem poverty and diversify economies.

With an analysis of 24 tourism case studies from around the world, the report is a valuable and timely contribution to efforts to build a framework for sustainable tourism in Africa. It also identifies policies and institutional approaches for African countries to make their tourism industry more competitive and attractive to investors. "Although Africa's tourism potential has largely gone untapped to date, it can now take steps to close the gap with other regions," says Hannah Messerli, co-author of the report and Senior Private Sector Development Specialist in the World Bank's Africa Region. She adds: "Given the continent's abundant natural and cultural resources, as well as business activity, the fundamentals are in place for tourism growth. Using the strategies and examples presented in this report, Africa can claim its fair share of world tourism."

# WTM AFRICA TARGETS 300 GLOBAL INDUSTRY BUYERS FOR INAUGURAL EVENT (Posted 03rd October 2013)

# AFRICA | TRAVEL | WEEK

According to information received will World Travel Market Africa, which is set to be the leading global event for the African travel industry, invite 300 senior buyers from across the globe to apply to be part of its Hosted Buyer Programme. The WTM Africa Hosted Buyer Programme is targeting those global buyers with direct purchasing responsibility for large volumes of African product.

WTM Africa, as previously mentioned here, will take place in Cape Town on Friday 2<sup>nd</sup> and Saturday 3<sup>rd</sup> May 2014 at the city's International Convention Centre. The event aims to become the leading B2B exhibition for the African leisure travel industry, bringing the world to Africa and promoting Africa to the world's leading source markets. WTM Africa's inaugural event is expected to attract exhibitors from all categories of the leisure travel industry within sub-Saharan Africa as well as North African destinations. The event is part of the new Africa Travel Week which includes fellow Reed Travel Exhibitions' events, IBTM Africa and ILTM Africa.

Cost and time efficient, the *Hosted Buyer programme will allow buyers to pre-schedule appointments with exhibitors of their choice and benefit from complimentary flights, transfers and accommodation in Cape Town*. Other benefits include access to a *Hosted Buyer lounge and invitations to exclusive networking functions*. Furthermore, WTM Africa has recently recruited Paulina Lund, the Hosted Buyer manager from Reed Travel Exhibition's meetings portfolio to run its Hosted Buyer Programme.

WTM Africa Event Manager Polly Magraw said: 'Buyers from global tour operators and travel agents are a key target market for WTM Africa and our exhibitors. I would encourage buyers to get in touch with us as soon as possible if they are interested in attending WTM Africa'.

Buyers interested in the Hosted Buyer Programme should contact Paulina Lund paulina.lund@reedexpo.co.uk

Three Events. One Venue. One Week. Africa Travel Week events are:

ILTM Africa 28th - 30th April 2014

IBTM Africa 28<sup>th</sup> – 30<sup>th</sup> April 2014

WTM Africa: 02<sup>nd</sup> - 03<sup>rd</sup> May 2014

For additional information about each of the Africa Travel Week events, please visit www.africatravelweek.com

#### **East Africa News**

QATAR AIRWAYS RAISES BAGGAGE ALLOWANCE AS AIRLINES FIGHT FOR PASSENGERS (Posted 01st October 2013)



Passengers out of Qatar Airways' East African destinations Entebbe, Kigali, Nairobi, Kilimanjaro, Dar es Salaam and Addis Ababa will be happy to hear that the airline has raised their baggage allowances by between 7 and 10 kilograms, depending on the class of travel.

Economy passengers, according to a media release received yesterday, will now be able to pack 30 kilograms into their suitcases, up from previously 23, while those travelling in business class can pack 40 kilograms, up from previously 30. Passengers travelling out of Doha in First Class, not available on the East African services where a two class Airbus A320 is used on all routes at present, will however be able to carry up to 50 kilograms without being charged for overweight.

In a related development has the airline also confirmed that their move to the new mega airport in Doha will likely be delayed until early 2014, as the completion of the sprawling new airport, which will catapult passenger transit experience to a new level of comfort through vastly improved lounge facilities for all passengers, especially those travelling in business of First Class. It is expected that when Qatar Airways' first Airbus A380 enters service, now expected by March next year, the new airport will be ready to ring in a new age in 5 star aviation. Watch this space.



#### **Uganda News**

### RIFT VALLEY RAILWAYS SUPPORTS KAMPALA CITY FESTIVAL WITH COMMUTER SERVICES

(Posted 05th October 2013)





Rift Valley Railways will on the occasion of the Kampala City Festival this Sunday offer a special commuter service to bring people into the centre of Kampala, with four trains operating from Namanve, via Bweyogerere and Namboole into the main railway station on Jinja road. The first such train, according to information received, will leave Namanve station at 08.30 in the morning, and as the festival in the city kicks off at 9 in the morning, it will be ample time for revelers to reach the city.

In the evening trains will leave the main railways station to return on the same route to Namanve.

RVR has in the past operated special commuter services for matches of the Uganda Cranes football team, in particular for World Cup and African Cup of Nations qualifiers and the offer was warmly received by the Executive Director of the Kampala City Council Authority Jennifer Musisi who said: 'Our intention is to make this festival safe and memorable for everyone. We anticipated the event might create some traffic problems so the train service comes in very handy. Last year, the festival event attracted over 40,000 people and this year we expect an even bigger crowd. We believe the train services, will not only help us reduce the traffic jams it will also help us generate a lot of excitement'.

An RVR spokesperson was in the same context quoted saying: 'We are pleased to offer our transport services to support this major Kampala event and to help reduce traffic congestion which is always a major issue at events of this magnitude. We will be screening passengers at both stations and are working very closely with police and other intelligence organs to ensure all security concerns have been addressed'.

A one way ticket will cost a mere Uganda Shillings 1.500 per person or the equivalent of about US Cents 60, compared to not only a multiple of that by road but also the ensuing traffic jams as the entire city centre of Kampala will be blocked for traffic from the crack of dawn till midnight, making major detours necessary for anyone who has to traverse the city. Time for celebrations this Sunday in the heart of the city of Kampala.

#### NKURINGO GORILLA CAMP COMMISSIONS NEW BATHROOMS

(Posted 04th October 2013)



The Nkuringo Gorilla Camp has confirmed that the new block of washrooms, set adjoining to the Virunga Terrace rooms, is now fully functional, the electric hot water boilers included. Rob Brierley, one of the proprietors, has over the past few weeks been setting up the electrical connections and installed two new generators, one of them for back up, able to have the water heaters charge up at once.

Mains installations by the national electricity company have reportedly also been completed in the entire village of Nkuringo, the Gorilla Camp included, and everone is now waiting to have the line go live, expected according to the latest information from Nkuringo by November this year.

The camp management also confirmed that over and above the planned family cottage two more cottages will now be added as the demand for more upmarket accommodation has been growing faster than the demand for the more modest *Lazy Camping* option or the Virunga Terrace rooms, which are not self-contained.

Recent articles about a visit to this part of south western Uganda were published here under the titles Nkuringo Rising (<a href="http://wolfganghthome.wordpress.com/2013/08/18/a-hiking-trip-in-ugandas-south-west-impressions-of-a-frequent-traveler/">http://wolfganghthome.wordpress.com/2013/08/18/a-hiking-trip-in-ugandas-south-west-impressions-of-a-frequent-traveler/</a>) and Lake Mutanda comes of Age (<a href="http://wolfganghthome.wordpress.com/2013/08/22/lake-mutanda-comes-of-age/">http://wolfganghthome.wordpress.com/2013/08/22/lake-mutanda-comes-of-age/</a>) for further reference before visits to this scenic part of *The Pearl of Africa*.

Check out <a href="https://www.nkuringowalkingsafaris.com">www.gorillacamp.com</a> for more details on location, facilities, available hikes as well as rates and bookings.

#### LAKE CHAHAFI RESORT SET FOR WEEKEND OPENING

(Posted 04th October 2013)



A new back packers and adventure traveller's rest stop at Lake Chahafi, near Kisoro in South Western Uganda, will open this weekend with an African Night celebrating the event. The Kisoro area of Uganda is located in the border triangle of Uganda, Rwanda – via the recently reported about Cyanika border post leading to Ruhengeri / Musanze – and the Congo DR. Lakes Mutanda and Mulehe are the main water features while the back drop of Mts. Mgahinga, Muhavura and Sabinyo are on clear days always visible on the horizon. Kisoro is also the starting point to access the gorillas of Bwindi National Park via Nkuringo from where several groups of habituated gorillas can be visited. Hikers, using the services of Nkuringo Walking Safaris or Gorilla Highlands will be able to stay at the new rest camp on Lake Chahafi from this weekend onwards.

Accommodation is available in dormitory style rooms though a more upmarket safari tent has been set up for clients with a slightly larger budget. The washrooms, as is customary in such places, are communal it has been pointed out. A restaurant and bar complete the available facilities. Additional details of location and a picture gallery are available via <a href="https://www.lakechahafiresort.com">www.lakechahafiresort.com</a>. Congratulations Nelson for this accomplishment.

#### KAMPALA COUNTS DOWN TO THIS WEEKEND'S CITY FESTIVAL

(Posted 03rd October 2013)





Following some heavy rains in recent days will all Kampaleans, led by the Kampala City Council Authority's CEO Jennifer Musisi, pray for sunshine come this Sunday, when the second edition of the *Kampala City Festival* will go underway. Spread across the city centre, from the Watoto Church to Kitgum House at the main Jinja Road intersection, will a fun fair unfold from 9 in the morning until late in the evening.

Security measures across the city have already been stepped up and 'the boys in blue' will never be far, some visible in uniform and others in plain clothes, to ensure the festival can take place without interruption.

Leading artists from Uganda will perform and a carnival style parade hopes to thrill spectators, who can then still hunger and thirst from the many food stalls put up by restaurants from the city, which will play their part to keep the crowds fed and watered.

Launched last year alongside the country's 50<sup>th</sup> Golden Jubilee Independence Day celebrations, the festival was considered such a success that the city administration, as well as tourism stakeholders, felt it should become an annual event ahead of the country's Independence Day on 09<sup>th</sup> October. May the sun shine on you all!

#### KAMPALA SET TO HOST ROTARY INTERNATIONAL'S AFRICAN YOUTH CONFERENCE



Rotary International – a global humanitarian organization, has planned five forums during the year 2013/14 for young professionals, youth, scholars, community activists and Rotary members. The aim of these continental conferences is to find ways of working in unity towards the common goal of making the world a better place. The forums, referred to as Rotary International Presidential Conferences, will be hosted by Rotary International's President Ron D. Burton.

In Africa, Uganda has been selected as the host of the Rotary International Presidential Africa Youth Conference 2013, taking place from 4th - 5th November, 2013. The conference will be held in Uganda's capital city of Kampala at the Hotel Africana, under the theme 'Engage Rotary Change lives: Taking Charge of the Future'.



Uganda belongs to the Rotary International District 9211, which after a major realignment some years ago, due to the significant growth of clubs in the region, was carved out of the former District 9200 and now covers Uganda and Tanzania. The head of this district for the year 2013/14 is District Governor Emmanuel Katongole. He said in a media release received overnight about the conference that: '... it is an immense honor for Uganda to host an event of this magnitude. It is also a global recognition of the work and selflessness of thousands of Rotarians in Uganda'.

The Rotary International President will arrive in Uganda on 3rd November 2013 and plans to hold meetings with senior government and business leaders, visit Rotary projects and chair the youth conference at Hotel Africana. Mr. Burton will also participate as a 'Goodwill Ambassador for Rotary' in the promotion of proper 'Hand Washing with Soap' at Kiwuliriza Primary School.

While in Uganda he will also distribute mosquito nets and reproductive health kits to expectant mothers and young children all of which are part of charitable activities and projects of the Ugandan Rotary clubs. Outside Uganda, the Rotary International Presidential Africa Youth Conferences will be held in India for Asia United Kingdom for Europe and in Brazil for the Americas. More than 2.000 participants are expected to come to Kampala from the Eastern African region and beyond to participate in the conference. A warm welcome to *The Pearl of Africa* goes to all the expected participants.

#### Kenya News

AFRICAN CANOEING CHAMPIONSHIP BRINGS 7 COUNTRIES TO KENYA (Posted 05th October 2013)



The 2013 edition of the African Canoeing Championship will go underway at the Sagana River course near the Kenyan town of Muranga, starting on the 15<sup>th</sup> of October and running up to the 23<sup>rd</sup> of October.

7 countries have confirmed their participation, with three other countries however cancelling their presence over recent events in Kenya, something the hosts have noted with disappointment while showing great appreciation to those who stayed the course as a sign of solidarity. The door though is still open to the three and others have still got the option to sign up and participate in the event.

Defending champions South Africa will try to once again capture the title but face stiff opposition from other teams, among them Uganda, a country also vying to stage the event on the upper Nile's white water sections, Nigeria, Senegal, Morocco, Tunisia and of course host country Kenya. The last championship Kenya hosted was back in 2008 when 16 countries participated in the continental event. Spectators are welcome and although the first few days will be dedicated to training visitors even on those days are welcome. Signposts will reportedly be put up for guidance of spectators but alternatively can the following contact details be used for directions: <a href="mailto:kracarowingcanoe@gmail.com">kracarowingcanoe@gmail.com</a> and phone +254 789 423044

# KENYA AIRWAYS EXPECTS DELIVERY OF BRAND NEW B777-300ER ON OCTOBER 25<sup>TH</sup> (Posted 04<sup>th</sup> October 2013)



Kenya Airways is expecting to take delivery of their latest aircraft, a Boeing B777-300ER, in exactly three weeks from today, as their march towards fleet modernization and expansion continues unabated.

Inspite of poor financial results for the last financial year has the airline stuck to their strategic *Plan Mawingo* which foresees a fleet of 119 aircraft, including dedicated cargo planes, by the year 2021/1, three times as many as the current fleet size. A source close to the airline commented in this regard: 'The financial result of the last financial year is a one off. All underlying indicators for the first 6 months of 2013/14 are much better than last year. And even after a year of incurring some losses, the airline cannot afford to stop implementing their strategic plan. New aircraft are more fuel efficient, they allow more frequencies on routes which make money for them. When from March next year the B787's start joining the fleet, some of the older B767 will go and the savings on fuel for these new jets will be over 20 percent in comparison. That is what a modern fleet is all about, to save money in fuel and maintenance and in the case of 787 versus 767 also add a significant number of more seats on each aircraft'.

With the upcoming delivery of the B777-300ER there will only be one more new aircraft join the fleet in 2013, an Embraer E 190 which has together with their sisterships the E 170 become the workhorse aircraft of Kenya Airways, now flying domestic, regional and continental routes. Starting next year will Kenya Airways take deliveries of the remaining order of E190's besides their first B787 Dreamliners and additional B737NG's. Watch this space.

# SUN AFRICA HOTELS EXPRESSES CONFIDENCE IN COAST MARKET WITH NEW PROPERTY (Posted 04<sup>th</sup> October 2013)



Sun Africa Hotels has confirmed that work is progressing well to finally establish a property at the Kenya coast, north of Mombasa. The beachside resort will offer guests 20 suites when completed, in a set up similar to Sun Africa's Sovereign Suites in Limuru outside Nairobi. Luxurious lounges and public areas will give guests that special feeling of 'belonging' as they already do at Sovereign, equally an all suite property twice recognized in the past by World Luxury Hotel Awards in 2011 and 2012.

The Mombasa 'Sun Africa Beach Resort' is also expected to join the 'Preferred Hotels' under their 'Boutique' brand when open in 2014.



(Bedroom impression of Sun Africa's new all suite property in Nyali)

Meanwhile has work also started for a new tented safari camp in the Masai Mara due to open in 2014 too, similar to the set up at the Naivasha based Kiboko Luxury Camp, offering a small number of suites under canvas with all the facilities of a fully fledged safari lodge and yet small enough to offer that feeling of privacy away from the often maddening crowds.

In a related development will Sun Africa later this month also launch a guest and corporate loyalty programme, *Sun Achiever* and *Sun Ambassador* which will earn points and benefits in any of SAH's units. Details of the new scheme will, as usual, be featured here first.



Sun Africa's other properties are the *Lake Naivasha Country Club* and the *Keekorok Lodge* besides which they operate *Balloon Adventure* out of Keekorok. The Lake Baringo Club, as recently narrated in a story here, is closed until further notice as a result of risen lake water levels. Watch this space for regular and breaking news from Eastern Africa's hospitality sector.

# KQ MOVE DOMESTIC BACK TO TERMINAL 3 AS REGIONAL FLIGHTS RETURN TO TERMINAL 2 (Posted 03<sup>rd</sup> October 2013)



Kenya Airways has confirmed that they have moved their domestic operations from the temporary terminal set up at the Cargo Terminal – done after the fire at JKIA on the 08<sup>th</sup> of August – back to Terminal 3 with immediate effect. Passengers using Kenya Airways to fly to Mombasa, Malindi, Eldoret and Kisumu will now once again come to the main terminal complex for their check in procedures and will also arrive again at this location.

The airline's regional flights, including departures by partner airline Precision Air, have at the same time returned to Terminal 2, where all international and regional departures are now once again processed, following additional refurbishments in that part of the airport.

The airline, in a statement issued late yesterday, reiterated that international arrivals will continue to be processed via the converted parking garage, which will remain in place until further notice while the main arrival terminal is now being reconstructed. Kenya Airways' COO Mbuvi Ngunze added his voice to the statement when he said in a communication received: 'We wish to thank the Kenya Airport Authority and the Government of Kenya for their efforts to restore airport facilities following the fire incident. We also appreciate our customers' patience and understanding during this period, and reiterate our commitment to consistently improve our service offering to them'.



Meanwhile has Kenya Airways also confirmed that all preparations for their annual Masai Mara Marathon are completed and when the starter's signal is given this Saturday morning, 05<sup>th</sup> of October, the over 1.000 runners will be able to concentrate on running and aiming to win or finish, as the logistics have been well taken care of. Kenya Airways sponsors this annual event to the tune of over 58 million Kenya Shillings, to promote the sport as well as Destination Kenya. Dr. Titus Naikuni, CEO of Kenya Airways, in the media release sent out yesterday said: 'The Kenya Airways Masai Mara Marathon has always been an important event to us because of the role it plays in not only nurturing and promoting talent, but also providing an avenue for spurring development in the societies that we operate in'.

The top five winners in the various categories will be sponsored by Kenya Airways to participate in the London Marathon 2014, a huge incentive for the participants.

Funds raised by the event, which originally started in 2009, will go towards improving education and medical facilities for the Masai communities living in the area as well as this year towards anti poaching operations, provision of clean water and better sanitation facilities. Well done *Pride of Africa*!

# SKAL GIVES VOTE OF CONFIDENCE TO KENYA AS 2015 CONGRESS GOES TO MOMBASA (Posted 02<sup>nd</sup> October 2013)



Breaking news from America, where the annual Skal International Congress is now underway, tell the story of solidarity and support for Kenya following the harrowing events of a week and a half ago. The Kenyan delegation at the event has against some odds gotten the thumbs up to their proposal to host the 2015 Skal International Congress at the beach in Mombasa and delegates gave them the votes to make this long harboured dream a reality. In the past has Kenya hosted the Executive Committee of Skal International at the prestigious Mount Kenya Safari Club and even given the world a Skal International President through Tony Clegg-Butt, but few could envisage that Kenya would one day really host this prestigious global event.

Tourism marketers will be swift, or so it is hoped, to build on this vote of confidence and tell the world that if Skal has confidence in Kenya, comprising of the global who is who in tourism, hospitality and aviation, then surely can their companies have confidence too and sell Kenya like never before.

Congratulations to the bid team from the Skal Clubs of Kenya, both Nairobi and Kenya Coast and their bid winning presentation and convincing arguments made before the vote.

See you all in Mombasa in October 2015, for some true Skal fun and to hear the South American chants of '*Esse*, *Kay*, *Ay*, *Elle*' with which they normally announce their presence in the room. Congrats to all involved and a big pat on the back.

# AS LAKE BARINGO CONTINUES TO RISE THE WATERS DROWN LODGES AND CAMPS (Posted 02nd October 2013)



(Under water – a picture of a lake side lodge now half submerged by the seemingly relentless march of the Lake Baringo waters)

A monumental calamity has befallen several of the lake shore camps and safari lodges on Lake Baringo, where rising water levels have now literally drowned these places in a rising tide, which has exceeded any high water marks in living memory recorded by man.

Lake Baringo has for long been a secret tip for birdwatchers and seekers of weekend or midweek hideaways alike, who are ready to take the four plus hour drive to cover the 300 kilometre distance from Nairobi via Nakuru along a largely tarmacked road to find solitude or rare endemic or migratory birds.

In my 'old days' in Kenya, Lake Baringo Club was then owned and managed by Kenya's leading hospitality company Block Hotels and it was back in the 1970's that I learned a bit about the history of the area. The lodge was originally the site of a tented camp until in the late 60's the owners set up 8 guest rooms next to the main building, in which they reportedly lived at the time. From the initial 8 rooms the lodge, later renamed into Lake Baringo Club, eventually grew in several stages to as many as 50 rooms, including a suite, reflecting the growing popularity among tourists who were thrilled by the knowledge of then resident bird guide Terry Stevenson and later on Hillary Garland. Terry, in his young years a world record chasing bird watcher, eventually published his booklet 'The Birds of Lake Baringo' which on publication in late 1980 contained 445 recorded species, found at the club, along the shores and of course at the massive cliffs and the thickets on their bottom which form the backdrop behind the lodge.

Hillary in turn produced a booklet documenting the 36 species of trees and shrubs found in the extensive grounds of the Lake Baringo Club and both publications were soon a must read for visitors to Lake Baringo.



(Sunrise over the distant Tugen Hills which overlook Lake Baringo – the swollen lake waters clearly visible in a photo taken later that day from a different location)

Back in the 60's the water levels had also risen but never did reach the buildings of the Lake Baringo Club, nor did they even distantly approach a neighbouring plot where later on the 'Robert's Camp' was put up. My hope in late 2011 though, during my last visit, that water levels would eventually recede, proved wrong as first the Robert's Camp and then houses of neighbours and finally the Lake Baringo Club had to be closed as the water chased the occupants away, claiming more and more acreage along the lake shores, now almost reaching the main road. For Sun Africa Hotels, which at the time had just spent a significant amount of money to restore the club to its former glory, after acquiring it from the remnants of the former Block Hotels, it was a blow, as it was to others with properties along the lake shores, and while the Island Camp continues to operate, their erstwhile boat landing sites have followed the rising waters to find mooring on changing spots.

Sun Africa had at the time of my visit just completed the bulk of their work at the sister property Lake Naivasha Country Club and were set to lift the Lake Baringo Club too to 5 star levels, when the tide struck.

From first hand information it was learned that the buildings, stripped down of furniture and fittings before the water engulfed the lodge, will have to be knocked down and a completely new construction take place, as and when, and no one knows for certain when that will be, the waters go down to 'normal' pre-flood levels. Neighbouring properties too are considered a write off and will need rebuilding from scratch, leaving available accommodation in short supply for afficionados of our feathered friends, all of which enjoy their new habitat.



Opinions vary widely over the reasons for the risen waters, some say it was the massive rains which hit this part of Kenya in recent years and other suggested that seismic shifts may have caused the lake floor to rise, or prevent outflow of water, causing the lake levels to swell to unprecedented heights.

Either way, Lake Baringo and neighbouring Lake Bogoria remain a treasure chest of birds for visitors who continue to come to the area from around the world, but just no longer can stay in some of the properties they may have read up on and expected to find in operation.

'Nature is something we cannot fight, all we can do is work around it. On one hand it is good that the lakes in the Rift Valley are getting more water but the negative fallout like at Baringo is of course bad. Some nice places are flooded now and accommodation is in short supply. We still sell the area for bird watching but this has been a setback. I pity the owners because unless they had relevant insurance they might have to write off a lot of their investments and it could be years before the water goes down again. And even though Baringo is not a national park like Bogoria, it is still a very valuable tourism resource' quipped a regular source yesterday when asking for an expert opinion about the calamity which has befallen the affected lodges and camps. Lake Baringo is apart from Lake Naivasha the only fresh water non alkaline lake in the Rift Valley region of Kenya and together with Nakuru, Bogoria and Elementaita part of a UNESCO World Heritage Site. Nature fighting back? For certain is nature's gain mankind's loss in this case.

#### ETIHAD LAUNCHES HO CHI MINH CITY FLIGHTS

(Posted 02<sup>nd</sup> October 2013)



Etihad, Abu Dhabi's national airline, has announced the launch of flights from Abu Dhabi to Vietnam's Ho Chi Minh City. Daily flights on Airbus A320 aircraft connect Nairobi with Abu Dhabi, in addition of which Kenya Airways, flying in code share with Etihad, also operates three flights a week at present. Travelers on KQ can already fly with Vietnam Airlines between Bangkok and Ho Chi Minh City under a codeshare arrangement between these two airlines but the added option to travel via Abu Dhabi will certainly open up that market even further. Notably does Etihad also enjoy a 'special relationship' with Vietnam Airlines, in line with their corporate strategy to grow globally through select investments in airlines, MoU's and codeshares with others in order to widen their destination network and offer their clients better connectivity outside the conventional airline alliances. In a related development has Etihad also launched a special Facebook competition in which fans can upload photos of their favourite Vietnamese food for the chance to win a pair of Coral Economy Class flights to Ho Chi Minh City from any point on the airline's network. Whether it is a home-cooked meal, a dish from a favourite restaurant or fresh produce, fans will be encouraged to get snapping and upload their best Vietnamese cuisine-inspired image. Participants in the competition can upload and vote for their favourite foodie photos via the 'Vietnam Eats' Facebook application throughout October. At the end of the month, a panel of judges will choose a winner from the 10 most popular photos as voted by Etihad Airways' Facebook followers. The foodie-focused competition celebrates the new Vietnamese-themed menu on Ho Chi Minh City flights which has been designed in partnership

with Luke Nguyen, the celebrity chef who is a host on the TV series Masterchef Vietnam. At the same time, fans can tag photos and videos of Ho Chi Minh City or travel with Etihad Airways to the city with the hashtag #HCMCPEARLS.

User-generated photos and videos will be pulled together to create a Vietnam-themed social hub on Etihad Airways' Facebook page. Here people can find fan-generated recommendations on what to do, where to go, and what to eat in Ho Chi Minh City. For more information and to view the full terms and conditions for the competition visit <a href="https://www.facebook.com/etihad.airways">www.facebook.com/etihad.airways</a>. Watch this space for breaking and regular news from the Eastern African aviation scene.

#### IT IS TEARS AMONG STAFF AS THE INDIAN OCEAN BEACH RESORT CLOSES

(Posted 30<sup>th</sup> September 2013)



Inspite of upbeat noises by tourism marketers is reality today hitting home, as another South Coast resort, the Indian Ocean Beach Resort, closes its doors for lack of business.

Announced already a while ago by the proprietors, who also own and manage the Nairobi based Jacaranda Hotel, the Village Inn in Kiambu and the Lake Elementaita Lodge, that they would have to close down and make some 300 staff redundant, should the business climate not dramatically improve, the day has now come to see the last faithful guests leave, no new ones check in and the staff, many of them in a tearful good bye, for the last time clock out and leave the resort, with no re-opening date in sight.

Industry sources were swift to point out that this development did not come as a result of the recent Westgate calamity but that the writing was on the wall for a while now, as more and more charter flights withdrew from Mombasa, which once upon a time accounted for over 60 percent of Kenya's tourism arrivals.

'We can only reiterate our call for government to come up with rapid relief and concessions for the sector, for a new open sky policy for Mombasa to attract more scheduled airlines to fly to the coast and to really kickstart our recovery marketing programme which we needed before the elections – the last government failed our sector very badly here – and since the elections in March. We need to have VAT on tourism services removed which was recently introduced, we need affordable finance from KTDC to upgrade our resorts and innovate our product and we should consider to half our Visa fee again like we did in 2008. There are measures which can bring swift relief and others will take a while to take root but if we do nothing, then nothing will change' said a depressed sounding regular source from the coast when asked to add his comments.

Diani Beach has regularly been voted as one of the world's greatest beaches for holidays and yet have as many as 7 resorts closed over the past years and only one, the Swahili Beach Hotel, opened in late 2011. For now, and today, it is a very sad *Kwaheri* to the Indian Ocean Beach Resort and only time will tell if the '*Ya Kuonana*' will one day be added and the resort can reopen and welcome the both new and old guests back.

# MICE SEMINAR ANNOUNCED FOR 17<sup>TH</sup> OCTOBER AT THE STANLEY HOTEL IN NAIROBI (Posted 30<sup>th</sup> September 2013)



The Kenya Tourism Board is supporting a MICE Seminar organized by Reed Exhibitions in conjunction with EIBTM and SITE as part of their additional activities planned for their annual Magical Kenya Travel Expo 2013. The seminar will take place on October 17<sup>th</sup> at the centrally located Stanley Hotel and has attracted several high quality speakers, among them Huw Tucket from SITE and Jill Henry, recently retired from the Sarawak Convention Bureau. Huw will speak on *Global Incentive Industry* trends, the different types of 'rewards' from cash to travel while Jill,who is also a former director of the Perth Convention Bureau will speak on "*The Potential and Value of International Conference and Incentive Business for East Africa*"....Finding a way to gain business in a

competitive market and the role of the PCO in winning international conferences. Local tourism expert Tasneem Adamji will focus her presentation on how to prepare incentive proposals for East Africa and ultimately deliver a program.

The Magical Kenya Travel Expo 2013 will officially kick off on the 18<sup>th</sup> of October and run until the 20<sup>th</sup> of October, though the official programme for the event starts with the much awaited World Travel Award 2013 Ceremony on the evening of the 16<sup>th</sup> of October, followed by the full day seminar which is expected to be a sellout at a cost of Kenya Shillings 5.000/- per person. Interested parties can write to pa@africanquest.co.ke but urgency is recommended as few spots remain. For more information on the exhibition and the various activities lined up visit www.magicalkenyatravelexpo.com

#### MOI INTERNATIONAL AIRPORT THROWN INTO DARKNESS

(Posted 29<sup>th</sup> September 2013)



Only weeks after a devastating fire at the Jomo Kenyatta International Airport in Nairobi do the woes for the Kenya Airport Authority continue, as this evening their second most important airport, Moi International Mombasa, descended into utter darkness just before 8 p.m. local time. Standby generators failed to engage and passengers had to use their torches or mobile phones to light up their immediate neighbourhood, as operations came to a standstill and flights in and out of Mombasa were not possible during the outage as runway lights too went dark. Concerns from stakeholders immediately focused on aviation security, as the entire complex was dark and apparently not a single stand by light was functioning in crucial areas when the lights went out, rendering staff unable to see what was transpiring at the entrance gates or elsewhere in arrival and departure terminals.



(Picture by Travel Guru @Njooro)

A picture received from a fellow Tweep provided instant proof of the surrounding darkness, which by initial reports on twitter lasted for at least 10 minutes before some few emergency lights came on, with no explanation given by KAA through social media or other means.

'Yes a driver called when the lights went out. He had gone to drop off passengers and made sure the office was told right away in case there would be delays. How can the generators not come on immediately when the lights go out at the airport. Imagine a plane is just about to land or about to take off. Can the airport authority bosses finally wake up and do something about such operational failures? I remember when some time ago the airport could not operate at night because the runway lights had gone out for several days. It is dangerous and irresponsible' commented a regular Mombasa based source when called about the incident.

It is now wait and see how and when KAA finds it fit to respond to queries raised on Twitter or through conventional channels as airlines and the general public want answers to this latest lapse.

### Tanzania News TRAINING FLIGHT PILOTS ESCAPE CRASH ALIVE

(Posted 05<sup>th</sup> October 2013)



A trainee pilot and his instructor escaped alive against the odds the day before yesterday, when their Cessna 206 developed engine problems inflight and crash landed in a suburb of Dar es Salaam. No one on the ground was injured but crowds of spectators quickly formed around the mangled wreckage of the plane which is registered with the Tanzania Civil Aviation Authority as 5H IBB, serial number 04764, manufactured in 1980. The two pilots, who sustained minor injuries and cuts during the crash, will be interviewed by the TCAA air accident investigation branch team as an enquiry is now underway to establish the cause of the accident.

The same plane was reportedly involved in a crash landing in December 2000 at the remote Kiba airstrip in the Selous Game Reserve when coming in from Mafia island with 5 passengers on board. On landing the aircraft, coming in reportedly too fast and without flaps set, overshot the strip and crashed into trees and debris at which time it sustained propeller and undercarriage damage, but was eventually repaired and put back into service. Initial feedback from Tanzanian aviation sources say that this time the plane appears beyond repairs as the landing gear was ripped off, the engine separated from the hull and the tail section twisted.

Watch this space for breaking and regular news from East Africa's vibrant aviation scene.

#### TASOTA ORGANIZES TRAINING FOR MEMBERS

(Posted 04th October 2013)



The Tanzania Society of Travel Agents, in conjunction with Amadeus East Africa, has informed their membership across Tanzania of an imminent training seminar in customer services strategy under the theme: 'Achieving Excellence through Customer Service'.

Taking place on the 26<sup>th</sup> of October at The Hyatt – The Kilimanjaro Dar es Salaam will members be able to hear from John Tschohl, who is described as a customer service guru, all there is to know – in abbreviated terms surely as a masters programme could be exhaustively filled with the same topic – about this crucial element in recruiting and retaining clients in a highly competitive environment.



The one day seminar is open to TASOTA members only who can sign up by email via <a href="mailto:info@tasota.org">info@tasota.org</a> or else contact the association via <a href="mailto:www.tasota.org">www.tasota.org</a>

**TASOTA** was established to encourage, promote and protect interests of member travel agents in the country, to maintain a code of conduct and code of ethics within the industry, to enhance cordial relations with associations in neighboring countries, to promote travel into and out of Tanzania and to promote the highest standards of professionalism amongst travel agents.

# CONTACT: Tanzania Society of Travel Agents (TASOTA) P.O.Box 21338,

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Click here for Listings of Members

#### FASTJET PUBLISHES HALF YEAR RESULTS

(Posted 01st October 2013)



FastJet PLC, the UK based 'holding' company for the airline's African operations, has yesterday announced their half year results, which for their Tanzanian operations show an accumulated loss of 13.3 million US Dollars. The full statement, as published under the UK's reporting requirements for publicly quoted companies, can be accessed via the following link: <a href="www.londonstockexchange.com/exchange/news/market-news/market-news/market-news/market-news/market-news/market-news/market-news-detail.html?announcementId=11724815">www.londonstockexchange.com/exchange/news/market-news/marke

The media release, self explanatory as it is, received from the airline's PR agency, is shown for the benefit of the readers here below. Notably has no new date been set as yet for the start of flights from Dar es Salaam to Johannesburg (see recent article here via <a href="http://wolfganghthome.wordpress.com/2013/09/26/south-african-aviation-authority-kills-spirit-of-unwtos-world-tourism-day/">http://wolfganghthome.wordpress.com/2013/09/26/south-african-aviation-authority-kills-spirit-of-unwtos-world-tourism-day/</a>) as the South African Department of Transport continues to drag their feet, probably putting every work, comma and full stop under the microscope to allow their national airline continue exploit travellers to and from Dar es Salaam through their monopoly on the route for a little while longer. It is also understood that the Tanzanian Civil Aviation Authority has yet to intervene on behalf of FastJet, an airline they designated to fly on the route under the reciprocal Bilateral Air Services Agreement, perhaps shy not to step on their SADC *Big Brother's* toes. Although South African Airways has not been directly linked to this chain of events, it is nevertheless expected to bear the full broadside of negative PR fallout and market reaction when FastJet will eventually commence flights to Johannesburg, as many travel agents have in direct communications with this correspondent already vowed to 'punish them'. Watch this space therefore but meanwhile the statement from FastJet as of yesterday afternoon which in every respect is quite self explanatory and in line with previous reports file here:

#### fastjet Plc - Interim Results

fastjet announces its unaudited interim results for the six months ended 30 June 2013.

#### **HIGHLIGHTS**

- First-half underlying EBIT loss \$24.9m including US\$13.3m trading losses in the Tanzanian operation.
- Tanzanian operation reported quarterly EBIT loss of US\$9.1m in Q1 and US\$4.2m in Q2 a 54% reduction quarter on quarter.
- Net cash at 30th June 2013 was \$4.4m. Subsequent to this \$9.3m (gross) has been raised via equity issuance.
- fastjet Tanzania achieved US\$81 revenue per passenger in June almost double January's achieved rate of US\$46.
- Tanzanian operation is now profitable on an underlying route level basis; and based on current performance
  once scale increases with additional routes and fully utilised resources the business is expected to become
  profitable at the EBIT level.
- Growing endorsement of the fastjet brand and low cost airline model by Tanzanian consumers

- Launch of the first international route, from Dar-es-Salaam to Johannesburg is expected imminently, with others planned in the near future.
- Development of an Airline Management Services organisation, enabling the fastjet brand to be rolled-out more rapidly across Africa; reducing shareholder risk and minimising capital requirements is underway.
- Restructuring of the legacy Fly540 businesses progressing well; further progress will be reported in due course; a further \$5.7m of goodwill and intangible assets, and \$8.8m of investments written down in the period.

fastjet's CEO and Interim Chairman, Ed Winter, commented:

"We are extremely pleased with our operational performance in Tanzania and the endorsement of the fastjet brand by Tanzanian consumers. In response to our consistently high levels of operational reliability, passengers are rapidly adopting fastjet's low-cost model and booking early in order to pay the lowest prices and allowing us to yield manage to high load factors. We are significantly changing the view of air travel and taking the lead in developing the aviation industry in Tanzania.

Building on our existing operation and the strong consumer faith in our brand, we are moving ahead with our growth plans and plan very soon to launch our first international route from Dar es Salaam to Johannesburg. We expect to add further international routes over the next few months, including to destinations in Zambia and Malawi. In addition to this, we will be adding a fifth city, Mbeya, to our Tanzanian domestic network from 1st November following completion of the redevelopment of Songwe airport to accommodate modern jet aircraft.

These interim results include start-up losses associated with launching fastjet Tanzania. Of particular note was that the those losses were more than halved in Q2 compared to Q1. Our performance is expected to considerably improve in the second half of 2013 with yields having grown from US\$42 to US \$81 between January and June. As our planned network expansion progresses and scale covers fixed operating costs, we fully expect fastjet Tanzania to become profitable.

Once Tanzania is fully established and profitable we will turn our attention again to the South African market. Regional routes from South Africa to Sub-Saharan destinations lack effective competition and are both underserved and overpriced and ready for an alternative to the cosy relationship between South African Airways and the respective national carrier of each country. It can cost the same amount to fly direct between two Southern African cities on a flight of 3-6 hours as it does to fly to Europe on a 10-12 hour flight.

Based on our success in Tanzania to date, fastjet is confident in the potential of its long-term strategy to become the pan-African low cost airline of choice."

#### **CHAIRMAN AND CHIEF EXECUTIVE'S REVIEW**

I am pleased to present my report for the 6 month period to 30th June 2013.

#### fastjet operations

Following last year's strategic review of the acquired Fly540 businesses, fastjet was launched in Tanzania on 29th November 2012. The operation has been a success, both operationally and financially. Average revenue perpassenger has risen from USD\$46 in January to USD\$81 in June and average load factors have risen from 66 per cent to 78 per cent during the period. Monthly ticket revenue more than doubled over the six month period and monthly losses were reduced from \$9.1m in Q1 to \$4.2m in Q2. On time performance for the period has comfortably exceeded 90 per cent. It is expected that these trends will continue throughout the third and fourth quarters of the year.

During the first half of 2013, management successfully secured fastjet's first international route rights and whilst time delays due to bureaucracy have had a negative impact on growth during the period, it is pleasing that fastjet's first international route, Dar es Salaam to Johannesburg, is now on-sale and it is expected that the service will shortly be operating three times a week. We expect to add further international routes over the next few months, including to destinations in Zambia and Malawi.

38 per cent of fastjet's passengers in the first half of 2013 were first time fliers and 34,000 seats were sold to those booking early at the base-price of only USD\$20, so establishing the low cost model in Tanzania. In June 2013 over 1,200 seats were sold for USD\$20 each and, importantly, over 300 seats were sold for USD\$200 each. It is clear that the low-cost airline model works in Tanzania and is effective in stimulating and growing the market; customer acceptance has been even more rapid than we expected. The booking window (days between booking and flight) has increased dramatically with customers quickly adopting the "book early for cheapest seats" model. Due to unreliability of air services prior to the arrival of fastjet, the majority of passengers booked tickets on the intended day of travel. Feedback on customer satisfaction during the period was been extremely positive, with 98 per cent of fastjet customers surveyed saying that they would fly with fastjet again and 100 per cent saying that they would recommend fastjet to friends and business colleagues.

In order to offset lower rates of commercial activity on internet and credit card usage in Africa, management continues to develop cutting-edge customer communication and facilitation tools. These include extensive use of social media such as Facebook and Twitter with fastjet rapidly becoming the most "liked" airline in sub Saharan Africa, well ahead of long established airlines such as South African Airways and Kenya Airways. Mobile phone penetration throughout Africa is very high, and our website is optimised for use on smart phones. Our customers increasingly use mobile phone payment methods such as M-Pesa and Tigo to pay for seats. In June 2013, 15 per cent of ticket revenue was paid for via M-Pesa. Tigo functionality was introduced in July this year and by August 17 per cent of ticket revenue for the month was paid for via mobile money.

Ancillary revenue streams, predominantly from baggage and flight change fees, continue to see steady improvement, increasing from USD\$2.75 per passenger in January 2013 to USD\$5.79 per passenger in June. For the remainder of 2013 and in the first-half of 2014, additional services such as in-flight retail, allocated seating, hotel and travel insurance services will be introduced with the objective that ancillary revenue will continue to rise, both in absolute terms and as a percentage of total revenue.

fastjet's Tanzanian operation which comprises a well recognised brand name and both domestic and international routes, means that it is now well placed to further develop its Tanzanian operations. Management plans a controlled expansion, with all three aircraft fully optimised within the schedule by the first-half of 2014. This will enable fixed overhead costs to be spread over a larger operation, a key factor in turning the Tanzanian operation profitable.

#### Fly540 operations

The Fly540 businesses acquired from Lonrho Plc continued to seriously underperform relative to expectations in the first-half of 2013 with an EBITDA loss due to continued Fly540 operations being \$6.2m.

We have further reviewed the fair value and the goodwill and impairment of the assets acquired as a result of the Lonrho Aviation and Fly540 acquisitions and made further impairments totalling \$5.7m. We have taken a further impairment of USD\$8.7m on our investment in Fly540 Kenya. Details are set out in the interim financial statements.

Regrettably the Board has decided that whilst the current Fly540 operations do not consume material amounts of cash, the turbo-prop business model of Fly540 based on relatively small turbo-prop aircraft is unlikely to achieve profitability in the short term. The Board has therefore sanctioned a restructuring plan and management is taking increasingly aggressive steps to restructure these businesses and remove legacy inefficiencies.

#### Fly540 Angola

- Whilst Angola has the potential to be a profitable and sustainable business, operational issues, including the
  inability to quickly and efficiently obtain aircraft parts, and constraints imposed by the Angolan Central Bank
  on the flow of funds meant that the first-half flying schedule was materially disrupted. Seats offered varied
  from 18,000 in March to nearly 45,000 in May.
- Consequently, whilst cash demands have been negligible, operating losses have continued. We are currently
  in negotiations with our Angolan partners to reduce our shareholding in Fly540 Angola, with the aim of
  ultimately reducing PLC management time and resulting in the eradication of future losses. We aim to retain
  the right to introduce the fastjet low cost model into Angola at an appropriate time i.e. when the current
  operational constraints have been resolved.

- With a population of more than 350m people the Economic Community of West Africa (ECOWAS) is a significant but immature aviation market. However, domestic competition in Ghana remained intense during the first half of 2013, especially on the key Accra to Kumasi route. In addition to this, the Kumasi airport runway has yet to be upgraded to accommodate Airbus A319 aircraft and Government taxes on international flights and fuel remain prohibitively high for the introduction of a profitable fastjet operation. Fly540 Ghana has been granted designations on five international routes from Accra to Abidjan, Cote d'Ivoire; Freetown, Sierra Leone; Lagos, Nigeria; Ouagadougou, Burkina Faso; and Monrovia, Liberia, however these routes are not being operated at this time. We expect to be able to develop a low-cost domestic network which could then be used as a launch pad for international routes once the Kumasi airport runway upgrade has taken place.
- Negotiations have been underway during the first half of 2013 to bring in a significant local equity partner to reduce capital requirements and risk, during the period prior to introducing the fastjet low cost model.

#### Fly540 Kenya

- As previously reported, fastjet now treats Kenya as an investment. On 23rd April 2013 fastjet entered into a
  Memorandum of Understanding (MoU) with Don Smith, Chief Executive Officer of Fly540 Kenya, with a view to
  establishing a way by which the two parties could work together to maximise the value and business prospects
  of both Fly540 and fastjet in Kenya. We continue to work with Don Smith and the creditors of the Kenyan
  operation with the aim of maximising value for the company from this relationship.
- Notwithstanding these issues, we expect Kenya, the most mature air travel market in East Africa, to eventually be capable of supporting a very significant low-cost operation.

#### **Future Initiatives**

Based on our experience in Tanzania, we have great confidence that we can fulfil our strategy of becoming the pan African Low Cost Airline of choice. We have seen the low cost model stimulate the Tanzanian market in the same way other such markets in other areas of the world were stimulated by its introduction in the past. The Tanzanian consumer has embraced the brand and model with incredible speed and enthusiasm. Lessons learned whilst establishing the Tanzanian operation will be deployed to our advantage during our expansion into other markets. The success of the Tanzanian operation has also caught the attention of other African governments who have approached us to enquire about introducing fastjet operations.

In some countries, developing the fastjet brand will involve direct investment (as is the case in Tanzania), while in other countries it will be via a licencing agreement. Direct investment is most likely in larger, more mature markets, such as South Africa and Kenya, with licencing agreements more likely in smaller, less well-developed markets and those with a difficult investment environment such as Nigeria. fastjet plans to undertake direct investment in a planned and orderly way, such that a material portion of the required investment can be internally funded.

#### fastjet Airline Management Services

For countries where fastjet considers a licencing agreement to be the appropriate route to establishing the brand, we have developed an Airline Management Services (AMS) concept. AMS facilitates the delivery of core elements of the fastjet service, such as, safety, brand, a revenue management system and sales and distribution channels, while other investors provide the capital required to fund the aircraft and start-up costs. In addition, fastjet AMS would offer other optional commercial, operational and management services. The key benefit of this approach is the ability to establish the fastjet brand and deliver the fastjet standard of service quickly, without requiring a material amount of external capital. It would also enable a less-experienced airline management team to receive group-level strategic guidance and management information to develop and operate an airline to international standards whilst benefiting from the financial synergies present in a larger airline.

Discussions are on-going in a number of African countries, including Nigeria, with a view to launching airlines in this way under the fastjet brand.

#### Funding

The convertible securities agreement with Bergen Global Opportunity Fund, LP ("Bergen"), an institutional investment fund manager, which commenced in March 2013, was terminated on 10th June 2013, in favour of an

EFF facility with Darwin Strategic. After the end of the period fastjet received shareholder approval for a 10:1 share consolidation in order to preserve its ability to continue to make use of this drawdown facility. The continued use of the EFF has provided the Company with working capital funding to allow it to progress discussions with interested parties regarding the future funding of the Company required to develop and expand the business.

#### **Going Concern**

The Interim Statement has been prepared on a Going Concern basis as set out in Note 1.

#### Chairman

David Lenigas resigned from the Board on 10th June 2013. The Board would like to take this opportunity to thank David for his invaluable contribution to both the launch and initial development of fastjet. The Board wishes him the very best for the future. David stepped down in order to concentrate on his other business ventures. Ed Winter has temporarily taken on the role of Chairman in addition to his role as Chief Executive. The Board intends to appoint a successor in due course.

#### **Board**

Geoffrey White, Executive Director resigned from the Board on 25th July 2013. Geoffrey was nominated to the Board of fastjet by Lonrho Plc. Geoffrey will now focus all of his time on the Lonrho core businesses. The Board would like to thank Geoffrey for his contribution to the initial development of fastjet. Lonrho retain their right to appoint up to two Directors to the fastjet Board.

#### Outlook

Based on our success in Tanzania to date, fastjet is confident in the potential of its long-term strategy to become the pan-African low cost airline of choice. The Board remains confident that it has the right strategy and team in place to build a successful and profitable future for our shareholders. The Board would like to take this opportunity to thank its staff and our shareholders for their continued support.

#### Ed Winter / Interim Chairman and Chief Executive Officer

### 30 September 2013

#### Rwanda News WORLD BANK GIVES RWANDA TOURISM THE THUMBS UP (Posted 04<sup>th</sup> October 2013)



The latest World Bank report on tourism in Africa, released the day before yesterday titled: 'Tourism in Africa: Harnessing Tourism for Growth and Improved Livelihoods' has positively heaped praise on Rwanda for their way of doing business, facilitating business and promoting their tourism attractions at home, in the region and further abroad. The report says almost verbatim that Rwanda's approach can be cited as a model project because is a public-private partnership that secures community land ownership, protects critical biodiversity, and enhances the welfare of local communities.

Rica Rwigamba, Head of Tourism and Conservation at the Rwanda Development Board, while conceding that much more needed to be done and put into place to reach an ideal situation, especially vis a vis human resource development and professionalism, also proudly added that the strategic way forward on which stakeholders had agreed was being rolled out and that all data, for tourism arrivals and revenues generated, were showing consistently upward growth rates.

'Broad based consultations and constant interaction with the trade associations like RTTA and the the association for hotels and restaurants, besides the Private Sector Federation, have been crucial in getting where we are. The latest effort to push for the development of the Kivu tourism zone is another landmark after

introducing a range of attractions and products beyond gorilla tourism. We deal with our issues internally when necessary but stand together to promote our country. That sets us apart from some others in the region. And we have high profile tourism, conservation and cultural events and throw our support behind them. Finally, there are few rotten apples and we are dealing with those to prevent damage to our country's reputation, so when things go wrong somewhere, we collectively sort them out' said a regular contributor from Kigali. Good news indeed that the World Bank has singled out Rwanda's tourism industry for such praise, not unprecedented though as they too apparently read regular news updates from Rwanda and have taken a leaf or two in telling this African success story. Watch this space.

# NEW STRUCTURES PLANNED FOR CYANIKA / UGANDA BORDER TO EASE TRADE AND TRAVEL (Posted 01st October 2013)



The Cyanika border crossing between Uganda and Rwanda has been popular with tourists and safari operators, as two key tourism regions connect at that point, Uganda's Bwindi and Mgahinga national parks and Rwanda's Parc de Volcanoes. Many visitors to Uganda, *The Pearl of Africa*, are now using a brand new tarmac road from Kabale to Kisoro, to visit this part of the country. The trend has accelerated in fact, more so since several gorilla groups are now accessible on the Western side of Bwindi through Nkuringo. Lake Mutanda, since the new Chameleon Hill Lodge opened, too has gained a new higher value status, and the hiking trails mapped out by companies like Nkuringo Walking Safaris or Gorilla Highlands – maps were recently shown here in several feature articles, have brought rising numbers of adventure tourists to the extreme South West of Uganda.

With Rwanda being the proverbial stone throw away, there has equally been a growing stream of visitors crossing into the *Land of a Thousand Hills* to visit the Volcano National Park, see the caves near Musanze / Ruhengeri or pay a visit to the cultural sites of Rwanda's ancient kingdom, now open for visitors to the area. From Musanze in fact it is just over an hour's drive to Gisenyi, where the newly created *Kivu Tourism Zone* begins and stretches over the idyllic town of Kibuye all the way to Cyangugu, following the 224 kilometres of the Congo Nile Trail with side trips possible to Gishwati and Nyungwe forests.

The news that the border infrastructure is to be upgraded by investors in Rwanda was therefore received with positive comments from both Rwandan and Ugandan tourism stakeholders, even though the main beneficiaries might be the traders, who can on completion of the new buildings clear all their goods on the spot without further reference to Kigali.

East African cooperation, close up and personal and meaning something to the people this concept is to serve. Way to go Rwanda.

### South Sudan News SOUTH SUDAN HOTEL IN JUBA BURNS DOWN

(Posted 04th October 2013)



Another devastating fire swept through the South Sudan Hotel in Juba, South Sudan's capital city, this time destroying over 30 rooms and parts of other hotel facilities like the dining room.

According to a lamenting owner he had left the building for some outside errands and left electricians '*repairing*' faulty wiring, thought to have previously caused fires, only to be told later on that very likely as the result of the work the wires caused a fire which spread rapidly across the upper part of the hotel.

'The problem in Juba is that there are no building regulations which would require a hotel to use flame retardant materials, have sprinkler and smoke detectors, so it is an individual as well as a system failure. We had hotel fires before and I think overall they are lucky to lose only equipment and guest belongings and not lives' wrote a regular source from Juba when sending in the information overnight. He then added: 'The other problem is contractor quality which is often not very good. There is little formal training like apprentice schemes or vocational training for such jobs and therefore you cannot expect them to perform on the same level like in Nairobi or Kampala'.

Guests who lost their property to the fire also reportedly complained that those who managed to salvage some clothes or bags to thieves who had disguised themselves as good Samaritans.

Another source blamed the lack of equipment by the fire brigade in Juba, which he said lacked trucks, were ill prepared with no water in the tank and generally suffered of lack of infrastructure like hydrants they could use to fight fires. Fire fighters from the UN contingent in Juba eventually managed to put the flames out but not before enough damage was caused to have the hotel close down possible for several weeks if not months. It is understood that an investigation is underway but it is anyone's guess how the cause of the fire can be determined in the absence of forensic experts and the logistics required to pinpoint the location where the blaze started.

#### ROTANA MAY HEAD TO SOUTH SUDAN

(Posted 29th September 2013)



Information from a usually reliable source in South Sudan's capital city of Juba has indicated that Rotana, a Middle Eastern hotel group with a sizeable and growing portfolio of hotels and resorts in several countries, may be heading to Juba in a joint venture undertaking. If and when finally confirmed, this would be the first international group of any pedigree to enter the South Sudanese hospitality market, which has so far been almost shunned by the big league operators. Several major players have in the past argued that the investment climate was far from right for them to put major resources into South Sudan, pointing to lack of incentives for investors, uncertainty over land ownership, outright or through leases, slow legislative and regulatory reforms to bring South Sudan to the level of other East African countries and a prohibitive foreign currency regime which does not allow investors to remit any dividends at will as well as may encumber servicing loans from foreign financial institutions for such projects. Absence of key double taxation agreements too were cited as were ongoing security issues named as a serious obstacle. In fact, two months ago did one leading East African hotelier based in Nairobi, when discussing the opportunities which South Sudan's independence opened up for the hospitality sector, on condition of strict anonymity say: 'If I cannot remit my management fees to Kenya, why should I send top level manpower there. How do I pay them. The downfall of Jetlink is for everyone fresh in mind. And besides those financial issues, there is the perception about security in South Sudan. They do little to address those perceptions and that is a big reason why tourism has failed to take off there. Too much red tape, too much uncertainty and neither is good for business. It is not just about opportunities, those are there but also about a well regulated and legally secure business environment'. The Rotana project though seems well connected and local partners will no doubt have to take care of such issues as have been mentioned by others.

Located, according to the source, at an area of Juba known as Jebel Kujur, the hotel and a complex of serviced apartments and a gated estate for villas and residences, will cost at least 60 million US Dollars for the first phase but that figure may double when the next phase of residential developments goes underway following the completion of the main hotel project. According to the source construction may still start before the end of this year on a site covering about 27 hectares of land, and to support the information has the source included an artist's impression of the proposed hotel, which Rotana will reportedly manage on opening.



More information will be sought on the occasion of a short return to Juba over the coming weeks, when hopefully also added details can be obtained about the state of tourism to South Sudan's incredibly rich wildlife parks, and the facilitation of tourist visitors vis a vis the current red tape in place. Watch this space.

### Madagascar News TOURISTS KILLED BY ANGRY MOB

(Posted 05th October 2013)



The French government's reaction was swift and sharp, warning against all travel to Madagascar's resort island of Nosy Be, after one French citizen was tortured and burned to death by angry mobs of villagers, which had apparently accused him, another European tourist visitor and a local man of being responsible for the death of a boy and for being 'organ traders'. The boy's mutilated body was found at a beach and the three chased down and then mercilessly beaten, dragged through nearby villages, made to 'confess their crimes' under severe torture before being set alight and burned to death.

France was joined by other western nations immediately issuing travel warnings while their diplomatic missions in Antananarivo demanded urgent explanations from the government over the incident. According to some information was riot police and the military deployed in the area where the incident happened and several arrests were made of villagers thought to have been involved in the attack.

Madagascar's tourism industry in recent years was hit hard when first Air Madagascar was blacklisted by the EU for a while and then as political riots and fights swept the island following a coup, leading to sanctions by the African Union and embargos by western countries.

With a part recovery underway in more recent months, Madagascar is part of the Vanilla Island Organization and as such supported by fellow island states, and elections finally due on 25<sup>th</sup> of October which are to restore a legitimate government accepted by all citizens, this latest development is seen as a huge setback for the tourism industry, on which recovery many banked to spur economic growth once again. Besides the national parks on the main island, renowned for their Lemur populations, Nosy Be is a popular resort island which has of late again attracted growing numbers of foreign visitors, a flow now likely to come to a grinding halt as tourists fear to be targets of similar mob attacks. For more details on Madagascar's tourism attractions visit www.madagascar-tourisme.com/en

# Seychelles News SEYCHELLES TOURISM BOARD APPOINTS NEW DIRECTOR FOR MARKETING (Posted 04th October 2013)



The Seychelles Tourism Board has just announced the appointment of Mrs. Rose Marie Hoareau as Director of Marketing, meeting a key request made by the archipelago's private sector and following recommendations by the Seychelles Hospitality and Tourism Association.

The position was initially created to be filled by the private sector in 2009 and none other than the present Minister for Tourism and Culture Alain St. Ange was the first to hold this office as then Director of Tourism Marketing. Following extensive restructuring of STB was Mr. St. Ange then appointed as CEO of the Seychelles Tourism Board before President James Alix Michel, who previously held the tourism portfolio himself, appointed him to cabinet in March 2012 as Minister.

With over 25 years of experience of working in the tourism industry, Rose-Marie Hoareau has been recruited to head the marketing department at the Seychelles Tourism Board answering to Mrs Sherin Naiken, the CEO of the Seychelles Tourism Board. Rose Marie took office as the Director for Marketing officially on 01<sup>st</sup> of October filling in a key position in the tourism authority's structure.

Prior to taking up office at the Seychelles Tourism Board's headquarters at Bel Ombre was Rose Marie the Commercial Manager for Qatar Airways in Seychelles. The new Director of Marketing is also well versed in the aspects of marketing Seychelles as the ideal holiday destination as she was also a member of the Seychelles Hospitality and Tourism Association (SHTA) marketing committee – set up especially to consult and advise their partners in Government and the Seychelles Tourism Board. The SHTA committee worked to identify ways to best promote and develop the wide variety of activities, attractions and products that Seychelles has to offer. Rose Marie's appointment is seen as a direct result of requests made at the Industry Association's last annual general meeting held at the International Conference Centre of Seychelles, when this particular issue was high on the agenda and to which the Minister Alain St. Ange responded by reassuring the private sector that an appropriate appointment would be announced in due course.

During the AGM had SHTA members voiced their concern to government that the Seychelles Tourism Board has not had a Director of Marketing since the elevation of Mr. St. Ange to the CEO position at the time. Those in the trade were especially interested that the country increases its marketing efforts in the Seychelles core markets in Europe, where they felt that the lack of direct flights from such destinations like Paris to Seychelles was having an adverse effect on the industry.

'The Seychelles Tourism Board welcomes Mrs. Hoareau, as her presence in our organisation further strengthens our marketing efforts. Her appointment will also help make the Seychelles Tourism Board one that is more innovative with a more solid management structure' commented Miss Sherin Naiken when speaking about the new appointment.

On her part Mrs. Rose Marie Hoareau responded by saying: 'The appointment is an exciting new challenge and I look forward to working with the team for the betterment of the tourism industry'.

Minister Alain St.Ange has welcomed the appointment of Mrs Rose-Marie Hoareau saying that the team at the Seychelles Tourism Board is now complete and ready to face the increasing demands and challenges of the tourism industry.

Congratulations to Rose Marie on her appointment and all the best of success in this position to keep the momentum of the archipelago's marketing juggernaut going on.



(Seen here Mrs. Rose Marie Hoareau on the left with the CEO of STB Ms. Sherin Naiken)

#### KEMPINSKI RESORT TO REOPEN WITH NEW SHINE

(Posted 01st October 2013)



The Kempinski Seychelles Resort has reopened on the 01<sup>st</sup> of October with a new shine after major works on several areas of the resort have been completed. Closed since early September, this 'down time' has permitted to carry out essential major maintenance and where needed repairs without inconveniencing guests, whose holiday could have been impacted by such work, a major reason for the management to rather close the resort for a few weeks.

A source close to the tourism board on request had this to say: 'The Kempinski Seychelles Resort opened last year in March, which previously was the Plantation Club. The new owners had spent a lot of money to turn the property into a 5 star resort. A period of a few weeks closure will allow the managers to make staff and contractors work flat out to complete their various tasks without inconveniencing any guests. It is a smart move with the interest of guests in mind'.

The Seychelles will this weekend celebrate their first ever Seychelles – India Day, followed later in the month by the Festival Kreol between 25<sup>th</sup> and 31<sup>st</sup> of October while the main November event in the annual calendar will be the Festival of the Sea, aka Subios. Time to book a date with the Seychelles perhaps?

Visit <u>www.seychelles.travel</u> for more information about accommodation, marine and terrestrial national parks, attractions, monthly calendar events and how to get to the islands and get around.

## PORT VICTORIA WELCOMES 4 INDIAN NAVY SHIPS AHEAD OF SEYCHELLES – INDIA DAY (Posted 03<sup>rd</sup> October 2013)



As Victoria, the Seychelles' capital city, is gearing up to their first ever Seychelles – India Day, in fact more of a weekend festival than just a day, have four Indian navy ships including a three master, arrived in Port Victoria to honour the upcoming celebrations, allowing a full day for Seychellois to come on board and be shown around the ships.

Indian navy participation in the annual Carnival International de Victoria have always been part of the display and their presence for this first ever Seychelles – India Day celebration will go a long way to cement friendship between the two people and countries. The festival, no other befitting description can be used here, is a result of close cooperation between the Indian High Commission and the Seychelles Tourism Board and Ministry of Tourism and Culture, which launched such ethnic festivals with the recent Seychelles – China celebrations.

Minister Alain St. Ange had this to say about the Seychelles – India celebrations: 'The Seychelles-India Day Celebration is a golden opportunity to give the Indian community living in Seychelles its rightful recognition. Above all, it is a positive move for the growth of our relations with India and for Seychelles to mark through its very own calendar of events the historical link with India. Many young Seychellois today trace their family lines back to someone who arrived from India. Apart from France, Africa, and the UK, we have always known that we had in the earlier part of our nation, building settlers from India and China who have played their part to make Seychelles the multi-ethnic country we have today. This is why we needed to be true and fair to ourselves as a nation to include a Seychelles-India Day Celebrations on our annual list of events. The Seychelles-India Day Celebrations is not only targeting the Indian community living in Seychelles, but also the people of Seychelles as a whole. We should come out in force to support this event and make Seychelles proud '.

'Bollywood' celebrities from India are expected to come to Victoria for the event to boost the popularity of the festival and provide the flair needed to make it a success. A series of Indian films will be shown in the cinemas of Victoria while media teams from India too are on the island on invitation of the Seychelles Tourism Board. They will no doubt on their return home tell Indian travellers of the beauty of the islands and the warm welcome they can expect, without the need of Visa's of course as is customary for the Seychelles with their open door policy. In

addition will a top rated chef celebrate his culinary art during the festival in Victoria, no doubt setting the taste buds of diners alight. Once again, *Seychelles, Another World*.



**AND** in closing some more worthwhile reads from *The Livingstone Weekly* courtesy of Gill Staden – Asante Sana!

### **Another Helicopter Ride**

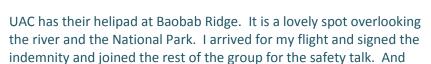
United Air Charters (UAC) has a new helicopter. It is big and takes about 10 passengers and two pilots. And there are no doors, so passengers are open to the elements and the noise. It is quite a different experience from the smaller helicopters.

Being one of those people who does not like heights, I



found it a bit scary and felt the need to hold onto something. I don't think I was the only one as another passenger was

clinging on to side of the cabin.



then we all walked to the helicopter and found our places and

strapped ourselves in.

We did a couple of spins over the Victoria Falls. As the helicopter banked to turn, I found myself saying: *oh my goodness me*, or words to that effect. I am a real wimp.

I admired the water over the Zimbabwe side and then looked at Zambia's grim spectacle at this time of year. There was only one stream of water coming over and

#### **Events on the Way**

2-4 October: Fishing Competition.

Kariba Town

26 October: Zambezi Kayak Festival.

Livingstone

26-31 October: World Adventure

Travel Summit. Windhoek

9 November: Fireworks at Acacia

School

7 December: Car Boot Sale. Protea

Hotel

soon, we know that this will be gone until the rains send us some more water.

I noticed clearly the water intake for ZESCO taking our water to generate power. And I know we need power, but isn't there a compromise? Could we have our cake and eat it too?





Where the water goes



### The gorges

I know my photos are rather hazy, but it is that time of year. Bushfires and extreme heat ...

There is also a campsite at Baobab Ridge which I need to investigate when I have time ...

Thanks UAC for the ride. Lotsafun.

### Mukambi Safari Lodge

Josh and I had arrived at Mukambi Safari Lodge on our trip through Kafue National Park. That day we had driven a horrid road from Itezhi-Tezhi and attempted the Kasempa Road ... but failed. I was fairly exhausted after that, so we decided to stay at Mukambi and relax for a day and enjoy the lodge and re-plan our trip. That is one of the pleasures of being self-drive – plans can change.

## ZAMBIA



Mukambi Lodge has chalets and luxury safari tents. They all overlook the Kafue River with the National Park on the opposite bank. They no longer have camping, so anyone looking for a campsite should head a little bit north to Muyukuyuku. Mukambi is not in the National Park, but in Mumbwa Game Management Area (GMA). The GMA has its own wildlife so walking around at night alone is not allowed. All the guests are either escorted to their chalets or advised to drive.



There are always lots of noises at Mukambi from over the river – elephants during the day, hyena and lion at night. Basil, the hippo, is a common visitor to the bar and has his own special spot to sleep on. For the safety of the guests, the furniture is moved to cordon him off from the main area. He is so used

to having his photograph taken that he squeezes his eyes tight and puts up with the flashes. Although he has never hurt anyone, he is a big hippo, and he is wild, not domestic.





After a morning downloading emails and re-planning our trip we went on a river cruise for a couple of hours in the afternoon. There is always lots to see along opposite bank. We saw elephant, puku, crocs, hippos, kudu, tree monitors and plenty of waterbirds. The sunset, of course, was memorable.





Mukambi is the first lodge in Zambia to have an electric vehicle for driving around the park and





GMA. Jacques took us for a drive and it was a very odd experience. It didn't make any noise. Instead of the usual throbbing engine there was a bank of batteries which, of course, were silent. Jacques told us that even the wildlife is confused when the vehicle came into view – they are so used to hearing a vehicle approach and stop to watch, but because there was no noise from an engine, they were unsure of it. The vehicle can do 80 km before needing to be recharged; the recharging done from the lodge's generator. I feel sure that a drive in the bush in this vehicle is going to offer quite a different experience ... and one for the better too.

#### **Climate Investment Fund**

Zambia has been allocated US\$38 million for a Pilot Programme for Climate Resilience. The money is to be used to help farmers in the Kafue River basin.

The farmers will be assisted in small-scale irrigation schemes, small dams, restocking of ponds, improved wells and boreholes, flood control and forest plantations. It is expected that farmers will be trained on conservation agriculture, management of the soil and be provided with seeds for crops which are drought resistant.

The other good news is that some of the money will be used to repair roads. According to the report the Kalomo - Dundumwense Road and the Itezhi-Tezhi – Namwala Road will be upgraded so that they can withstand flooding (let's hope that they are upgraded to withstand trucks too ...)

### A Chinese comedy of errors From the Ngami Times

The builders of the new Thamalakane Bridge in Maun have done it again . . . this time their huge 40-tonne piledriver toppled over



onto the old steel bridge, cracking it in one place. Fortunately there were no vehicles or pedestrians using the bridge at the time. The bridge has been closed to all traffic, and motorists are advised to use the Reilly's Bridge or go through Disaneng to the concrete bridge near the Shorobe circle. ...