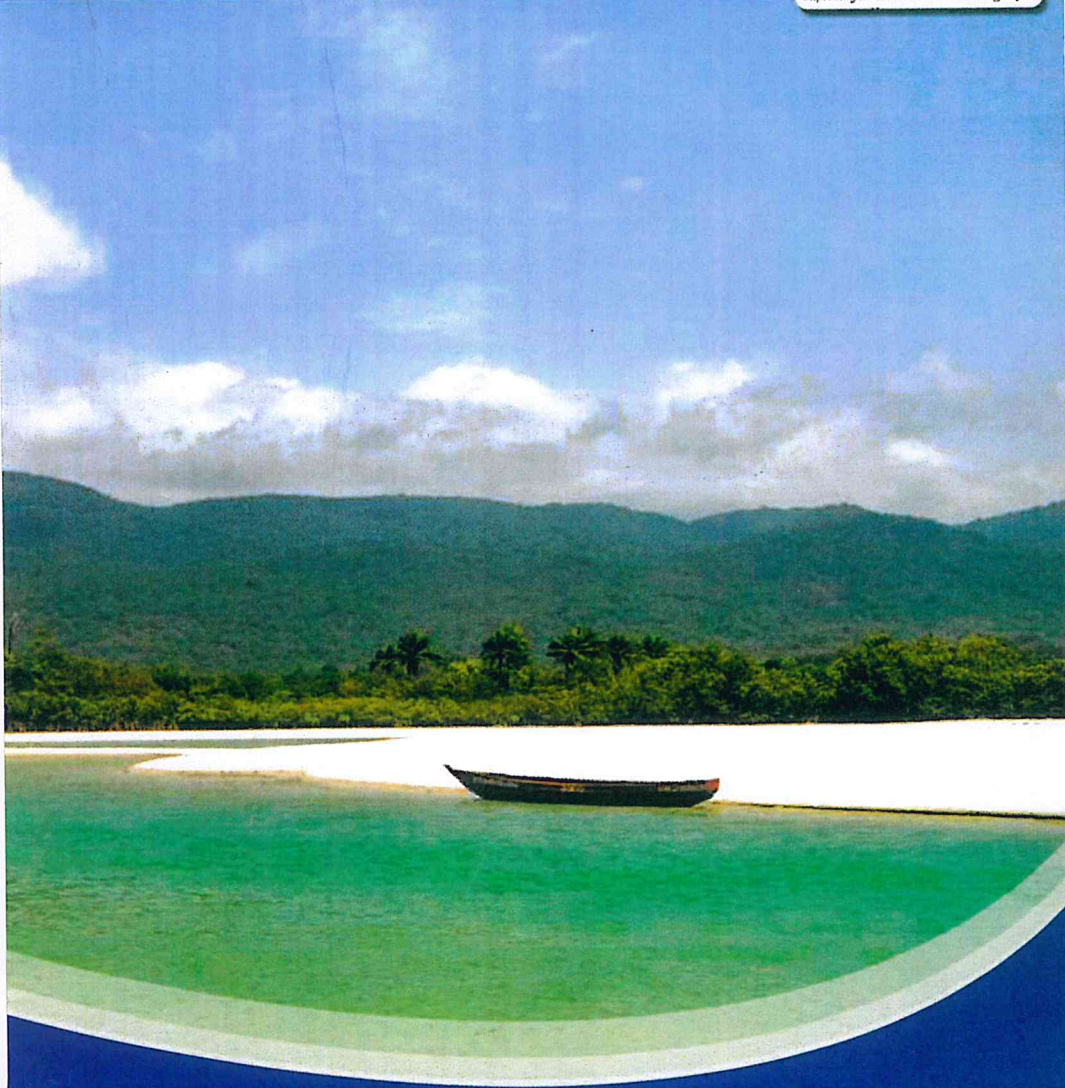


Sierra Leone Tourism Sector



There are endless opportunities in the tourism sector given the diverse ecology of Sierra Leone, proximity to international hubs and an untapped natural beauty that can rival any location in the world



www.sliepa.org / www.investsierraleone.biz



A Profile of Sierra Leone's Tourism Sector

This publication has been produced by the Sierra Leone Investment and Export Promotion Agency (SLIEPA), an Agency of the Government of Sierra Leone established by the Investment and Export Promotion Act 2007 to carry out a number of functions, including:

- Promoting investment opportunities in Sierra Leone and providing information to potential investors on matters relating to investments;
- Facilitating registration of business enterprises and assisting investors in obtaining permits, licenses, certificates or clearances needed for the commencement of business;
- Assisting potential investors to identify and make decisions on joint venture partners in Sierra Leone; and
- Developing relationships between public and private sector for the growth of investment.

DISCLAIMER

This publication has been produced by the Sierra Leone Investment Promotion Agency (SLIEPA) with support from the Islamic Development Bank Group's Technical Assistance Program (ITAP) and the Arab Bank for Development in Africa (BADEA). ITAP and BADEA do not, however, take responsibility for the contents therein.

Tourism Sector

Sector Overview

Tucked away on the Atlantic ocean, Sierra Leone is a splendid combination of 570 km of beautiful white sand beaches, vibrant tropical forests teeming with exotic wildlife and breathtaking mountains that serve as the backdrop to what is an extremely unique tourist experience in West Africa. Sierra Leone is only 6 hours away from Europe, 8 hours from the US and 3 hours from West Africa's largest city, Lagos. There are endless opportunities in the tourism sector given the diverse ecology of Sierra Leone, proximity to international hubs and an untapped natural beauty that can rival any location in the world.

Some of the world's endangered species of monkeys, baboons, birds, butterflies, pygmy hippos and a variety of antelopes and buffalo families can be found in the tropical forests. The temperate weather is ideal for swimming and other water sports along the established beach areas that are mainly being run and developed by local communities. Sierra Leone is also considered the premier location for sport fishing with record setting tarpon catches. It is also a hiker's paradise with gorgeous mountain ranges like Bintumani. Furthermore, the country offers visitors its historic heritage and is a site for cultural tourism as many African Americans can trace their roots back to Sierra Leone including well known celebrities like Issiah Washington. Sierra Leone's greatest asset is its warm and friendly people that are the true representation of the laid back feel of this West African gem.

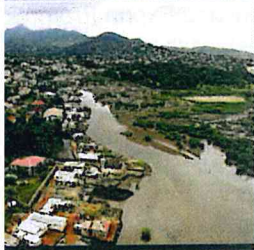
Sierra Leone is poised to become a major player in global tourism and is expected to be competitive with other popular tourist hot spots in Africa such as The Gambia and Seychelles given the plethora of sites and activities that can be enjoyed by visitors.

Figure 1: Sector Contributions by Countries

	GDP	EMPLOYMENT
GAMBIA	8.2%	6.9%
GHANA	2.5%	2.1%
KENYA	5.0%	4.3%
SENEGAL	5.0%	4.2%

Sierra Leone's tourism sector has been growing steadily with revenue growth of 10% in 2011 and it is expected to increase to 20% in the next 5 years. The number of first time visitors is also on the rise. Between 2010 to 2012, there was a 19.7% increase in visitors to Sierra Leone for holiday, business, conference or visiting friends and family. The sector has benefited from serious policy reform by the Government to engender investment and growth. These reforms include:

- i) the development of new incentives for investors who want to invest in the sector;
- ii) target tourism product and marketing development around the Western Peninsula;
- iii) further review and upgrading of regulations to ensure a more competitive edge;
- iv) and capacity building of key Government institutions related to tourism to improve service delivery.



Freetown View

Investment in this sector has typically been driven by domestic entrepreneurs in hotels and guesthouses in the capital city of Freetown and other district headquarters as a response to the boom in the economy; however, much investment has not gone into accommodations for eco-tourism which is an important sub-sector. There are lucrative prospects across the country to promote eco-tourism not only in the beach areas but the tropical forests.

There are significant commitments from private sector partners for the rehabilitation and reconstruction of existing hotels, as well as the construction of new large scale hotels in the capital city. The demand for rooms versus the supply is mismatched.

In 2012, the demand for business and conference rooms was about 115,094 and the available supply was a paltry 49,275. The demand for Class 1 rated rooms in 2012 was 113, 679, and there was a gap of over 80,000 in unmet demand. Even though Class 1 rated hotels have increased from 105 to the present number of 135, it is still not enough to meet the market demands.

Further investments have been made by the Government to upgrade the airport infrastructure, expanding arrival facilities and improving security especially in the handling of baggage.

WORLD RANKING (OUT OF 181 COUNTRIES):

Relative importance of Travel & Tourism's total contribution of GDP

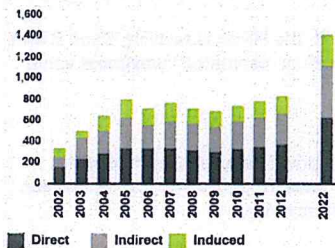
165
ABSOLUTE
Size in 2011

114
RELATIVE
Contribution to GDP in 2011

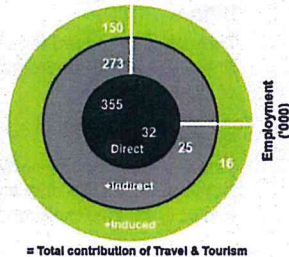
28
GROWTH
2012 forecast

36
LONG-TERM GROWTH
Forecast 2012-2022

Total Contribution of Travel & Tourism to GDP
2011 SLLbn

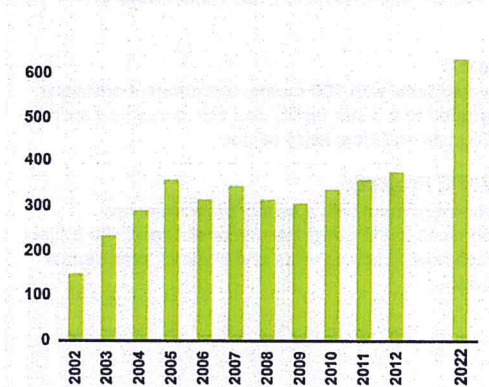


Breakdown of Travel & Tourism's Total Contribution to GDP and Employment 2011
GDP (2011 SLLbn)



SIERRA LEONE: DIRECT CONTRIBUTION OF TRAVEL & TOURISM TO GDP

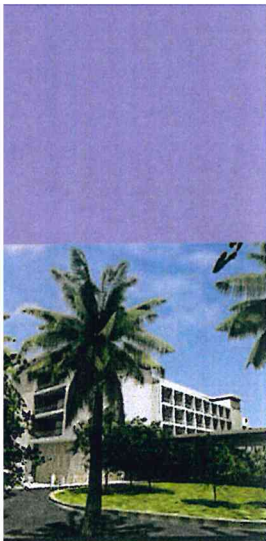
Constant 2011 SLLbn



Source: World Travel & Tours Council



Ruin Slave Fort at Bundo

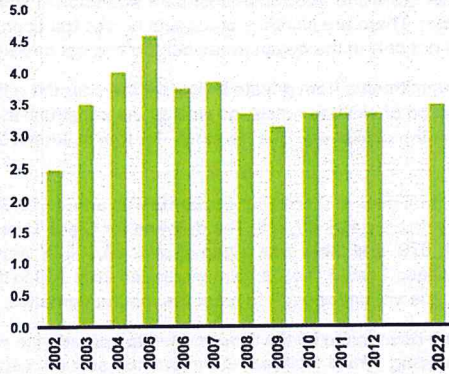


Cape Sierra Hotel



Turtle Island

% of whole economy GDP



Unique Selling Points

Market readiness

Several large chains and other investors have already entered the Sierra Leonean market based on the projections for growth in the sector. Some of these players include:

Hilton:

Through a UK based firm, IDEA-UK, the Hilton is reviving Cape Sierra Hotel. It is a 200- bedroom hotel with an estimated investment value of US \$ 47 million.

Radisson Blu:

This is a joint venture between US private equity investor and the National Social Security and Insurance Trust (NaSSIT) to rehabilitate and operate the Radisson Blu-Mammy Yoko.

Savoy Hotels:

Is an African hotel management group owning and managing hotels in South Africa. The company has partnered with Sam-King Group in Sierra Leone to operate and expand the Taia Resort Hotel in Freetown.

Brookfields Hotel:

This is a state owned hotel with 100 rooms. Government envisions that it will be upgraded to a 3 star facility and also serve as a training institute for the Tourism and Hospitality sector.

Konakrdee (MAPE Project):

A beautiful resort environment with a variety of recreational activities. Located close to the Lungi International Airport, the project will include a beach hotel (such as villas and chalets), presidential accommodation, etc

Eco Tourism

Outamba Kilimi National Park:

The main Ecotourism attraction in the Northern Province is Outamba-kilimi National Park. A mixture of Savannah and jungle, the Park is found in the northeast of Kamakwie in the Bombali District. It is a magical place embedded between two rivers, the Great Scarcies, and the Mongo Rivers. It is home to elephants, hippos, leopards and other primates.

Tacugama Chimpanzee Sanctuary:

This outfit is locally owned and operated as a home for rescued chimps before they are released into the wild.

Tiwai Island Wildlife Resort:

Tiwai is a unique rainforest island where visitors can camp in prepared tents surrounded by an evergreen forest and the sounds of horn-bills and monkeys calling from the canopies wake you up in the early hours of the morning. With 11 species of primates, over 135 different bird species, and it is home to the rare pygmy hippo.

Shebro Islands:

This is one of the premier locations for Sport fishing of Tarpons and other exotic sea animals.

Gola Forest:

Is known as Sierra Leone's green diamond. Some 40km east of Kenema is the Gola Rainforest National Park. officially opened in 2010 and Sierra Leone's second national park. This park can boast of exotic flora and fauna and wildlife and is one of the few protected parks in the sub-region.

Breathtaking Beaches

River No 2 Beach:

A stunning white sand beach that feeds into the river is one of the most beautiful sites in Sierra Leone. Development and use of the beach facility is currently being run by the community.

Lakka Beach:

This beach is very close to Freetown and it is a great location for business retreats and conferences.

Token Beach:

This is an ideal location for beach resorts given its picturesque sea front views and accessibility for development.

Cultural Tourism

Bunce Island:

This is the location of the slave castle built in the 17th century that was used as a collection point for slaves going to Europe and the Americas. Many African Americans can trace their roots to this site.



Tacugama Chimpanzee Sanctuary



River No. 2 Beach



Fourah Bay College



Eden Park Resort, Mama Beach



Rainforest National Park

Freetown:

Home of the freed slaves, it was founded in 1789. Freetown today has an interesting mix of different heritages from across West Africa and Sierra Leone itself. Some of its monuments can be traced back many years such as Old Fourah Bay College (the first University in Sub-Saharan Africa) and Old Warf Steps also known as Freedom steps which is where the first freed slaves stepped foot on Sierra Leonean soil. Further, there is a vibrant night life that many visitors enjoy mostly located around the beach areas.

Investment Opportunities in Sierra Leone's tourism sector

Possible areas of investment include:

- i) Establishment of hotels along the beaches and other eco-tourism locations across the country
- ii) Establishment of hotels and guest houses in District headquarter towns to serve the growing private sector demands for better quality rooms, conference accommodations, etc.
- iii) Promotion of cultural tourism (ROOTS Tourism) for the African American Diaspora and others interested in this sub sector

Existing Opportunities

Tokeh Sand Beach Resort

- This project is an existing resort on over 2-acres of land. They are building about 50 bungalows with full amenities such as a spa and gym for high end tourists. There are opportunities for investment partners to expand the project to feed growing demand.

Eden Park Resort

- This facility is already operational and sits on 5 acres of prime beach front property in Mamah Beach. The investors are looking to expand the facilities through a joint partnership to meet international standards and growing demand and it is expected to cost approximately US \$11.7 million.

New Opportunities

- **Business Hotels:** there is a growing demand for business class hotels. Currently, the demand is not being met and in 2012 alone, there was an unmet demand by corporate visitors to the tune of 180,000 room nights or 493 rooms.
- **Recreational Hotels and Resorts:** Projections indicate that the tourism sector is expected to boom in Sierra Leone and its contribution to the GDP which was about 6% in 2012 is expected to remain at this high based on the increased amount of visitors coming to Sierra Leone and their spending capacity. In an effort to pre-empt the boom and ensure market positioning, this is a good period to invest in non-business recreational facilities especially for group tourism.
- **Middle level Hotels and Motels:** with the growth of the mining sector in Sierra Leone there is an increased need for accommodation for expatriates coming into the country on short term assignments. These types of accommodations will serve the market outside of Freetown which is where most of the mining activities are taking place.

- **Tour Package Operations:** this concept will allow for investors to take the hassle out of travelling by integrating airline travel, inland transportation, accommodation, activities and insurance in one package. There are local partners trying to operate in this space and are looking for strategic international partners with the financial and technical capacity to break open this market. Furthermore, these packages could feature ROOTS tourism deals which are a major pull factor in Sierra Leone and a unique experience given that many of the heritage sites have been well preserved.
- **Golfing Facilities:** there are opportunities based on preliminary market feasibility studies in operating golfing facilities in Sierra Leone. The studies showed that 6,000 travelers from Scandinavian countries would be willing to golf in Sierra Leone due to complementary sunlight. Furthermore, there are opportunities for hosting regional golf competitions that can coincide with National cultural events such as the Lantern Parade in April and the Madengn Festival in December.
- **Water Sports Facilities:** a beautiful coastline provides the opportunity for a host of water sports during the dry season such as boating, jet skiing, fishing, etc.

Investment Incentives

The following investment incentives listed below apply to investments that involve construction, extension, restoration or renovation of a hotel or tourist facility; with a minimum of 50 en-suite bedrooms in the Western Area or 10 en-suite bedrooms in any other part of the country.

- 1) 5 years exemption from corporate tax, limited to 150 percent of eligible expenditures of the original capital invested
- 2) Duty free for new construction, extension or renovation of existing tourism related facilities; applicable to building materials, machinery, or equipment that is not easily available in Sierra Leone
- 3) Exemption from payroll taxes for 3 years for up to six non-citizen employees with skills not available in the country.
- 4) 125% deduction on international tourism promotion expense.



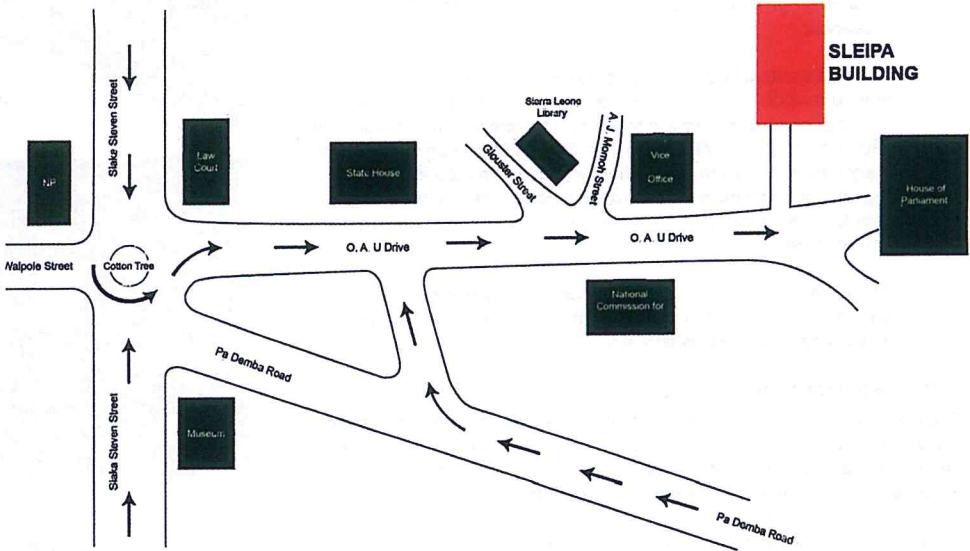
Golfing



Guma Dam



Where to find us in Freetown



For more information, contact us at
 Sierra Leone Investment and Export Promotion Agency
 O.A.U Drive, Tower Hill, Freetown
 Email: info@sliepa.org
 Website: www.investsierraleone.biz
 Tel: +232-25-332863

