



MOZAMBIQUE

Tourism Investment Opportunities

by **MINISTRY OF TOURISM, HIUANE ABACAR**
at UK – Mozambique Investment Forum, in London, Dec 2, 2010

Tourism importance in MOZAMBIQUE

- In Mozambique, Tourism has a **role to contribute** for job creation, economic, social and environmental sustainable growth, foreign currency attraction, national unity preservation, a tool for investment attraction and natural resources conservation.
- **To coordinate and develop** the sector the country has a Tourism Law and its regulations, Tourism Development Plan, Strategies and action plans.
- Mozambique has a **vision to develop and position itself as a Premium Tourism Destination**, with special emphasis on: Integrated Tourist Resort, Diversity of Eco-tourism, Exploiting Adventure opportunities, and Cultural Experiences.
- By 2020 Mozambique intend to reach 4.5 million international tourists per annum.
- Tourism is a significant contributor to the Balance of Payments and is responsible for 2,2% Of GDP in 2008 (1,7% in 2004).
- Mozambique's blend of African, Arab, Portuguese and Indian influences have had an extraordinary impact on the country's cultural identity.

Mozambique's Tourism Facts



- **Geograph and Location:** a total area of 799 380 Km² in Southern & East Africa; with 2,750 Km Coastline; average temperature of 26°C; GMT+2 zone; 11(9 to Nacala) Hours from London.
- **Population:** 22.416.881 people (INE 2010); Friendly; Willing to work and Learn; proud of its traditional and cultural values; Portuguese is the official language and English is widely spoken.
- **Conservation Area and Ecology:** 16% of total area - Unique and wide variety of flora and fauna; Rich in underwater archaeological resources; 6 National Parks; 6 National Reserves; 12 Hunting Blocks; 19 Game Farms, 12 Hunting Blocks and 3 Community based natural resources management.
- **Product and Atractions:** +40 Islands; Beach & Bush combination; Cultural & Historical Assets; Ecotourism & Diving; Eco Oriented Operations; Existing Brand Destination; good standard of safety and security.
- With Nacala International Airport, Mozambique will be MORE closer to UK (9 hours from London), EU, Asia and Middle East source markets. And, With the technological progress in the airline industry the distance will slowly but surely become irrelevant.

PRODUCT'S LINES

Sand, Sea, Sun



Eco-tourism



Culture



Water Sports



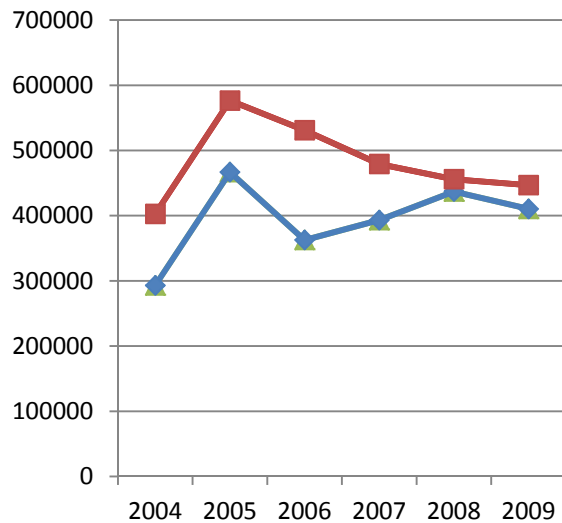
Adventure



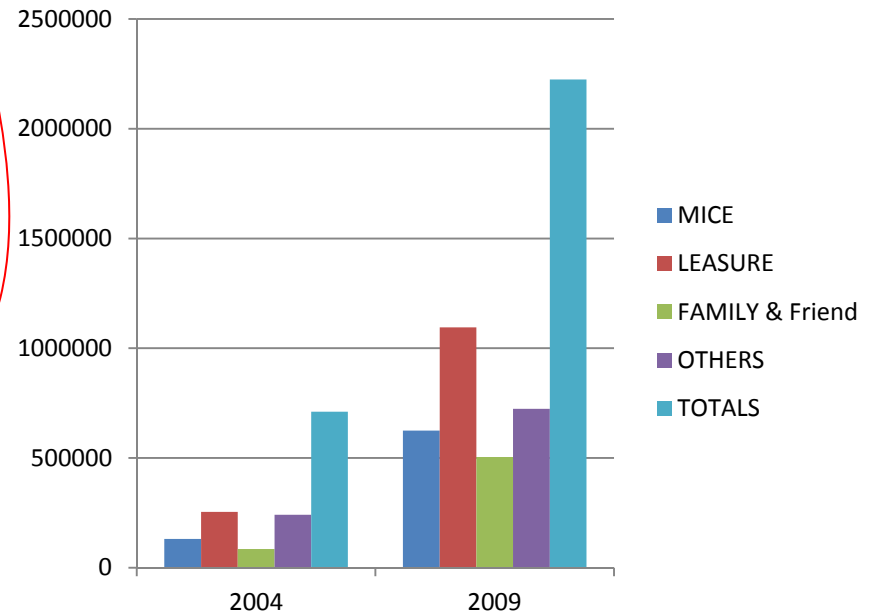
Entertainment



The Tourism Indicators



—x— Foreign Guests
—◆— Nationals Staying in the Hotels & Lodges



1. In a total of **2.386.326** international tourists visiting Mozambique in 2009, leisure was the first reason, followed by MICE and by those going to visit family and friends.
2. THERE IS a growing domestic market, more and more Mozambicans are doing tourism within their own country and use the established facilities. In 2009 more than **400,000** were registered as guests.

The Tourism Indicators (2)

International Arrivals by Country in 2009
(source: National Institute of Statistics / Migration Department)

Country of Permanent Residence	Total
South Africa	1,288,819
Zimbabwe	965,907
Suaziland	207,293
Malawi	86,814
Portugal	85,267
United Kingdom	58,450
Germany	43,252
United States of America	38,702
Others	335,768
Total	3,110,272

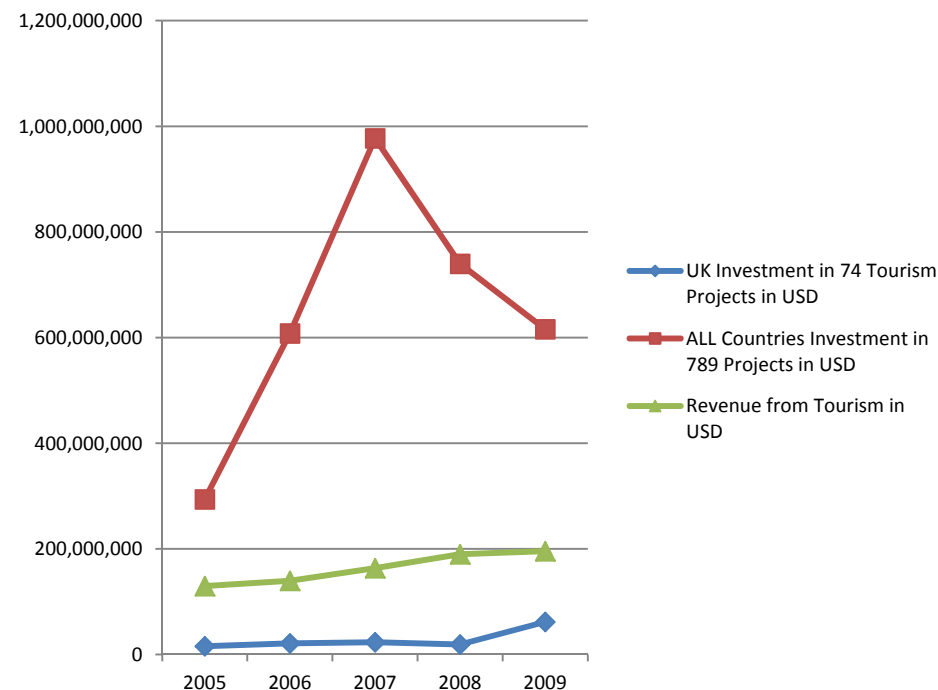
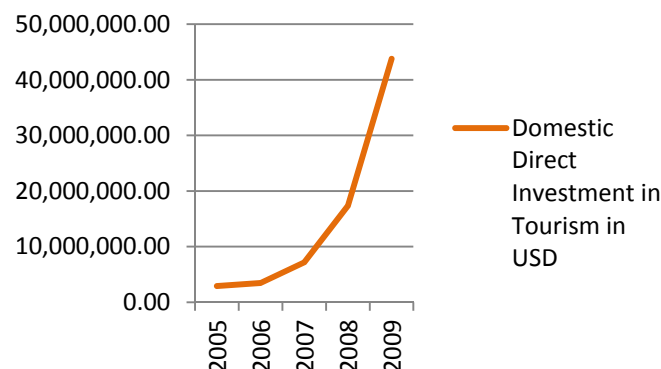
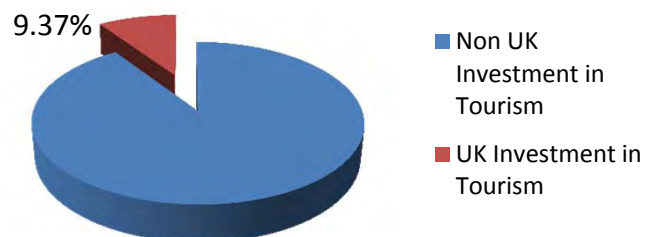
**Revenue from Tourism
2004 – 2010**
(source: Central Bank)

Ano	2004	2005	2006	2007	2008	2009	2010 (*)
USD Millions	95,3	129.6	139.7	163.4	190.0	195.6	88.3

1. In the Top 10 international arrivals to Mozambique, the UK, with **58,450** visitors, is on **6th** place and is the **2nd** among the European countries,
2. The most predominant segment travelling from UK to Mozambique is medium and upmarket and uses tourism facilities. A lot seek for pristine beaches and tropical islands, diving and cultural experiences.
3. The regional tourists are mainly self driving and excursionists. And reasonable number prefer self catering accommodation along the beaches.

Mozambique's Tourism Investment Useful Data

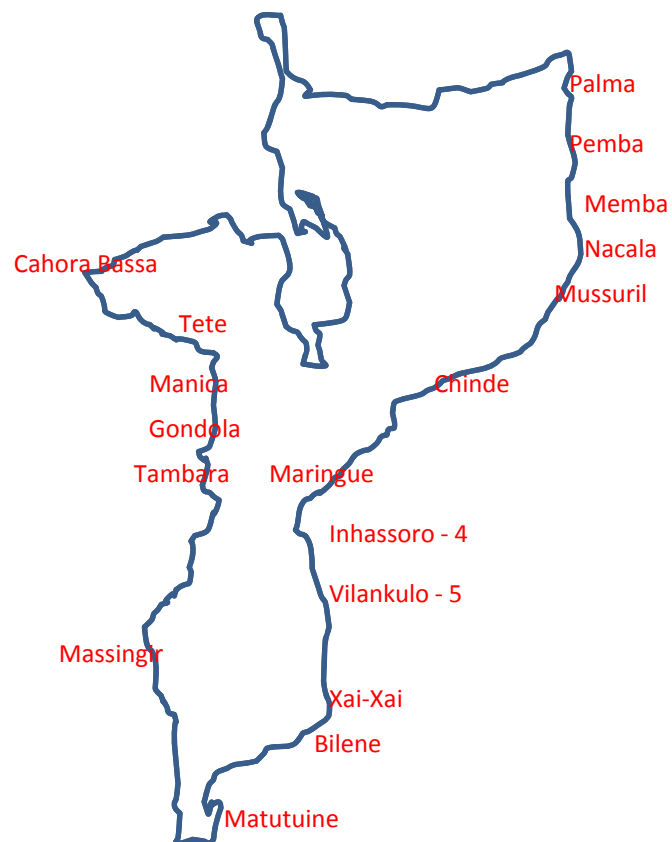
Mozambique's Tourism Investment Market Share
2005 - 2010



1. UK is investing in all Mozambican Provinces with **206,348,112 USD**, in 74 hotel and tourism facilities, representing **9.37%** of tourism investment market share. largest amount invested by UK in tourism in USD: 58,388,160 in Matutuine (2010).
2. Direct investment made by Mozambicans in tourism sector have grown by 153.2% during 2008 to 2009.
3. Mozambican's Authorities response on investment approval raised from 56% to 92% from 2005 to 2009.
4. In 2009 Mozambique got more than 195.6 millions USD as tourism revenue (from 95,3 million USD in 2004).

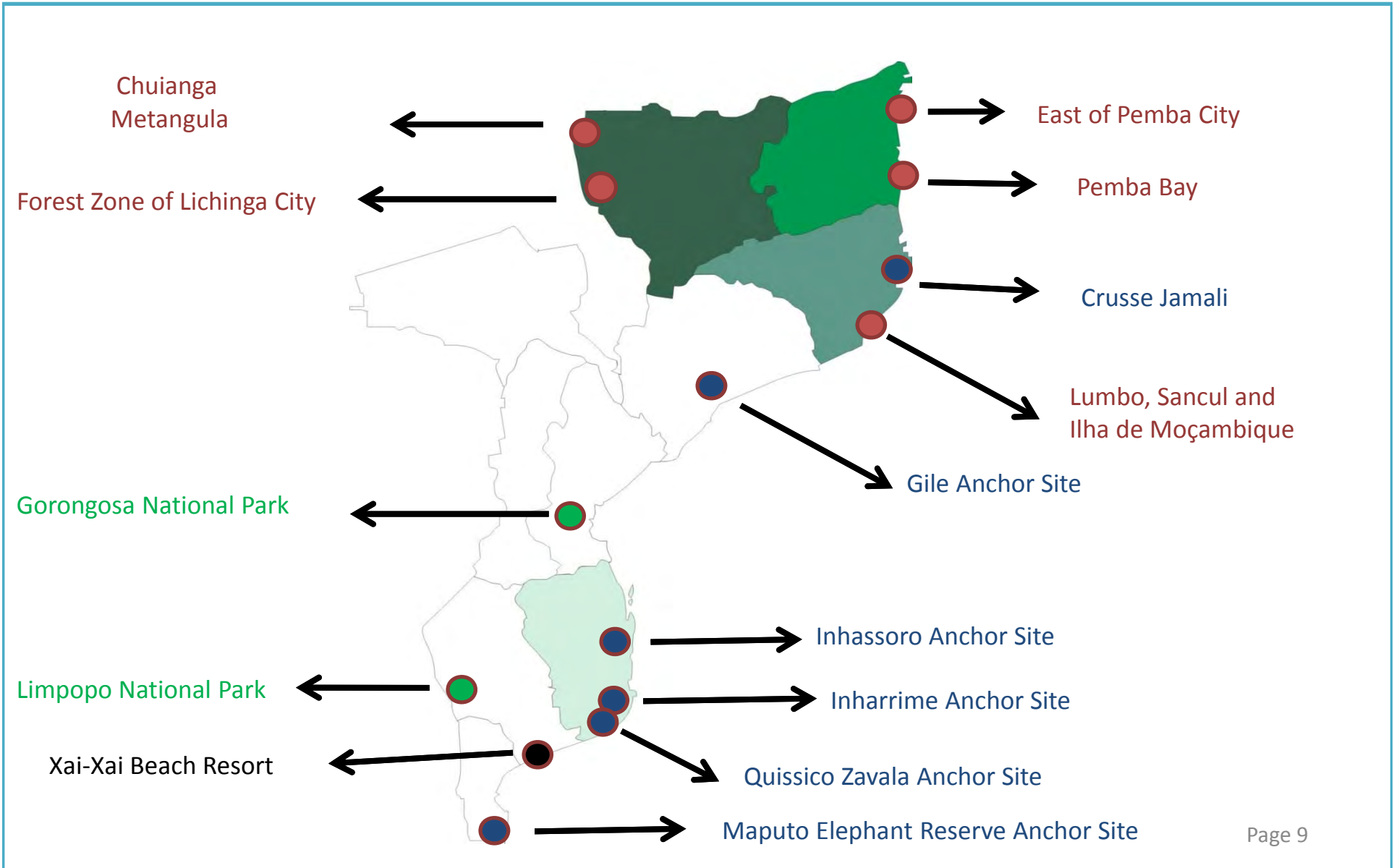
British INVESTMENT Map in Mozambique

(2005 – 2010, just in 23 projects as exemple)



Project Name	Province	District	Employment	UK in USD	Total in USD
BAIA BRANCA	Kampala	Mossuril	20	140,000	405,000
LIBÉLULA	Nampula	Nacala	11	25,000	300,000
COMPLEXO TURÍSTICO CASA MESSICA	Manica	Manica	58	1,250,000	2,000,000
BENGUERRA VILLAS	Inhambane	Vilankulo	51	12,231,700	12,589,170
CHAREU MARINA	Inhambane	Vilankulo	21	463,333	1,390,000
A TURÍSTICA	Tete	Cahora Bassa	66	500,000	3,200,000
HOTEL DE TETE	Tete	Tete	52	100,000	19,090,000
BALULE GAME PARK	Gaza	Massingir	30	433,333	1,700,000
ARTEMIS	Zambézia	Chinde	49	354,286	714,286
VILAMAR	Inhambane	Vilankulo	28	47,500	250,000
DONA ANA DEVELOPMENT VILANKULO	Inhambane	Vilankulo	200	22,400,000	22,400,000
SABLE FISHING SAFARIS	Inhambane	Inhassoro	7	26,250	105,000
MILPARK HOTEL	Manica	Gondola	10	200,000	1,200,000
DIVERS ECO OPERATION	Nampula	Memba	12	25,000	500,000
GABRIEL'S ECO ISLANDS	Inhambane	Vilankulo	63	900,000	1,500,000
AFRICAN EXPEDITIONS MOZAMBIQUE	Manica	Tambara	24	452,000	457,000
GREAT HEARTH SAFARIS MOZAMBIQUE	Sofala	Maringue	21	378,000	383,000
PLOUZIN - CHICAMBA	Manica	Manica	25	430,121	430,121
EL HACIENDA BEACH LODGE	Inhambane	Inhassoro	9	92,500	92,500
CHONGOENE RESORTS	Gaza	Xai-Xai	250	15,000,000	65,000,000
DUGONG INVESTIMENTOS	Inhambane	Inhassoro	16	75,000	75,000
TECOMAJI PROJECT	Cabo Delgado	Palma	40	50,250	10,000,000
NHAMABWE LODGE	Inhambane	Inhassoro	11	100,000	100,000

At least 14 *SITES for Investment Opportunities*



OVERVIEW OF OPPORTUNITIES – *in the Arc* *North sites:*

- *On the Tourism Arc North Sites:*

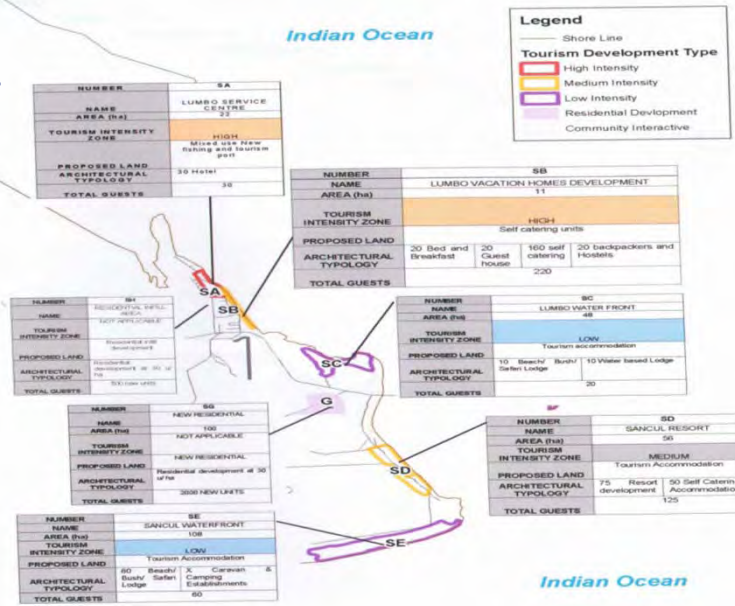


Northern Mozambique is home to serene beauty, well-preserved culture, authentic experiences, and a land brimming with opportunities.

- A phased development of a minimum of **5,000** new rooms by 2020 (*2010-13: 1,000 rooms; 2014-17: 2,000 rooms; 2018-20: 2,000 rooms*)
 - Proposed **200 berth Marina** for Pemba
 - **18-hole golf course** in Lumbo - Sancul
 - Identified public investment needs on infrastructures (*\$93,400,000 - on roads, water, sanitation, electricity, environmental*)
- Concluded a Master Plan (*land use, environmental management plans, government plans & Infrastructure programmes*) for the 6 tourism development sites

OVERVIEW OF OPPORTUNITIES – *in the Arc* *North sites (2):*

Spatial Distribution of Private Sector Investment Opportunities in Lumbo – Sancul / Mozambique Island




1. Investment in a **mixed use resort of boutique hotels, waterfront villas, townhouses, leisure and recreational amenities - 2,955 new units.**

2. The concept calls for:

- i) 250-300 rooms 5-star hotel/conference facility with 100 associated golf villas and tennis academy;
- ii) 150 room boutique hotel/spa;
- iii) an **18-hole golf course**;
- iv) **commercial /leisure centre**;
- v) 250-400 waterfront villas,
- vi) 80-100 water bungalows;
- vii) 700-1000 townhouses/apartment;
- viii) nature trail, etc.

A 5 Km stretch beach and which development exploits natural and cultural heritage (**home of Mozambique’s first airport, posts and telegraph**).

OVERVIEW OF OPPORTUNITIES – *in the* *Anchor Investment sites*



Name: Crusse/Jamali Anchor Site
Model: Tourism Resort
Location: Mossuril District, Nampula (Greater Ilha de Moçambique area)

A 1,750Ha greenfield site of scalloped bays, coral reefs and two islands has been selected to develop an exclusive tourism resort with the potential to create: clusters of boutique hotels, a marina, stilted chalets, tented camps and a select number of high-end residential units.

Name: Gilé Anchor Site
Model: Eco-tourism development
Location: Gilé and Pebane Districts, Zambézia

The protected reserve of Gilé in combination with two pristine islands close by; Epidendron and Casuarina has been identified for a low-impact and environmentally sustainable bush/beach development.

Name: Inhassoro Anchor Site
Model: Integrated Tourism Resort
Location: Inhassoro District, Inhambane (Greater Vilanculos/Bazaruto area)

A 2,500Ha of elevated beachfront land (5.7km of beach frontage), overlooking the renowned Bazaruto Archipelago has the potential to be developed into an integrated resort to include: residential, 18-hole golf course/s, hotels, entertainment, retail and recreation facilities.

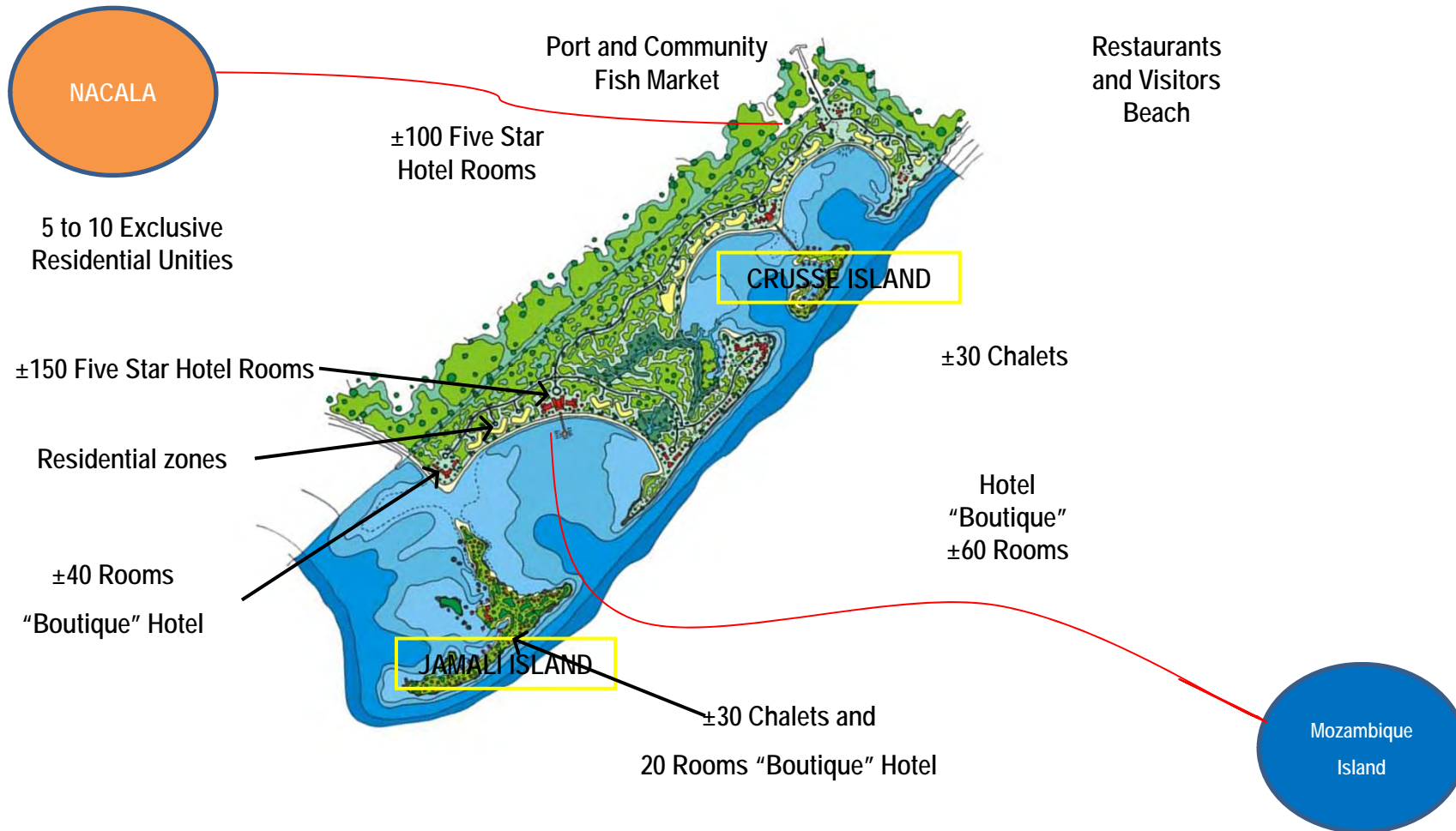
Name: Maputo Elephant Reserve Anchor Site
Model: Eco-tourism development
Location: Maputo Special Reserve, Maputo Province

The 70,000Ha Maputo Special Reserve has been chosen to accommodate a limited number of small, exclusive, environmentally sensitive eco-tourism developments with a strong community and conservation focus.

- Each site legally secured in the name of program implementing partner, INATUR.
- Carried out work in conducting a pre-feasibility studies, assessing site's viability, registering the land, liaising with communities, cleaning of administrative and regulatory barriers.
 - A minimum of **5,263 Ha** in **4 sites**
- 4 Islands (Crusse, Jamali, Epidendron & Casuarina) for 2 five star hotels (± 250 rooms) and boutique hotel & chalets with 200 rooms and surrounded by coral reefs
- 2 National Reserves (Gile & Maputo Elephant)
- 5.7 Km beach frontage (opposite Bazaruto Islands)

Partnership Mozambique Government and IFC

OVERVIEW OF OPPORTUNITIES – *in the* *Anchor Investment sites (2)*



OVERVIEW OF OPPORTUNITIES - *at*

Gorongosa National Parks Sites



launched INTERNATIONAL PUBLIC TENDER TO CONTRACT TOURISM OPERATORS FOR PARQUE NACIONAL DA GORONGOSA, up to 7 international Tourism Operators will be establishing new Safari camps in and around the GNP (16 Bidders expressed interest and bought the bid documents; Bid winners will be announced in Feb 1, 2011; Construction begins in May 2011 and new camps ready for guests in Aug 2011).

- **This growing ecotourism business will make more stronger and competitive the wildlife based and beach & bush combined product.**

1. Tendered Carring Capacity

- 2 x 100 bed lodge
- 4 x 24 bed luxury tented camp
- 7 x 8 bed flycamp
- 1 x 8 bed canoeing flycamp
- 2 x 20 bed tented camp

2. TDA Areas with Lodge Sites:

- Bela Vista (41 700 Ha)
- Bue Maria (5 700 Ha)

3. TDA Areas with Tented Camp Sites:

- Msicadzi North (28 500 Ha)
- Msicadzi South (24 600 Ha)
- Mengere (45 000 ha)
- Urema (13 600 ha)
- Dingué-Dingué (47 600 ha)

OVERVIEW OF OPPORTUNITIES - *at* *LIMPOPO National Park Sites*

Upcoming tender

There is Opportunities for Eco-Lodges in Limpopo National Park
Ministry of Tourism is in a process of re-identification of sites for new eco-tourism lodges

Great Limpopo Investment Opportunities



Investment Opportunities

- 1a House Boats on Masingir Dam (Concession 1)
- 1b House Boats on Masingir Dam (Concession 2)
- 2a Mpal Community Lodge
- 2b Chibutane Community Lodge
- 3 Manjinji Pan, Sengwe

BOUNDLESS
SOUTHERN AFRICA

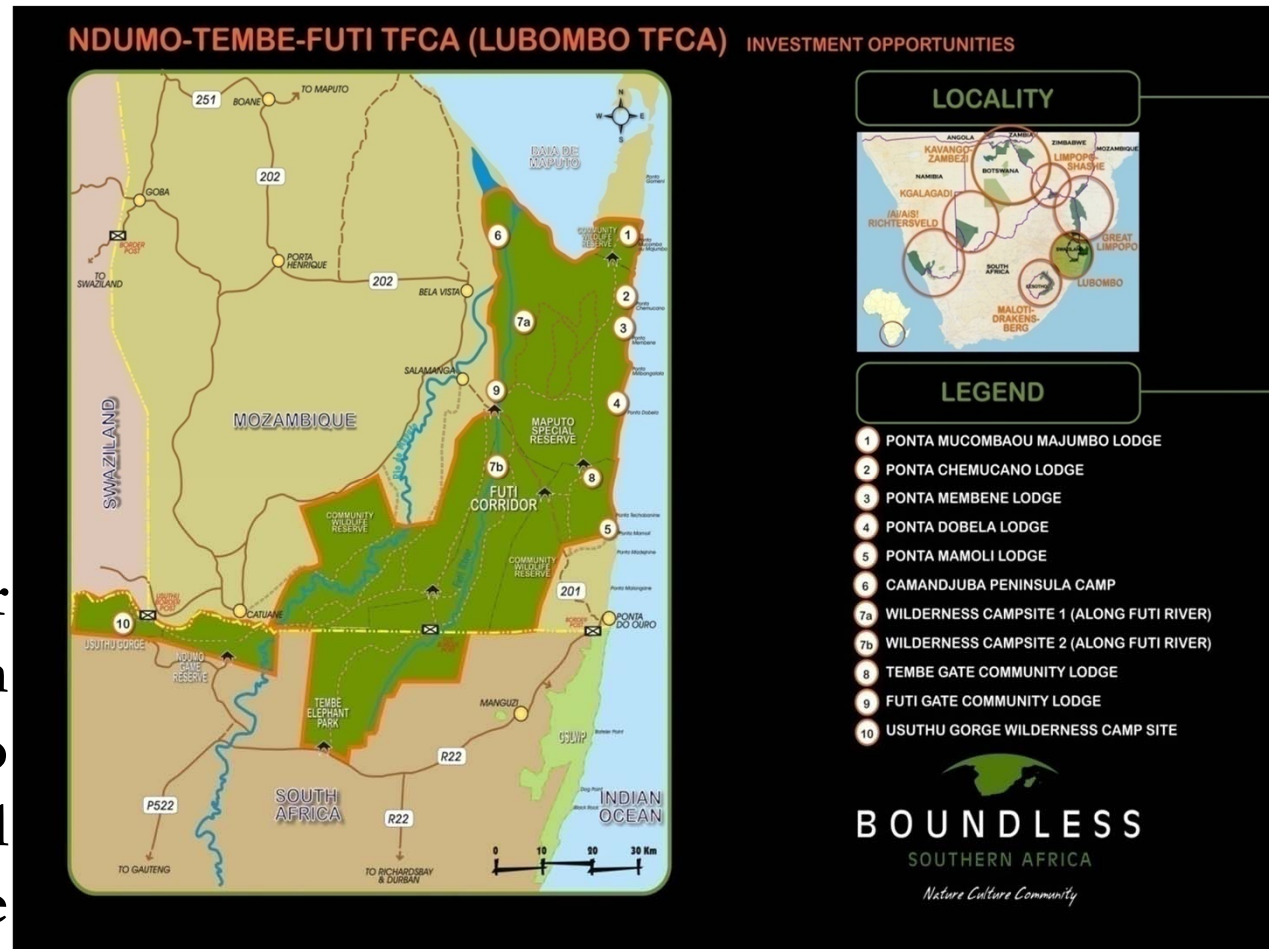
BOUNDLESS 43

Within the GREAT LIMPOPO TFCA Framework (Limpopo NP / Kruger NP / Gonarezou NP)

OVERVIEW OF OPPORTUNITIES - *at Maputo Elephant Reserve Sites*

Upcoming tender

**Opportunities for
Eco-Lodges in
Maputo
Special
Reserve**



Within the LUBOMBO TFCA Framework (Mozambique / South Africa / Swaziland)

INCENTIVES FOR INVESTMENT ON TOURISM

- ***Exemption from custom duties and VAT on:***
 - construction material, except cement, blocks, bricks, paints and varnishes;
 - carpets and rugs, sanitary equipment, miscellaneous furniture, textile, lifts, air conditioning;
 - kitchen equipment, utensils and articles for restaurant and bar;
 - refrigerating equipment, communications equipment, safes; hardware and sound, televisions;
 - Recreational boats, yachts and complementary equipment and safety in water sports;
 - aircraft, airplanes, helicopters, hang gliders, gliders, flight simulators, additional safety equipment for the tourist trade.



Mozambique IN THE UK TRAVEL INDUSTRY

1. Some **Tour Operators selling Mozambique in UK:** Trailfinders, Stepps Travel , Freedom Destinations, Expert Africa, Tucan Travel, Kumuka Worldwide, On The Go, Ati Holidays, Acacia Africa, Eco Logical Africa Safaris & Travel, Audley, Aim 4 Africa, INTREPID, Okavango Tour & Safaris, Arriva (The Original Tour), The Adventure Company, Abbey Tours, e Voyages Jules Verne.
2. Some **Travel Agencies selling Mozambique in UK:** CEEJAY TRAVEL LTD, PORTMAN TRAVEL LTD, THE TVL COMPANY, TRAVEL (EXPEDIA.COM), KEY TRAVEL, SOUTHALL TRAVEL LTD, WEXAS, AMERICAN EXPRESS CROYDON CTC, LOTUS TRAVEL, HRG, OPODO LTD, DIVERSITY TRAVEL, BENZ TRAVEL LTD, CRYSTAL TVL & LATIN CRYSTAL, T D TRAVEL LTD, FLIGHTBOOKERS LTD, ATP INTERNATIONAL, CARLSON WAGONLIT UK LTD, LATITUDE FORTY TRAVEL AGENTS, ALLISON BROTHERS LTD, PERFECT TRAVEL LTD, CARLTON LEISURE e TRAVELPACK



- Everyday flights departing from London airports, via Lisbon / via JHB / via Nairobi / Dar / Addis Ababa to Maputo, Nampula, Pemba and Vilankulo
- More than 30 UK Tour Operators ,Travel Agencies and Airlines sell packages and tickets to Mozambique.
- Travellers can also buy their tickets for international and domestic flights via online

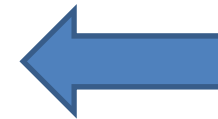
Mozambique is a Place to Consider

- *Invest yes, because,*



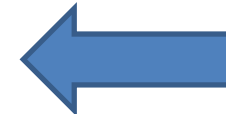
The British Travel Awards Consumer survey conducted in 2009 shows that 91% of 15,000 people interviewed consider holiday as good of primary needs and not a luxury. And 84% said that will continue to travel for holiday. 1 from 4 answered "it could be good to experience emerging destinations. So, market is willing to go to destinations like Mozambique.

ONS: UK continues to be very important outbound source market, in 2009 was responsible for 69,011,000 trips to abroad. And 428,000 UK Residents visited Mozambique neighbouring country, South Africa.



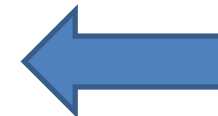
The UK travel business and media perception regarding Mozambique is getting better and better. As Mozambique attends from 1998 to date the World Travel Market, held in London.

Mozambique has got natural resources, institutional framework and incentives which guarantee the necessary security and return for foreign investment. Mozambicans are there willing to learn and work.



Reconstruction of infrastructures process like airports and roads is in place. Connectivity from European countries is getting better bringing with more competitive prices.

The implementation of new projects in several sectors, the continuous efforts on education contribute to build a middle class and brings expatriates who may constitute a very reliable domestic market for investments based in Mozambique





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Thank You

habacar@mozambiquehc.co.uk

+44 2073885699

21 Fitzroy Square

W1T 6EL, LONDON

