INVEST IN TOURISM

MADAGASCAR, A TREASURE ISLAND

EDBM
Economic Development Board of Madagascar
Madagascar is one of the mega-biodiversity countries in the world: 89% of plant and 92% mammal species are unique to the island. The country has around 5,000 km of coastline. Given the extraordinary natural capital, both on terrestrial and marine, the country has a huge potential as a tourism destination for a wide range of tourists. It has shown a 20% increase in foreign arrivals between 2015 and 2016 with a direct contribution of 6% to the GDP. By 2020, it is anticipated that 500,000 visitors will be reached and the tourism continues to contribute to the Malagasy economy. Madagascar government has set up a goal to attract foreign direct investment, promote Madagascar as an attractive and unique Tourism Destination, increase flight connectivity and agreements with International airlines, refurbish main infrastructures such as airports and main roads and encourage private investors to develop hotels and resorts. The government is also identifying and preparing a number of world-class sites to be offered to investors and international hotel operators. Madagascar offers investors the opportunity to develop sustainable tourism products and experiences in some of the most remarkable and unspoilt tourism destination in the world.
Island world, Eighth continent, Madagascar is amazing and fascinating. Sanctuary bubbling, Madagascar is an ode to life, the magical site of the beauty and rare. In its highlands, in its primary forests, in the depths of its lagoons, in its towns and villages, it is an explosion of colors, shapes and sounds that is not available elsewhere, that you live only here. Madagascar is a call to travel. One of those rare destinations that has the art of awakening our dreams of departure, our desires to the unknown, our need to relate to others. Madagascar has made a lasting impression on its visitors’ hearts that never fades. It is the most beautiful of all its treasures.

TOURISM ZONES

Western
Morondava
Tsingy de Bemaraha

Northern
Antsiranana
Noisy Be

Central

Eastern
Ste-Marie Island
Toamasina
Mantadia Andasibe

Southern
Isalo Park
Tuléar
Fort Dauphin

NATURE AND ADVENTURE
Madagascar, famed for its unique wildlife and ecology, is a must-visit destination for nature-lovers, bird-watchers and eco-tourists.

.products-offering

PRISTINE BEACHES
With 5000km of coastline, Madagascar offers pristine beaches and unmatched opportunities for diving, surfing, sailing and more.

CULTURE & CUISINE
A unique blend of Asian, African, Arab and European cultures.
From 2013, tourism receipts have grown faster than arrivals, which reached US$ 702 million in 2016. Visitor exports represents USD 662.9mn, 17.9% of total exports in 2016 (WTTC, 2016).

Pre-conditions to attract a growing number of tourists are favorable for business environment that will further diversify the Malagasy tourism products.

Source: Ministry of Tourism, 2016

French remains the main source of market for Madagascar with 44% of the total international visitors due to language and a partial common heritage, added to the frequency of flights from Paris. Broadly, the EU counts for more than 50% of the arrivals. Chinese account for 4% of tourists.

Source: Ministry of Tourism/PAF-IVATO, 2016
**TOURISM FACTS**

New hotel openings has grown steadily, however most of them are 2*-3* and few fulfill international standards. Source: Tourism Statistics 2016 – Ministry of Tourism

Given to Madagascar density and variety of attractions, tourists spent their time to explore the island and to experience different types of activities from beach, to nature, adventure culture, and gastronomy. The average length of stay of tourists remained at 20 nights during the last three years which is quite long compared to other destinations. Source: Tourism Statistics 2016 – Ministry of Tourism

With the objective of 500,000 visitors by 2020, there is a need of 10000 rooms supply with international standards. Source: Lettre de politique, Ministry of Tourism, March 2017

There is a certain seasonality regarding the arrivals to Madagascar:

- The touristic season begins in April
- The months of July and October are the peak of the “high season”
- The month of February is the period that registers less arrivals.

Source: Tourism Statistics 2016 – Ministry of Tourism
The government overall objective is to make tourism an effective and sustainable lever for economic, social and environmental development for Madagascar. Investment opportunities are available through the whole Tourism Value Chain that will provide International Standards to the sector such as:
- Accommodation (Hotels, Resorts, Ecologodes, …)
- Transportation
- DMC/Incoming Agencies
- Restauration
- Artcraft
- Other Tourism Services

In order to promote hotel development, the Malagasy government encourages the partnership and collaboration between local and international hotel developers. Priority areas have been identified for potential Tourism Development:

Four Priority Areas (2017-2018)
- Axis N : Diégo- Nosy be
- Axis NW : Majunga
- Axis E : Tamatave, Ste Marie, Foulpointe and Fénérive Est
- Axis S : Antananarivo-Tuléar, Morondava

Madagascar is uniquely positioned as a high end Ecotourism destination. With large properties of available land ideally suited for tourism, Madagascar offers investors a suitable environment to invest in strategic tourism ventures. Investment opportunities exist in the following:

- Resort and Branded Hotels
  For operators and international brands interested in brownfield or greenfield projects.

- Ecolodge and Ecotourism Accommodation
  Madagascar is the ideal location to develop ecotourism projects as unique nature and wildlife destination.

- Transport Provision
  Providing transport inside National Parks remain a real opportunity for investment.
  E-bike, Quad.

- Recreational Facilities and Adventure Facilities
  Due to the character of the destination, recreational and adventure facilities and services such as bike touring, trekking, birdwatching, fishing, horseriding, zipling, and hiking are few of services that are requested in the destination.

- Spa & Wellness Facilities
  Madagascar natural beauty and traditional medicines complement the tourism product. Opportunities exist for the establishment of spas, wellness, and other specialized facilities which give value to local products.

- Water Based Attraction
  With its pristine beaches Madagascar offer an unmatched opportunities for water based activities such as diving, wind and kite-surfing, sailing and more.
### INVESTMENT LAW
- 100% shares for foreigners
- Freedom to invest for all nationalities and sectors
- Freedom to transfer profits, dividends etc.
- Freedom to recruit and dismiss foreign employees.

### TOURISM LAW
The Act No. 95-017 of 25 August 1995 contains the Code of Tourism.
- It determines the rules to foster the harmonious and order development of tourism, both in terms of national planning and environmental protection.

### LABOUR LAW
- 40 hrs of work in a week
- 24 hrs consecutive weekly rest
- 2.5 days of paid leave per month of actual work
- No quota for foreign employee
- Foreigners must have a work permit.

### CORPORATE LAW
- Registered companies in the Commercial and Companies must have Tax and Statistic Cards.
- Accounts compliant with International Standards.
- Familiar forms of company: Public Company.
- Social capital and nominal value of shares are freely determined by statutes for LLC.

### STEPS TO FOLLOW

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#### 1 MONTH 2 WEEKS 6 WEEKS 3 WEEKS 2-4 DAYS
EDBM’S SERVICES

“Improving the business climate in Madagascar, promoting local and foreign investment, facilitating the implementation of investment projects”

The Economic Development Board of Madagascar (EDBM) is the partner of reference for investors in Madagascar. As an investment promotion agency, the EDBM has set itself the following objectives: to strengthen the competitiveness of the Malagasy private sector, increase foreign direct investment, develop incentives linked to private investment in Madagascar, accompany investors in their implementation by providing them with dedicated services through a one-stop shop for business creation and specialized advisors.

10 YEARS
Decree 2007, Renewed in 2016

ONE-STOP SHOP
Representation of 8 regional departments involved in company creation

EDBM’S SERVICES
Provision of economic and sector information
Liaison with central and local authorities
Identification and connection with local potential private partners
One-Stop Shop: facilitation of establishment and support for your activities.

PRESIDENCY OF THE REPUBLIC OF MADAGASCAR
www.presidente.gov.mg

PRIME MINISTER’S OFFICE
www.primature.gov.mg

MINISTRY OF TOURISM
www.tourisme.gov.mg

NATIONAL TOURISM BOARD OF MADAGASCAR
www.madagascar-tourisme.com

MADAGASCAR NATIONAL PARKS
www.parcs-madagascar.com

ASSOCIATION OF TRAVEL AGENCIES OF MADAGASCAR (AAVM)
associationagvmadagascar.blogspot.fr

ASSOCIATION DES TOURS OPÉRATEURS PROFESSIONNELS DE MADAGASCAR (TOP)
www.top-madagascar.com

FÉDÉRATION DES HÔTELIERS ET RESTAURATEURS DE MADAGASCAR (FHORM)
hotels-madagascar-island.com

BANKY FOIBEN’I MADAGASKARA (CENTRAL BANK OF MADAGASCAR)
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