Tourism
2025

Development of Beach Resorts
Location: No. 2 River, Mammah Beach, Banana Islands,

Project description

Sierra Leone is rapidly emerging as West Africa's next premier luxury tourism destination, offering pristine beaches, turquoise waters, exotic wildlife, and a rich cultural heritage. This project presents an exclusive investment opportunity to develop three high-end beachfront resorts at No. 2 River, Mammah Beach, and the Banana Islands, three of the most breathtaking coastal locations in the country. Unlike over-commercialized tourist hubs, Sierra Leone's beaches remain pristine, private, and exclusive, attracting high-net-worth travelers and adventure tourists seeking luxury, eco-tourism, and cultural experiences.

With international tourist arrivals increasing by 47.4% over the last five years, the demand for high-end beachfront accommodations far exceeds supply, making this a high-growth, first-mover opportunity. Strategically positioned between West Africa and Europe, Sierra Leone benefits from direct international flights and a favorable time zone for business and leisure travelers.

The investment will fund the development, construction, and operation of three world-class resorts, designed to provide luxury beachfront villas and suites, high-end restaurants, wellness retreats, eco-tourism experiences, and corporate event facilities. The Government of Sierra Leone is fully backing this investment, offering generous tax holidays, VAT waivers, and duty-free importation of hotel equipment to attract private investors into the tourism sector. With an estimated IRR of 17-25%, strong market demand, and minimal competition, investors have the opportunity to establish a flagship resort brand in an untapped paradise. Now is the time to capitalize on Sierra Leone's rise as Africa's next premier tourism destination

Figure 1. No 2 Beach



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Key Project Components

- **Luxury Beachfront Resorts:** High-end eco-friendly accommodations with ocean views.
- **Eco-Tourism & Adventure Activities:** Scuba diving, snorkeling, deep-sea fishing, kayaking, island excursions, and cultural heritage tours.
- **High-End Restaurants & Bars:** Offering gourmet cuisine, fresh seafood, and premium local and international beverages.
- **Wellness & Spa Retreats:** Featuring ocean-view spas, yoga retreats, and nature-based healing therapies.
- **Business & Conference Facilities:** Catering to corporate retreats, destination weddings, and international events.
- **Sustainable Design & Infrastructure:** Environmentally responsible construction using sustainable materials, energy-efficient systems, and waste management programs.
- **Community & Economic Development:** Creating jobs, supporting local businesses, and providing skills training in hospitality

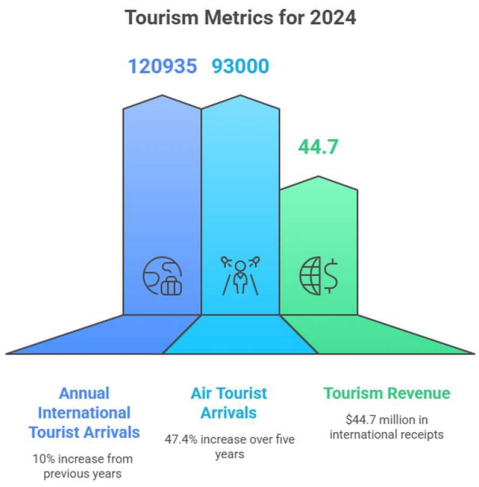


Market Demand

- Annual International Tourist Arrivals (2024): 120,935 (10% increase from previous years).
- Air Tourist Arrivals (2024): 93,000 (47.4% increase over five years).
- Tourism Revenue (2024): $44.7 million in international receipts.

Economic Potential

- **Increase in GDP Contribution:** Strengthening the tourism sector to diversify Sierra Leone's economy



- **Job Creation & Local Business Growth:** Boosting employment and creating income-generating opportunities.
- **Infrastructure Development:** Improving roads, utilities, and public services in coastal areas

Key Economic Indicators

Indicator	Value
Estimated Project Cost	**$35.46M - $52.94M**
Annual Revenue Projection	**$13.13M (for 3 resorts)**
Project Economic IRR (EIRR)	**17-25%**
Estimated Operational Costs	**$4.83M - $4.87M**
Marketing & Advertising Budget	**$30K - $70K annually**

Investment proposition

The Ministry of Tourism and Cultural Affairs invites investors to participate in the development, financing, and operation of these three resorts through Foreign Direct Investment (FDI) or Public-Private Partnerships (PPP).

Investment Model Options

1. Foreign Direct Investment (FDI) – Investors finance, build, and operate the resorts independently.
2. Public-Private Partnership (PPP) – A Build-Operate-Transfer (BOT) model where the Government provides land, and the investor develops, manages, and transfers ownership after 15-20 years.

Revenue Streams

- Accommodation & Room Rates: Projected at $100 per night, with a 70% annual occupancy rate.
- Food & Beverage Services: Beachside restaurants, fine dining, and bars.
- Water Sports & Excursions: Boat rides, diving, and adventure tours.
- Conferences & Private Events: Hosting corporate retreats and luxury weddings.

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Tax Incentives

To attract private sector investment in the tourism sector, the Government of Sierra Leone offers the following incentives:

1. Corporate Income Tax Exemptions

✓ 5-Year Corporate Tax Holiday for new tourism investments.

✓ Tax Exemptions on Tourism-Related Activities, including eco-tourism and water sports.

2. Import Duty & VAT Exemptions

✓ Zero Import Duty on hotel furniture, fixtures, and equipment.

✓ VAT Waiver on tourism infrastructure and hospitality services.

3. Land Lease & Infrastructure Support

✓ Government-Backed Land Leasing Agreements at subsidized rates.

✓ Infrastructure Support, including road access, water supply, and electricity provision.

4. Employment & Corporate Social Responsibility (CSR) Tax Benefits

✓ Tax Rebates for hiring local workers and skills development programs.

✓ Incentives for Sustainable & Eco-Friendly Tourism Investments

Risk Analysis & Mitigation Measures

Risk Factor	Mitigation Strategy
Seasonal Tourism Demand	Diversify offerings to include off-season attractions.
Environmental Concerns	Implement sustainable construction and eco-tourism policies.
Infrastructure Gaps	Leverage PPP models to improve road and utility access.
Market Competition	Develop unique branding and international partnerships.
Regulatory & Policy Changes	Maintain strong government collaboration and compliance strategies.