

Tourism Development

Tourism is the backbone of the Maldivian economy, accounting for nearly 30 percent of the nation's GDP and more than 60 percent of its foreign exchange receipts. The Maldives, with its pristine white-sand beaches, crystal-clear waters, and luxurious overwater villas, has established itself as a premier luxury tourism destination, attracting high-net-worth individuals from around the world.





Tourism Development

In 2023, the Maldives welcomed over 1.7 million tourists, and this figure is projected to grow in coming years, especially with completion of the new passenger terminal building at Velana International Airport, with a carrying capacity of seven million passengers per annum. The high rate of return on investments in the tourism sector, combined with its strategic location, makes Maldives an ideal location for further resort property developments.

Investment Area:

With 1,190 islands, 188 inhabited, and 166 resorts in operation, presenting an exceptional opportunity for resort development in the Maldives to offer guests unique experiences. Investors can capitalize on the Government's diversification strategy for its tourism sector in areas such as medical and wellness tourism, adventure and sports tourism, MICE, and culinary tourism. Simultaneously, the Maldives offers business-friendly regulations, favorable tax policies, and lease of land for 99 years, making investments in resort development in Maldives an excellent option with high returns.

Investment Routes:

- **Public Tender:** The Ministry of Tourism periodically announces islands and lagoons that are open for public tender, applications which are to be submitted to the Ministry.
- **Cross-Subsidy Model:** Facilitated under R-125/2022 (Regulation on Leasing Islands, Lands, and Lagoons under Cross-Subsidization for Tourism Purposes), for projects designated for such purpose under Presidential Decree. Investors may write to cross-subsidy@tourism.gov.mv for further information.

Investor Benefits

- Maldives offers an investor-friendly environment with attractive tax incentives, including duty exemptions on construction materials and equipment.
- Maldivian government provides long-term leases on islands, ensuring security of tenure for investors.
- High occupancy rates of Maldivian resorts, which average over 71 percent (from 1988 to June 2024), combined with premium pricing, results in strong revenue streams and quick returns on investment.
- Capitalize on the reputation of Maldives as a leading luxury destination, tapping into the growing demand for exclusive, eco-friendly travel experiences.

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