

River Cruising in The Gambia

Project Profile

April 2013



Why The Gambia?

- Situated on the Atlantic coast and with a navigable river that flows more than 1,100km inland, The Gambia is the ideal, convenient landing spot in sub-Saharan Africa for river-related tourism and inland exploration

- This document outlines:
 1. **The market opportunity for investment in river cruising**
 2. **The favourable conditions available to investors**
 3. **The support investors can expect to receive**

The most competitive destination in West Africa¹

The world's 2nd most price competitive destination for Travel & Tourism²

80km of pristine coastline and a navigable, unspoilt river

Winner of multiple eco-tourism awards



Source: British Foreign & Commonwealth Office website

1. World Economic Forum Global Competitiveness Report 2012-13

2. World Economic Forum Africa Competitiveness Report 2011

Economic indicators

- **GDP:** US\$752mn in 2011 – predicted rise to \$941mn by 2015 ¹
- **GDP growth:** 3.3% in 2011 – predicted annual growth average of 5.9% between 2012-2015 ¹
- **Country risk:** Lower risk level (yellow) than all neighbouring countries and in the same category as Sierra Leone, Ghana, Togo and Benin ²
- **CPI Inflation (2011):** 4.4% ³
- **Exports / Imports value (2011) :** - Exports: \$94.7mn ⁴
- Imports: \$343.69mn
- **Labour force (2008) :** 400,000 ³
- **FDI stock and inflows (2011):** \$703mn stock / \$36mn inflows ⁵
- **Currency exchange rates 2012 – highs (H) and lows (L):** ⁶
 - GMD/USD: 0.033 (H) / 0.029 (L) GMD/GBP: 0.021 (H) / 0.018 (L)
 - GMD/EUR: 0.028 (H) / 0.022 (L)



1. IMF World Economic Outlook. Real GDP (constant prices). Accessed: 8/2/13
 2. Maplecroft Political Risk 2012. Accessed: 8/2/13
 3. Access Gambia. Accessed: 8/2/13

4. UN Comtrade. Accessed: 11/2/13
 5. UNCTAD Stat. Accessed: 11/2/13
 6. Oanda.com. Accessed: 9/4/13

Tourism and the River Gambia

- 5-7 hours from most of Europe by air, The Gambia is fortunate to have a rare combination of attributes that make the country a world-class eco-tourism destination
- The Gambia's navigable, unspoilt river, is one of the country's greatest tourism assets and yet cruising is currently an underutilized area of opportunity
- The river, coupled with unique cultural and wildlife attractions, make The Gambia the ideal eco-tourism landing spot for Sub-Saharan Africa
- With a proud 30-year track record as a leading West African destination and a proven successful track record in river-related tourism, The Gambian Government is committed to cementing the country's position as a world-class river tourism destination

KEY FACTS:

- Tourism a key priority sector:
 - Accounts for 16,000 jobs (formal and informal) ¹
 - Contributes about 12% of GDP ¹
- 100,000 tourists per year ²
- Repeat tourists: 40% ³
- Predicted tourism growth rate: 3.7% until 2018 ²
- Boats with a draught of up to 6 metres can go inland as far as 300km ⁴
- 400 tourism students graduate each year ¹

1. Ministry of Trade, Industry, Regional Integration and Employment: Programme for Accelerated Growth and Employment (PAGE) 2012-15, 2011

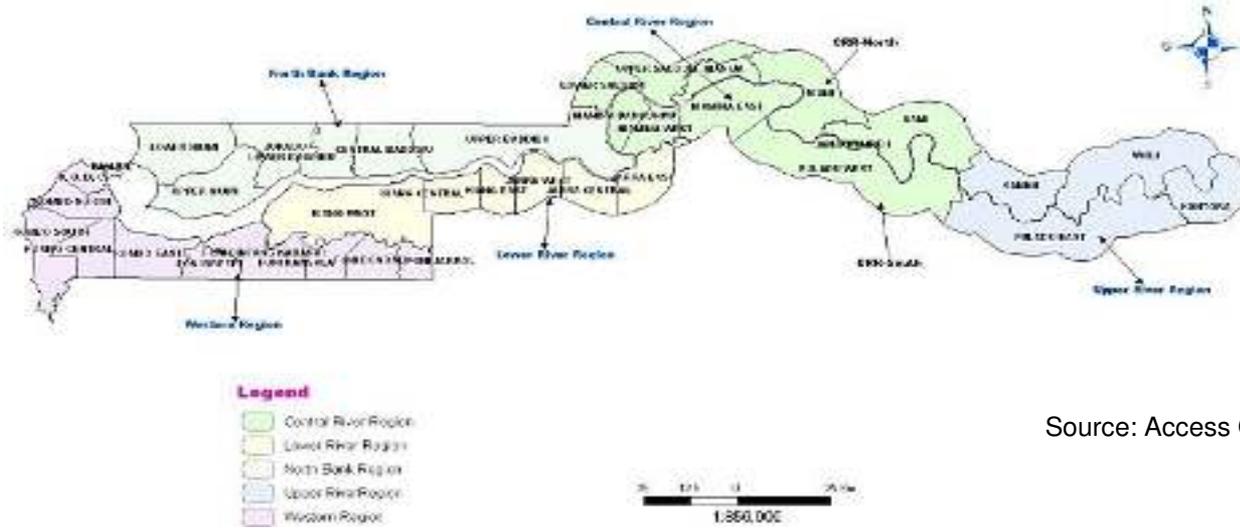
2. GIEPA Tourism Investment Brochure 2012

3. Gambia Tourism Board. Interviewed: 21/11/12

4. Gambia Ports Authority. Interviewed: 20/11/12

Locations

- Boats with up to 6 metre-draughts can go as far as 300km the River Gambia (and smaller boats can go much further)
- The river is home to an array of natural and cultural attractions, including wetlands, nature reserves, culture forests, eco-camps and river villages and towns. Despite this diverse environment, much of the River Gambia remains underutilised and offers investment opportunities for river cruising
- Sites include the Baobolong Wetland Reserve and the historical Kunta Kinteh Island in the North Bank Region, the River Gambia National Park and the town of Janjanbureh in the Central River Region



Source: Access Gambia. Accessed: 11/3/13

Infrastructure

- Banjul Airport has undergone a US\$21 million modernisation¹ and the Government is continuing to upgrade the infrastructure.² Passenger traffic at the airport reached 318, 240 in 2011 – a 5% increase on 2010's figures³
- Banjul port has 4 berths, 400m of pier and operates 24 hours per day, 361 days a year. The port also handles 9 river ferry crossings per day⁴
- The north- and south-bank roads along the navigable river ensure easy access from the rest of the country, while Gambia Ports Authority is assessing the potential establishment of an inland port to facilitate shipping to inland locations across the region⁴
- Other new relevant infrastructure / upgrades in development:
 - The Trans-Gambia bridge (completion due 2017)
 - Improved cross-border trunk roads with Senegal



1. GiEPA Investment Guide 2011

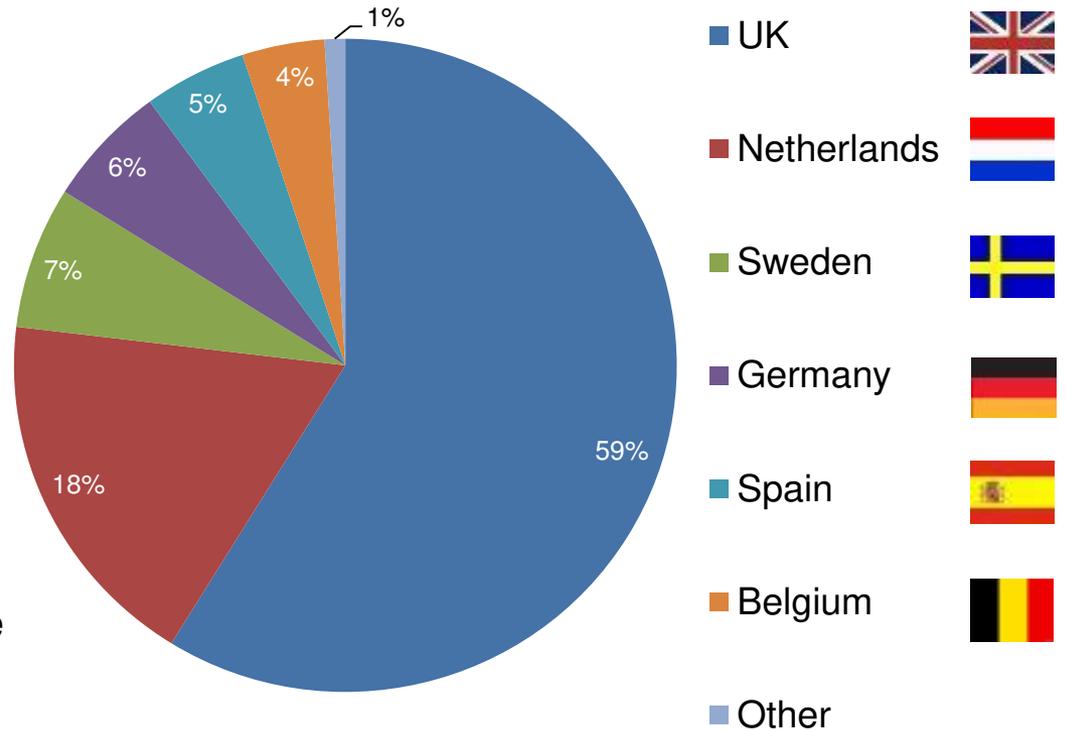
2. The Gambia Trade Policy 2011

3. The Gambia Civil Aviation Authority (GCAA). As reported in The Daily Observer, 1/11/12

4. Gambia Ports Authority. Interviewed: 20/11/12

Tourists in The Gambia

- The vast majority of tourists in the Gambia tend to come from Northern Europe
- The UK is typically the largest source market by far. The chart to the right shows the principal source markets between January and October 2012¹. The Netherlands and to a lesser extent Sweden, Germany, Spain and Belgium are also important markets
- Roughly two thirds of tourists to the Gambia are over the age of 35, an age group where cruising is typically more popular than among younger groups². This reinforces The Gambia's potential as a centre for river cruising in West Africa



1. Gambia Tourism Board. Visitor statistics from January 2011

2. According to the Cruise Plus website, the average age range for cruise passengers tends to be 36-64. Accessed: 14/3/13.

Direct flights to The Gambia

- Direct flights currently link The Gambia to numerous countries in West Africa, North Africa and Western and Northern Europe
- Sixteen commercial airlines currently fly to Banjul International Airport – the most recent addition (Spain's Vueling) commenced operations in spring 2013¹
- Key major European cities such as London, Madrid, Barcelona, Amsterdam, Brussels, Milan, Frankfurt, Stockholm, Oslo, Copenhagen, Manchester and Birmingham all have direct flights to Banjul



1. Corporate announcement on Vueling's website from 17/10/12. Accessed: 14/3/13.

Key sites and attractions along the river

- The River Gambia is home to rich and diverse wildlife and cultural attractions that attract tourists year after year. Principal sites along the river include the following¹:

Kunta Kinteh Island

Located about 30 km upstream on the river, This was the last piece of African soil that many slaves saw before being transported in ships to the Americas²

Baobolong Wetland Reserve

Located on the northern bank of the Gambia River in central Gambia, opposite Kiang West. This wetland covers 22,000 hectares

River Gambia National Park

It is a 580 hectare park covering five mid-river islands near Janjanbureh in eastern Gambia. It was established mainly as a rehabilitation sanctuary for chimpanzees

Janjanbureh

One of the top ecotourism destinations in The Gambia as many areas are covered in tropical forest. The island's waterfront is ideal for fishing and spotting crocodiles, hippos and plenty of bird species

1. Information from the Gambia Tourism Board, via visitthegambia.gm site. Accessed: 12/3/13.

2. Information from Access Gambia. Accessed: 13/3/13.

The Gambia's tourism and river community

- The Gambia is already home to a developed community of stakeholders relating to tourism and the river (including businesses, industry associations and representative groups). A few examples of these organisations are displayed below
- The presence of these businesses and supportive organisations demonstrates The Gambia's attractiveness and potential as a prime location in West Africa for river-related accommodation development

EXAMPLES OF ORGANISATIONS:

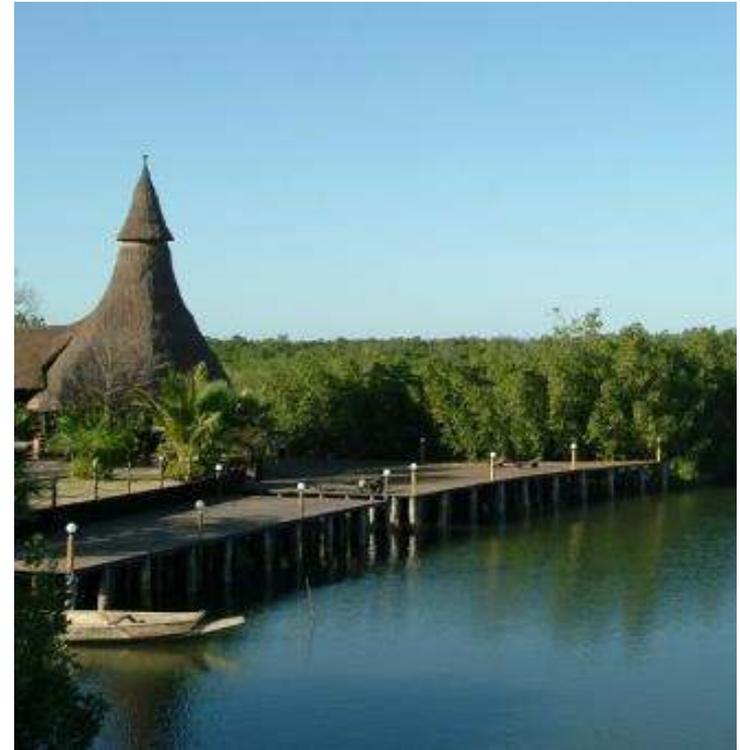
Gambia Tourism Board	Jane's Boats Gambia Co. Ltd.	Makasutu Cultural Forest	Gambia Tourism and Hospitality Institute
Gambia River Excursions	Gambia River Basin Development Organization	Gambia Ports Authority	Association of Small Scale Enterprises in Tourism (ASSET)

“It's nothing but a pleasure to work with people here - people love doing their jobs.”

*Lawrence Williams,
Mandina Lodges, Makasutu*

Availability of incentives

- A host of incentives are available to investors river-related tourism accommodation, provided certain criteria relating to investment value and job creation are met.¹ These incentives include:
 - **Tax holiday:** tax breaks on corporate and turnover tax, withholding tax on dividends and depreciation allowance for period of 5-8 years, depending on the project's location
 - **Import Sales Tax Incentives:** Exemption from payment of import sales tax on direct inputs for the project



1. To access incentives, a new investment must be worth at least US\$250,000 and lead to the creation of at least three jobs in the tourism sector. Source: GIEPA Regulations 2012. More information on criteria available from GIEPA.

Operating costs

- The Gambia has by far the most efficient labour market in West Africa¹ and offers competitive costs in the tourism sector
- Annual licence fees for river cruising and tourism-related activities are also competitive

INDICATIVE KEY COSTS:

- Average daily wages for unskilled labour hover between US\$2-4 a day²
- Energy: 9.70 GMD / kWh (commercial tariff)³
- Water: 22.48 GMD / cubic metre (commercial tariff)³
- Telecoms: From 0.73 GMD / min³
- Key taxes³:
 - Corporate: 32% (exemption possible)
 - Income: up to 35%
 - VAT: 15%
- Annual licence fees³:
 - Tourist Guide: 1,150 GMD
 - Boat: 15,000 GMD

1. World Economic Forum Global Competitiveness Report 2012-2013

2. Program for Accelerated Growth and Employment 2012-15

3. GIEPA Investment Guide 2012

Government policy position

- The Gambian Government recognizes the importance of private sector participation in the economy, both as an engine of growth and as a source of knowledge transfer
- The Government's tourism policy is guided by the Tourism Development Master Plan (TDMP), which emphasises growth, development and marketing of The Gambia as an interesting, attractive and exciting tourism destination
- Within the TDMP, the Tourism Development Framework attaches importance to developing the nature, heritage and community based tourism product along the River Gambia in a more intensive and commercial manner
- Consistent with its tourism policy and the promotion of private sector development, the Government has established:
 - Gambia Tourism Board (GTB)
 - Gambia Hospitality and Tourism Institute (GHTI)
 - 10 specific Tourism Development Areas (TDAs)



A helping hand – every step of the way

- The Gambia Investment and Export Promotion Agency (GIEPA) is the Government Agency mandated to support companies with their investment, business and export development as well as support to MSMEs
- From the initial provision of information right through to supporting the establishment, growth and development of an investment project, GIEPA is your supporting partner for doing business in The Gambia – every step of the way
- Here are just a few of the ways in which GIEPA can support your business:

Provide all business-related information to current and potential investors

Serve as the link between investors and authorities

Help to identify joint venture partners

Help to obtain licences, land, clearances etc.

Provide advisory services and training to exporters

Support companies planning to expand / diversify

Provide ongoing assistance to companies once they've started operations

Administer and advise on incentives



Four Good Reasons to Choose The Gambia

1

COMPETITIVE TOURISM HOT-SPOT:

- World's 2nd most price-competitive market for Tourism (WEF)
- The most competitive country in West Africa (WEF)
- Predicted tourism growth rate of 3.7% until 2018
- Winner of multiple eco-tourism awards

2

EXCELLENT RIVER TOURISM OFFER AND KNOW-HOW:

- River navigable up to 300km inland for 6 metre draught boats
- Unique cultural and natural attractions along the river
- Around 400 tourism graduates each year
- Most efficient labour market in West Africa (WEF)

3

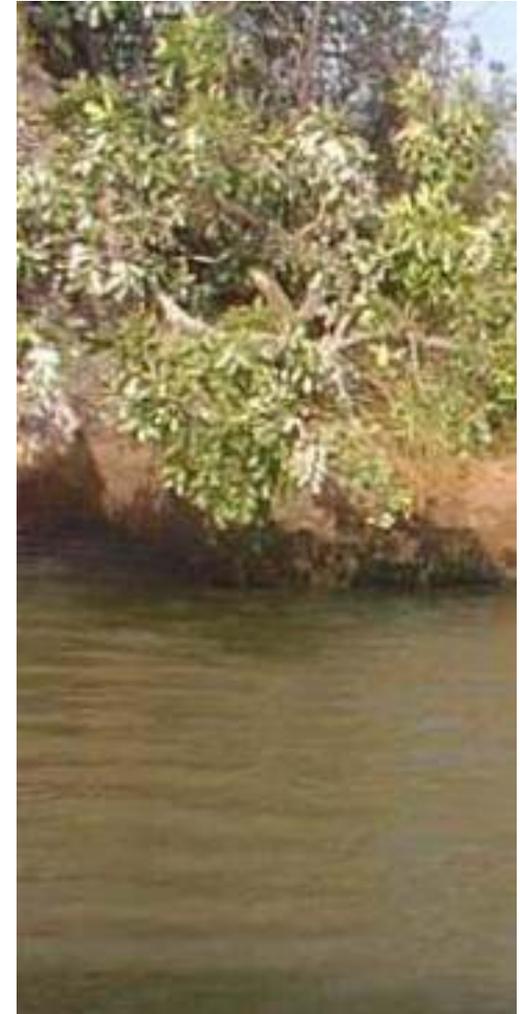
STRONG AND IMPROVING INFRASTRUCTURE:

- Banjul International Airport recently upgraded with US\$21 million investment, with 318,240 passengers in 2011
- Banjul port has 3 berths and is open 361 days per year
- North- and south-bank roads ensure easy links nationally

4

ATTRACTIVE INCENTIVES, COMPETITIVE COSTS:

- Competitive labour costs and licence fees
- Strong political support for river-related tourism development
- Comprehensive guidance and support from GIEPA



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