

**Policy on Investment by Non-Citizens in the Tourist Accommodation (Non-Hotel)
Sector**

Investment by a non-citizen in a *NEW* guesthouse/tourist residence

Non-citizens must submit their project proposals to the Board of Investment (BOI) which in turn will consult the Ministry of Tourism & Leisure and other relevant organizations on the application. The approval/non-approval of the project will be communicated to the promoter by the BOI.

Hereafter are criteria for assessment to provide guidance to prospective investors: Investment in a **new** guesthouse/tourist by a non-citizen may be authorized on a **case-to-case basis** subject to project proposal meeting policy objectives of the Ministry of Tourism & Leisure and complying with the following requisites:

- **Minimum number of rooms**

The new guesthouse/tourist residence must consist of **at least 12 rooms**.

- **Concept/design**

The new guesthouse/tourist residence must include all the luxuries of a hotel and must be associated with a unique and exquisite charm, comfort and service. The project proposal must be of a high architectural design depicting the local and tropical cachet. Artistic impressions or 3-D sketches describing the design character of the proposal development must be approved by the Ministry of Tourism & Leisure.

- **Minimum level of investment**

The minimum level of investment must be Rs 2 M per room

- **Management and Marketing**

The potential investor must have the required expertise and experience in the management and marketing of a tourist residence/guest house or appoint a management company which has the required experience and expertise in the tourism and hospitality industry.

- **Local incorporation**

The company must be locally-incorporated.

- **Added value**

Standards of new proposed guesthouse/tourist residences must at least, commensurate those of luxury hotels targeting the high-end market segment and must comply with the guidelines of the Tourism Authority.

- **Safety & Security**

The new guesthouse/tourist residence must be equipped with safety and security devices installed by a security company approved by the Tourism Safety Panel:

- An integral burglar alarm system with rapid response
- A 24-hour camera surveillance with recording system
- A 4-digit pin code operated electronic safe

- **Energy saving devices & eco-friendly practices**

Provision must also be made for the adoption of energy-saving devices and eco-friendly practices such as recycling plants, rain water harvesting, renewable energy supply (solar energy and photovoltaic cells) and other similar facilities.

*Ministry of Tourism & Leisure
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