

TOURISM STAKEHOLDERS IN EGYPT CALL FOR 5-YEAR TAX AND CUSTOMS EXEMPTIONS FOR THE SECTOR



The Egyptian Businessmen Association's Tourism and Civil Aviation Committee recently convened to assess the state of the tourism sector. It developed strategies to enhance it amidst the current economic climate in Egypt and globally.

Dr. Farouk Nasser, Chairman of the Tourism Committee, pointed out that the committee is preparing a set of recommendations to the Minister of Tourism and Antiquities and all concerned authorities on the current challenges in the sector, foremost of which is finding an alternative to canceling low-interest financing initiatives by the Ministry of Finance and Egyptian banks.

The members reviewed several problems facing the tourism sector in both leisure and business tourism: the problem of visa and security approvals for sports tourism, calling on the Tourism Promotion Authority in partnership with sports federations to set an agenda for critical international matches.

The members called on the Tourism Promotion Authority to reactivate the green unit in the Ministry of Tourism and Antiquities to facilitate the issuance of licenses for ecotourism and to exempt tourism activity from customs and taxes for five years as an alternative to canceling the 8% financing initiative, in addition to encouraging the establishment of air exhibitions in Egypt, similar to the Dubai Airshow.

Nasser explained that canceling the 8% financing initiative represents a major obstacle for tourism companies to achieve the state's strategy by targeting the sector's revenue growth to \$30 billion by attracting about 30 million tourists, which requires doubling the capacity of airports and hotels from 220,000 hotel rooms to 440,000 rooms. Tourism companies struggle to secure sufficient funding to expand room capacity.

The Chairman of the Committee presented a proposal to establish a company to manage tourist units and hotel apartments for those wishing to register their units for rent, especially in Sharm El Sheikh, Hurghada, and Marsa Alam, after studying and fulfilling all security controls and providing the level of services required and the requirements necessary to achieve the welfare of tourists.

Date: 2023-05-16

Article link:

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