

Sabah's Competitive Sectors
TOURISM



TOURISM IN SABAH

From beaches to mountains to rainforests, Sabah offers endless investment opportunities in tourism. The state's large and growing tourism market offers significant opportunities for investment across a wide range of tourism activities and sectors. Its strategic location in the Northeast corner of Borneo, coupled with its tropical climate, rich cultural heritage, and reputation for hospitality has made Sabah a favourite vacation destination for millions of world travellers.

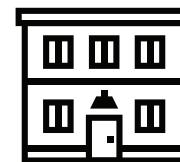
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Through its accelerated COVID-19 vaccination rollout and travel bubbles, Malaysia is looking to promote domestic and international travel. Pent-up demand for outdoor destinations and experiences will reinvigorate tourism opportunities, and it is expected that Sabah will see a significant increase in tourist arrivals.

ADVANTAGES

TOURIST DESTINATION

Sabah was recognised as *Malaysia's Favourite Destination* at the Malaysian Association of Tour and Travel Agents (MATTA) Fair 2019. The state's attraction lies in its cultural and heritage landmarks, tropical and adventure activities, as well as eco-centric lifestyle offerings. Popular tourism activities include visiting longhouses or homestays, jungle trekking, cave exploration, white water rafting, mountain climbing or deep-sea diving. As of 2018, Sabah offers 675 hotels and over 30,067 rooms.



675

HOTELS

30,067

ROOMS



1.5 MIL

INTERNATIONAL TOURIST

2.7 MIL

DOMESTIC TOURIST

USD\$2 BIL

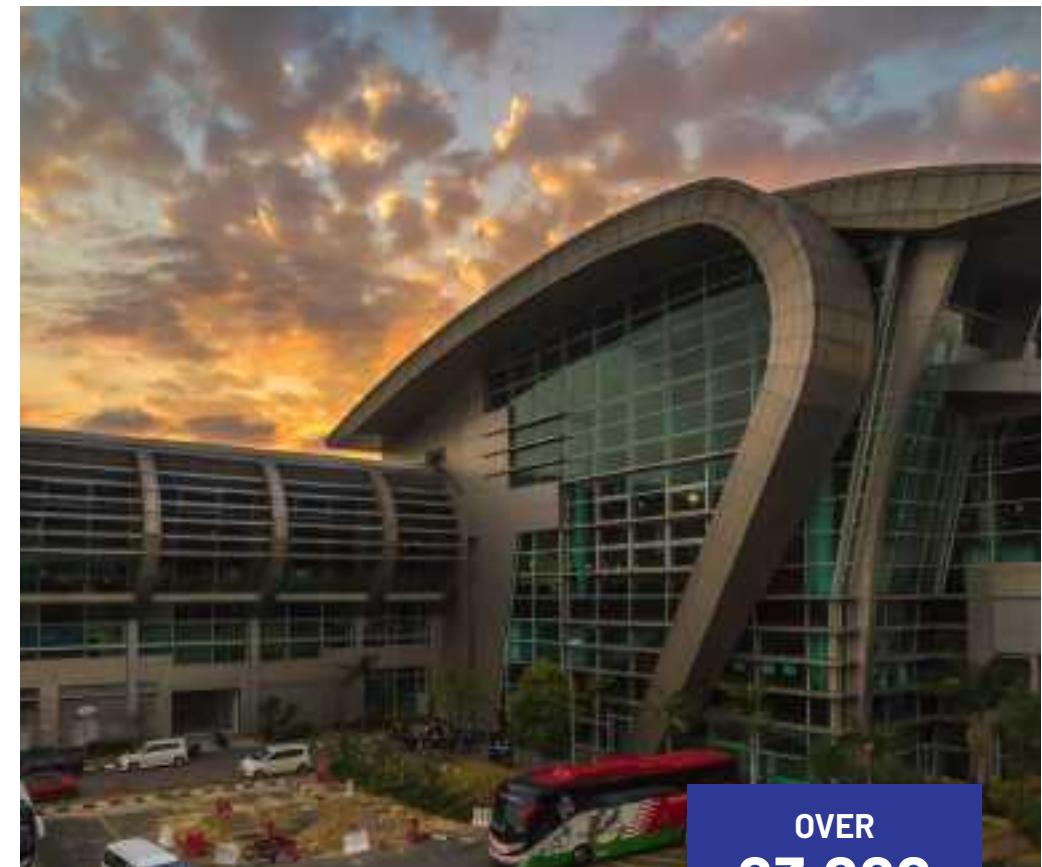
REVENUE

KOTA KINABALU
INTERNATIONAL AIRPORT (KKIA)

20

INTERNATIONAL
DESTINATIONS

In 2019 the state attracted close to 1.5 million international tourist arrivals and over 2.7 million domestic tourist arrivals, with the sector valued at over USD\$2 billion in revenue. Sabah offers direct flights from major cities in the Asia Pacific including Hong Kong, Manila, Seoul, Singapore, Taipei, and Tokyo. As of 2019, the Kota Kinabalu International Airport serviced over 20 international destinations from 12 foreign carriers, connecting Sabah to many locations across the East Asia region.



**OVER
23,000**

INTERNATIONAL
FLIGHTS

450

DOMESTIC
FLIGHTS

WEEKLY

**2ND BUSIEST AIRPORT
IN MALAYSIA**

The Kota Kinabalu International Airport (KKIA) is the second busiest airport in Malaysia, welcoming tourists from the Southwest Pacific as well as the Southeast Asia and Northeast Asia regions. KKIA recorded over 23,000 international flights in 2019. Domestically, 450 weekly flights connect Sabah to Peninsular Malaysia, Sarawak and Labuan with a 75,260 weekly seating capacity.

INVESTMENT OPPORTUNITIES

1

Preserved and protected by conservation and sustainable development, Sabah offers lush rainforests, vibrant coral reefs, and a rich collection of flora and fauna. This enriched biodiversity positions the state as a premier eco-adventure and relaxation destination. Current promotions and service providers are operating on a relatively small scale, suggesting opportunities for development and growth.

**2**

Various international hotel and resort groups have established a presence in Sabah, yet there is still much capacity to be serviced. Additionally, with most of these brands based in Kota Kinabalu, demand for hospitality service providers is especially strong outside the state capital including along the Eastern coast of Sabah, known for its diving and wildlife activities. This is reflected in the number of hotels available in Kota Kinabalu (205 hotels), in comparison with the next highest district (Sandakan, 82 hotels).

**3**

The Special Tourism Investment Zone (STIZ) introduced through the National Tourism Policy 2020–2030 aims to boost the development of the tourism sector by encouraging more private investment and public-private partnerships through incentives. The STIZ in Sabah covers an area encompassing Tuaran-Kota Belud.

FOR MORE INFORMATION PLEASE REACH OUT TO US

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