



# MATI MEMBERSHIP PROSPECTUS



**AN AFFILIATE MEMBER**

**MALDIVES ASSOCIATION OF TOURISM INDUSTRY (MATI) | REGISTRY #: 32/82  
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## About MATI

The Maldives Association of Tourism Industry (MATI) is a non-governmental, non-profit organization formed in 1982, for the purpose of promoting and developing tourism in the Maldives. Three decades of MATI's service has been provided to almost all the travel and tourism related issues which arise in Maldives

## Vision

Make Maldives the World Leader in Sustainable Tourism.

## Mission

Continuously monitor the internal and external environment for the tourism sector and proactively strive to minimise challenges and maximise opportunities within the industry through engagement and mediation.

## What Do We Do?

A key function of MATI is coordinating with all mandatory government policy making bodies to align new laws and regulations to Tourism Industry best practices.

Additionally, we represent the industry internationally and locally by attending different seminars, organizing and providing research and offering professional consultation to governmental, private and international organizations.

## Areas of Focus

Development and Planning of Tourism

Quality and Standards

Education and Training

Environment and Culture

# Why Become a Member?

1. MATI is the most recognised tourism based organisations that can assist in protecting and serving the interests of the Maldives Tourism Industry.
2. MATI is a key organisation providing consistent stakeholder consultation for the Ministry of Tourism, Maldives Marketing and Public Relations Corporation and other branches of the Government of the Republic of Maldives.
3. MATI is a platform of local knowledge, expertise and advice for investors and stakeholders which is easily and readily accessible.
4. MATI provides it members the opportunity to directly address challenges faced by the Industry
5. Through MATI, members can contribute to align new laws and regulations to Tourism Industry best practices.
6. Access to the MATI Member Portal. The MATI Member Portal is a resource centre exclusive to MATI Members which contains comprehensive statistical analyses with regard to tourist arrivals, tourism revenue, flight movements, tourism based tax collection, etc.

## Milestones

### 1. Speargun Fishing and Harpooning Ban

To preserve and ensure greater protection of our marine ecosystems, the founders of MATI advocated for and succeeded in implementing a complete ban on Speargun Fishing and Harpooning towards the end of 1972.

### 2. Lease Extensions

- a) When tourism commenced in Maldives, the first ever resorts were leased for a period of 5 years. However, the founders of MATI played an instrumental part in advocating on behalf of the industry to increase the lease period to ensure a viable return on investment and to attract more investments.

- b) Furthermore, MATI's also played an instrumental role in extending the lease period again to a minimum period of 25 years and a maximum period of 50 years (provided certain conditions are met) under the new Maldives Tourism Act (Law No. 2/99) in 1999.
- c) Under the 2nd amendment to the Maldives Tourism Act (Law No. 2/99) in 2010 resort leases were extended to a minimum period of 50 years and an extended period of 99 years (provided certain conditions are met), which is in effect today.
- d) Finally, under the 7th amendment to the Maldives Tourism Act (Law No. 2/99) passed in 2015 the conditions for extending the lease period to a maximum period of 99 was relaxed. Companies applying for a lease extension up to a maximum of 99 years as previously stipulated now do not have to be public listed companies registered overseas or in Maldives with share sales to the public.

### **3. Labour Relations**

- a) MATI played an instrumental role in the realisation of a revision to quota of foreign employment at resorts upto 55% of total staff.
- b) MATI also advocated for the inclusion of a clause regarding dissemination of “Service Charge” beneficial to employees in the Employment Act 2/2008.



## **4. Taxation**

### **a) T-GST:**

a.1) MATI ensured that a lower T-GST tax rate than what was initially proposed was implemented.

a.2) MATI also advocated for the upper limit set for this tax to not be increased during the next 3 years.

a.3) In relation to the T-GST increment in 2014, MATI proposed to the Government that any increment to the T-GST should come into effect only after October 2014 as most of the Tour Operator contracts run from 1st October to 31st October.

a.4) MATI also advised the Government that any future changes to the tax rulings be made after giving the industry an advance notice of 1 year.

### **b) Remittance Tax:**

MATI played a key role in shaping the regulation to meet industry best practices including ensuring that no tax to be levied on hand carried cash by departing passengers.

### **c) Withholding Tax and T-GST on OTA Bookings:**

Efforts by MATI resulted in MIRA amending the rules governing WHT and T-GST payments regarding OTA bookings. Under the revised regulation WHT will be applicable when local establishments transfer OTA commission after collecting the payment from the client.

### **d) Green Tax:**

d.1) MATI advocated on behalf of the industry to reduce the Green Tax which was originally set at USD 10 per person per day to USD 6 per person per day..

d.2) MATI also proposed for the Green Tax be charged on a per day basis and not charged on a check-in basis as a lot of guests may check-in to two or more places on a given day.

d.3) MATI also advocated to make sure the Green Tax which was to be introduced late 2014 to be delayed by 1 year to make sure the industry had time to adjust to the new tax.

## **5.Tourism Development and Promotion**

a)The founders of MATI advocated for and initiated the practice of creating National Tourism Masterplans in 1983, adopted by the Ministry of Tourism.

## **6.Other Laws and Regulations**

a)MATI played a key role in the drafting of the new Safety Regulation for Tourist Establishments to meet industry best practices, to be published towards the end of 2018 by the Ministry of Tourism.

b)MATI played a key role in the drafting of the new Fire and Safety regulation to be published towards the end of 2018 by the Ministry of Tourism.

# Membership Tiers and Fees

## 1. Active Members Eligibility

Organisations that are directly involved in the tourism sector which includes travel industry, aviation industry and direct providers and suppliers of goods and services to the Maldives.

Right to Vote

Yes

Fee

Annual Fee: MVR 30,000

Admission Fee: MVR 1000

## 2. Associate Members Eligibility

Organisations that are directly and indirectly involved in the tourism sector of the Maldives or those who provide a secondary service to the tourism industry of the Maldives.

Right to Vote

No

Fee

Annual Fee: MVR 20,000

Admission Fee: MVR 1000

## 3. Members of Honour

Members of Honor are MATI members who are awarded lifetime membership by a unanimous decision of the executive board. Honor members are chosen on the basis of outstanding services to the tourism industry of Maldives and for such services to the Association. The Honorary members do not have the right to vote and is not liable for any membership fees. The other class of members may apply and maybe admitted upon terms and conditions to be determined by the Executive board.

\*For membership enquiries, please get in touch with us at [info@matimaldives.com](mailto:info@matimaldives.com) and/or +960 3326640, +960 3321701.