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The tourism sector in East Africa and the Indian Ocean

Tourism holds a strategic place in East Africa and the Indian Ocean. It is a major source of foreign exchange and jobs, and a lever for economic diversification. Built on an exceptional natural and cultural heritage, and supported by a strong recovery since the health crisis, the sector nonetheless carries very uneven economic weight across countries: it is central to the economic model of Seychelles, Tanzania and Madagascar, but remains marginal in Djibouti. The region combines established destinations, built on safaris or high-end beach tourism, with emerging destinations that focus on high-value niches such as gorilla trekking, ecotourism and business tourism. The sector's development is nonetheless held back by shared constraints: air connectivity, infrastructure, skills and climate vulnerability. To address these constraints, several countries in the region are moving their offer upmarket and hosting major international events. These include the 2027 Africa Cup of Nations (AFCON), co-hosted by Kenya, Uganda and Tanzania, the 2029 World Athletics Championships in Kenya, the 2025 UCI Road World Championships in Rwanda and the future Formula 1 Grand Prix in Kigali. The modernisation of the sector also opens opportunities for French companies, particularly in hospitality, air transport and ecotourism.

A strategic sector with contrasting economic weight

Tourism is a pillar of the economy across much of the region, but, unsurprisingly, its weight varies considerably from one country to another. In Seychelles, it accounts for around 21.0% of GDP and 60.8% of foreign exchange earnings. In Tanzania, it represents 17.2% of GDP and around 25.0% of exports of goods and services, generating USD 4.4 billion in receipts in 2025. It reaches around 11.0% of GDP in Madagascar, where it is the second-largest source of external earnings after mining, nearly 10.0% in Kenya and Rwanda, and 8.5% in Ethiopia. Mauritius, which receives 1.1 tourists per inhabitant, derives 9% of its value added from the sector. Tourism is more modest in Uganda (5.9% of GDP) and Comoros (5.5%), and remains marginal in Djibouti, where it is dominated by business travel. Across the region, it is an essential source of foreign exchange, accounting for nearly 19% of Kenya's main foreign exchange inflows and around 16% of Uganda's export earnings.

Visitor numbers have generally surpassed pre-COVID-19 levels, though at different paces. Tanzania (2.29 million international arrivals in 2025, +50% compared with 2019), Kenya (2.6 million, +7.2% compared with 2024) and Mauritius (1.4 million, +3.9% compared with 2024) have confirmed their status as established destinations. Comoros, driven by its diaspora, welcomed 78% more visitors than in 2019. Rwanda is the exception: arrivals remain below pre-crisis levels, but receipts are well above them, reflecting a strategy focused on value rather than volume. Ethiopia,

affected by a succession of crises since 2020, received 1.6 million international visitors and USD 5 billion in receipts in fiscal year 2025/2026.

A segmented demand and supply base facing common constraints

Demand relies on three main customer groups. Regional flows account for a large share of arrivals in Uganda and Rwanda: East African Community nationals alone represent around 90% of arrivals in Uganda and 80% in Rwanda. These visitors are numerous but spend less than long-haul travellers, who come mainly from Europe and North America, but also from Asia and the Middle East. The diaspora makes up most of the demand in Comoros and a growing share in Kenya. Finally, European visitors dominate in the Indian Ocean (nearly 70% of arrivals in Seychelles and 44% of air arrivals in Madagascar). Metropolitan France is the leading source market for Mauritius (23.5% of arrivals), while Réunion ranks third (10.1%). In Seychelles, France is the second-largest source market (10.4% of arrivals). Domestic tourism is also significant in some countries, with 5.2 million visitors in Kenya and 30 million in Ethiopia, according to the Ethiopian News Agency.

Beyond its natural assets, the region is increasingly relying on heritage and major events to diversify. The regional offer is built on wildlife and national parks (safaris in Kenya and Tanzania, gorillas in Uganda and Rwanda), high-end beach tourism (Mauritius, Seychelles, Zanzibar) and heritage: 12 UNESCO sites in Ethiopia, including Lalibela and Gondar, Stone Town in Zanzibar, Lamu in Kenya, and the first Comorian inscription in 2026. Business and events tourism (MICE) has become a segment in its own right. In Rwanda, it generated USD 94.7 million in 2025, nearly 14% of tourism receipts. In Kenya, it accounts for around one-fifth of arrivals, with nearly 1,000 international conferences and 38,705 delegates in 2025 (+11% since 2023). Ethiopia hosted 204 international conferences in 2025/2026 and will host the 32nd Conference of the Parties (COP 32) in Addis Ababa from 8 to 19 November 2027.

The sector's development nonetheless faces shared constraints. Apart from Addis Ababa and Nairobi, air connectivity is limited and expensive: Comoros, for example, has no direct flights from Europe, and domestic flights remain costly in Madagascar, Seychelles and on intra-African routes generally. Conflicts in the Middle East have heightened this vulnerability by disrupting Gulf hubs, through which around 50% of connecting flights to Kenya transit, and by driving up jet fuel prices. Further constraints include inadequate road and accommodation infrastructure, a shortage of skilled labour, strong seasonality and exposure to climate change, particularly coastal erosion. Regional security and health risks, such as Ebola, renewed fighting in Tigray and attacks in the Red Sea, also weigh on the attractiveness of several destinations.

Ambitions driven by major events, opening commercial opportunities

Several countries in the region have set ambitious targets based on diversifying and upgrading their offer. Madagascar aims for one million tourists by 2028 (compared with 330,909 in 2025), while Comoros targets 200,000 arrivals by 2030, 2.5 times the 2024 level. Rwanda intends to raise its receipts to USD 1.1 billion by 2029 (from USD 685 million in 2025). Seychelles stands out as the counterexample: the archipelago is considering capping visitor numbers at 500,000 in 2030 (compared with 398,841 in 2025) to preserve its resources. In East Africa, hosting major international events has become central to tourism strategies. Rwanda hosted the UCI Road World Championships in 2025. AFCON 2027, co-hosted for the first time by three countries (Kenya, Uganda and Tanzania) from 19 June to 17 July 2027, is the next major milestone. It is expected to accelerate investment in hotels, sports facilities and transport, such as the new 60,000-seat Raila Odinga Stadium in Nairobi. Other sporting events will follow: the Indian Ocean Island Games in Moroni in August 2027, the World Athletics Championships in Nairobi in 2029 and, in the longer term, a Formula 1 Grand Prix in Rwanda, marking the sport's return to Africa.

French companies hold established positions across several segments of the tourism value chain. In hospitality, they cover all ranges, from business hotels to luxury resorts, holiday villages and boutique establishments run by French nationals, notably in Rwanda, Madagascar, Mauritius, Seychelles, Comoros and Zanzibar. French airlines (Air France-KLM, Corsair, Air Austral) provide a significant share of connections to the Indian Ocean and East Africa, and French firms are also active in airport retail, real estate and infrastructure engineering. French development cooperation also supports the sector's sustainability: the French Development Agency (AFD) and the French Facility for Global Environment (FFEM) finance biodiversity conservation in Kenya and heritage enhancement in Ethiopia. Projects in high-end hospitality, airport infrastructure, ecotourism, conservation and training offer further entry points for French companies.