



# G20

SOUTH AFRICA 2025

## PRIORITY 2:

### TOURISM FINANCING AND INVESTMENT TO ENHANCE EQUALITY AND PROMOTE SUSTAINABLE DEVELOPMENT

**Deliverable 2: Tourism Working Group Seminar for enhancing partnerships for tourism financing and investment for sustainable development**

**Presidency Document**

**Summation of the insights from the Seminar on “Enhancing partnerships for tourism financing and investment for sustainable development” held on 9 September 2025**

## **1. Introduction**

The Seminar on “Enhancing partnerships for tourism financing and investment for sustainable development” was convened by the G20 South Africa Presidency on the occasion of the Third G20 Tourism Working Group (TGW) Meeting in line with Priority 2 of the TGW - Tourism financing and investment to enhance equality and promote sustainable development.

It provided a dedicated platform for members, guest countries, international organizations and representatives from Finance Track to discuss the critical role of financing and investment in tourism as a driver of sustainable, resilient and inclusive development with a focus on key challenges and opportunities in mobilizing resources, identifying policies to accelerate financing and investment, and strengthening cooperation between the public and private sectors. In doing so, it aimed to support equitable access to funding and investment, enhance socio-economic development, and ensure that the benefits of tourism are widely shared among communities.

Over recent years, the G20 Tourism Working Group (TWG) has progressively advanced a shared agenda for financing for development and investment in tourism. The Indonesian Presidency (2022) adopted the Bali Guidelines for Strengthening Communities and MSMEs, emphasizing local empowerment and equitable access to financial resources. The Indian Presidency (2023) launched the Goa Roadmap for Tourism and the SDGs together with the [G20 Tourism and SDG Dashboard](#). The Brazilian Presidency (2024) consolidated these efforts through the Report ‘Funding Lines and Priority Areas for Investment in Tourism’, underscoring the importance of responsible investment, cooperation with multilateral financial institutions, and innovative financing.

Under the South African Presidency (2025), financing and investment have been placed as one of the strategic priorities for the TWG aimed at contributing to the overall Presidency theme of “Solidarity, Equality, Sustainability”, with renewed calls for international solidarity and resource mobilization. The seminar on enhancing partnerships for tourism financing and investment for sustainable development build on the work done by Brazilian Presidency in 2024.

Financing for development and investment in tourism is inherently cross-cutting and closely linked to other G20 tracks, particularly the G20 Finance Track and, under the Sherpas' Track, the Infrastructure and the Development Working Groups (DWG), respectively. The Infrastructure Working Group has highlighted the importance of innovative financing models and public-private partnerships to mobilize capital for sustainable and resilient infrastructure, including connectivity, an area which is essential for tourism. The DWG, together with the Global Partnership for Financial Inclusion, has prioritized access to finance for MSMEs, closing credit gaps and fostering inclusion—an agenda directly relevant for tourism entrepreneurs and communities.

## **2. Insights to Unlock Financing for Development and Investment for Sustainable Tourism**

Tourism can be a powerful driver of sustainable development when supported by adequate public financing aligned with national development priorities. Members emphasised the need for development finance to reduce barriers, strengthen institutional framework, and provide the targeted enabling conditions for inclusive and sustainable growth.

Alongside public development financing, members underlined the importance of mobilising private investment for long-term sustainability, inclusion, competitiveness, and resilience. To achieve this, the investment environment must be transparent, predictable, and aligned with sustainability principles.

Below are insights gained from the Seminar:

- a) **Climate resilience and sustainable tourism.** International financial institutions and development banks should scale up concessional financing and blended finance schemes, with tailored instruments for climate-resilient tourism infrastructure. Clearer eligibility of tourism within global climate funds must be secured to unlock capital flows for adaptation and mitigation. De-risking mechanisms and technical assistance facilities are needed to ensure bankability in vulnerable destinations, particularly SIDS and LDCs.. Subnational governments require direct support to build technical, institutional, and human capacities to manage tourism sustainably.
- b) **Social inclusion.** Official Development Assistance (ODA), including concessional resources, and financing instruments should promote inclusion, namely for women, youth and people with disabilities, while attracting private capital into MSMEs and community-based initiatives. Partnerships with accelerators, venture funds, and international

operators can help local initiatives reach global markets. Civil society organizations should be formally engaged in the design and oversight of programmes to guarantee inclusiveness and accountability.

- c) **Community-based development.** Governments and Development Finance Institutions (DFIs) should provide seed capital, small grants and incubator funding to strengthen innovation in community based and new products that enhance diversification and inclusion such as gastronomy, culture, and nature-based tourism. Such support can empower local entrepreneurs to bring new products to market while safeguarding and valuing cultural heritage.
- d) **Infrastructure.** Destination-wide infrastructure—such as sanitation, transport, signage, and digital connectivity—requires coordinated public investment strategies. Governments, in collaboration with DFIs, could establish blended infrastructure funds to channel capital into these enabling essential assets (Brazil). Public subsidies, fiscal and non-fiscal incentives, and co-financing can reduce initial costs for investors and ensure that benefits are widely shared.
- e) **Blended and impact finance.** Equity funding schemes and risk-sharing facilities could be created to address restrictive loan-to-value ratios that discourage private investment in tourism assets. Transparent governance, anti-corruption measures, and respect for the UN Guiding Principles on Business and Human Rights (UNGPs) are essential to foster investor confidence. Private investors should be encouraged through blended finance schemes, de-risking instruments, and guarantees that reduce exposure and crowd in capital. Impact investors can play a central role by linking returns to measurable social and environmental outcomes.
- f) **Data and impact assessment.** Members emphasized the importance of better assessing the flows and impact of financing and investment in tourism projects, including in terms of contribution to job creation, MSME participation, environmental and social sustainability and community benefits, in alignment with existing internationally agreed investment and tourism statistical frameworks, namely the Statistical Framework for Measuring the Sustainability of Tourism (SF-MST).
- g) **One-stop-shop information systems.** Open-access digital platforms can be created to offer centralized financing information and conditions, improving transparency, resources-efficiency and collaboration.

- h) **Innovation and ethics.** Members recognised the role of digitalisation and artificial intelligence in financing and investment processes but underlined the need for ethical frameworks and regulation to ensure responsible use.
- i) **Project preparation.** A critical gap identified is the absence of project preparation funding. G20 members and multilateral institutions could champion dedicated facilities to finance feasibility studies, legal structuring, financial modelling, and stakeholder engagement. Social facilitation must be integrated to ensure projects are inclusive and community-responsive.
- j) **Addressing the Funding Gap.** Despite positive trends, tourism continues to face structural barriers in accessing financing. The Seminar highlighted that closing the funding gap requires simultaneous action on both public financing for development and investment promotion as well as enhanced cooperation.
  - i. **Bridging equity gaps.** Governments, in partnership with Multilateral Development Banks, could co-finance equity contributions in priority projects, lowering barriers for private participation.
  - ii. **Strengthening governance.** Stable, and accountable institutional frameworks are a key element to improve the investment climate and ensuring an equitable distribution of benefits. Transparent governance, anti-corruption measures, and respect for the UN Guiding Principles on Business and Human Rights (UNGPs) are essential to foster investor's confidence.
  - iii. **Enhancing cooperation.** Members called for strengthened collaboration that can support and facilitates the exchange of knowledge on effective financial instruments and regulatory frameworks as well between governments, donors, MDBs, and the private sector to design inclusive and bankable tourism projects.

### 3. The way forward

By advancing the abovementioned voluntary areas, the G20 Tourism Working Group can support the mobilization of both public and private resources, ensuring that tourism financing and investment contributes to inclusive socio-economic development, environmental sustainability, and resilience.

Key results of the seminar will be included in the Draft G20 Tourism Ministers' Declaration. The conclusions of the seminar will also be shared by the Chair of the Tourism Working Group with the Chairs of the G20 Finance Track and relevant Sherpa Track Working Groups such as

Development, Disaster Risk Reduction, Digital Economy, Environment and Climate Sustainability, Trade and Investment, strengthening coherence and impact with broader G20 agenda.

G20 members and guest countries are encouraged to share the insights of the seminar with their relevant line Ministries and governmental agencies as well as taking this work forward into the coming Presidencies.

**On Priority 2: Tourism financing and investment to enhance equality and promote sustainable development, the G20 Ministers of Tourism have agreed, in the Mpumalanga Declaration<sup>1</sup>, to the following:**

“We recognise the importance of working with international financial institutions and development banks to explore opportunities to scale up concessional financing and blended finance schemes, with tailored instruments for resilient tourism infrastructure.

We further recognise the importance of Official Development Assistance (ODA), including concessional resources, and financing instruments in promoting inclusion, namely for women, youth and people with disabilities, while attracting private capital into MSMEs and community-based initiatives.

We emphasise the importance of integrating tourism into national development strategies and the need to unlock financing for sustainable tourism. To complement scarce resources, we call for the mobilisation of public-private capital through transparent, predictable, and sustainability-aligned investment environments.

We underscore the importance of project preparation, blended and impact finance, advocating for the creation of equity funding schemes and risk-sharing facilities to lower barriers for private participation, with emphasis on transparency and accountability.

We reaffirm the importance of transparent governance, anti-corruption measures, and respect for the UN Guiding Principles on Business and Human Rights (UNGPs) to foster investor confidence.

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<sup>1</sup> <https://g20.org/track/tourism/>

We stress the importance of stepping up efforts to quantify tourism's contribution to overall sustainable development, on the basis of the Statistical Framework for Measuring the Sustainability of Tourism (SF-MST), as this could unlock finance from public and private sources.

We recognise the importance of centralising financing information, promoting seamless procedures, and enhancing collaboration, enabling a more transparent and accessible investment landscape. Such an initiative should be supported by appropriate frameworks.”