



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



STATE OF TOURISM REPORT

2019/20

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LIST OF ABBREVIATIONS

ACSA	Airports Company South Africa
ADR	Average Daily Rate
ARR	Average Room Rate
ASK	Available Seat Kilometre
CPI	Consumer Price Inflation
COVID-19	Coronavirus disease
EC	Eastern Cape
FS	Free State
DHA	Department of Home Affairs
EPWP	Expanded Public Works Programme
EUR	EURO
GDP	Gross Domestic Product
GP	Gauteng
GBP	Great British Pound
IATA	International Air Transport Association
ICCA	International Congress and Convention Association
KZN	KwaZulu-Natal
LP	Limpopo
MICE	Meetings, Incentives, Conferences and Exhibitions
MP	Mpumalanga
MCS	Movement Control System
NC	Northern Cape
NDP	National Development Plan
NW	North West
PLF	Passenger Load Factor
RPK	Revenue Passenger Kilometres
RevPAR	Revenue Per Available Room
SA	South Africa

SADC	Southern African Development Community
SA Tourism	South African Tourism
SEFA	Small Enterprise Finance Agency
SMMEs	Small, Medium and Micro Enterprises
Stats SA	Statistics South Africa
TSA: RMF	Tourism Satellite Account: Recommended Methodological Framework
TSA	Tourism Satellite Account
VFR	Visiting friends and relatives
UAE	United Arab Emirates
UNWTO	World Tourism Organisation
WHO	World Health Organisation
WTTC	World Travel and Tourism Council



LIST OF DEFINITIONS

Concept	Definition
ADR (Average Daily Rate)	Room revenue/rooms sold: i.e., a measure of the average rate paid for rooms sold is calculated by dividing room revenue by rooms sold.
Available Seat-Kilometres (ASK)	The number of seats carriers have available multiplied by the number of kilometres flown. The ratio of revenue passenger kilometres.
Country of Residence	The country of residence of a household is determined according to the centre of predominant economic interest of its members. If a person resides (or intends to reside) for more than one year in a given country and has there his/her centre of economic interest (for example, where the predominant amount of time is spent), he/she is considered as a resident of this country.
Destination (main destination of a trip)	The main destination of a tourism trip is defined as the place visited that is central to the decision to take the trip.
Domestic Day Trips	A trip outside of the respondent's usual environment, where they leave and return within the same day (i.e., do not stay overnight).
Domestic Overnights	A visitor/tourist who stays at least one night in collective or private accommodation in the place visited.
Domestic Tourism	The tourism of resident visitors within the economic territory of the country of reference.
Inbound Tourism	Which comprises the activities of a non-resident visitor within the country of reference on an inbound tourism trip.
Industry	Group of establishments engaged in the same or similar kinds of activity.
International Tourism	The combination of inbound tourism and outbound tourism.
Occupancy	Rooms sold/rooms available: the percentage of available rooms that were sold during a specified period of time. Occupancy is calculated by dividing the number of rooms sold by the number of rooms available.
Outbound Tourism	Comprises the activities of a resident visitor outside the country of reference, either as part of an outbound tourism trip or as part of a domestic tourism trip.
Passenger Load Factor	The ratio of revenue passenger kilometres (RPK) to available seat-kilometres (ASK) is called passenger load factor: i.e., the percentage of capacity used.
Purpose of Visit	The major groups that are recommended for classifying the main purpose of visit (or trip) are: leisure, recreation and holidays; visiting friends and relatives; business and professional reasons; health treatment; religion/pilgrimages and other.
Region	An area, especially part of a country or the world, having definable characteristics but not always fixed boundaries.
Revenue Passenger-Kilometres (RPK)	RPK represents one paying passenger transported over one kilometre, so the number of passengers is multiplied by the distance flown. This means that each long-haul passenger contributes more to total traffic measured in RPKs than each short-haul passenger does.
RevPAR (Revenue per available room)	Room revenue/rooms available (or = occupancy x ADR): the total guest room revenue divided by the total number of available rooms.
Total foreign direct spend in South Africa (TFDS)	The total amount spent directly in South Africa by all foreign tourists including amounts spent on goods for resale and capital investments.
Tourism Demand	Is the sum of tourism consumption, tourism collective consumption and tourism gross fixed capital formation.
Tourism Employment	An activity in which a person performs work for pay, profit or family gain. Such a person can be self-employed, an employer, an employee or a working family member.
Tourism Gross Domestic Product	Tourism GDP is the GDP generated in the economy by the tourism industries and other industries in response to tourism internal consumption.

Concept	Definition
Tourism Sector	The tourism sector consists of the set of institutional units whose principal economic activity is a tourism-characteristic activity. These units might belong to the following institutional sectors: households; non-financial corporations (private, foreign owned, publicly owned); financial corporations; general government or non-profit institutions serving households.
Tourist	A visitor who stays at least one night in the place visited.
Traveller	A traveller is any person on a trip between two or more countries, or between two or more localities within his/her country of usual residence.
Usual Environment	To be outside the 'usual environment' the person should travel more than 40 kilometres from his/her place of residence (one way) AND the place should NOT be visited more than once a week. This includes place of work and place of study. Leisure and recreational trips are included irrespective of frequency.
Visitor	Any person travelling to a place other than that of his/her usual environment for less than 12 months, and whose main purpose of the trip is other than the exercise of an activity remunerated from within the place visited.

Note: The definitions were sourced from UNWTO and Statistics South Africa



INTRODUCTION AND BACKGROUND

Tourism has been recognised as one of the key sectors globally due to its contribution to the world economy over the years. In South Africa, tourism has been recognised as an important driver for economic growth and development. The tourism sector has also been identified as one of the priority areas in the country's the National Development Plan (NDP, 2013). Moreover, the NDP recognises the tourism sector as one of the highly labour-intensive sectors that could accelerate the process towards the achievement of targets set for job creation within the country. Also, the NDP indicates that the tourism sector could also stimulate the development of small businesses to create opportunities for inclusive growth that all South Africans could benefit from.

The tourism sector is not measured as an industry on its own in the national accounts as it cuts across other industries based on products and services consumed by visitors including tourists, both domestic and international (Stats SA, 2019: TSA report). These products and services are within industries such accommodation, transportation as well as food and beverages. Most of the industries within the tourism sector are not immune to the negative impact of some external factors such as pandemics. It is therefore not surprising to see how the sector was negatively affected by the outbreak of COVID-19 and the impact could be seen in most of the industries that are operating within the tourism value chain at a global and national level. This is evident when key indicators used to monitor the performance of the tourism sector are monitored and analysed.

To monitor the performance of the sector, the Department of Tourism produces an annual State of Tourism Report (STR), which serves as a strategic tool to inform decision-makers and businesses on the sector's performance and developmental aspects. In 2020, the tourism sector had been impacted negatively by the COVID-19 pandemic and this is evident from the analysis of key indicators that are used to monitor sector performance, that are included in the STR. These indicators include, amongst others, number of tourist arrivals, both domestic and international, revenue for key tourism industries as well as the contribution of the tourism sector to Gross Domestic Product (GDP) and employment. Thus, the 2019/20 STR also provides some analysis on key indicators that revealed the impact COVID-19 has had on the tourism sector, including the performance of tourism related industries during 2020 at a global and national level. The analysis is based on secondary data from different sources and the

focus of the STR was dependent on the availability of information and data that could be part of the report.

REPORT STRUCTURE AND THEMES

In order to develop the STR, a framework was developed, which outlined the key themes, sub-sections and the indicators that would be reported in this report. The framework provides the sources for the secondary data that have been used in the 2019/20 STR. This secondary data was sourced from different institutions such as the United Nations World Tourism Organisation (UNWTO), World Travel and Tourism Council (WTTC), the International Air Transport Association (IATA) and Euromonitor. These data sources were used to report on the performance of key tourism industries globally. In addition, and specifically for the analysis of the South Africa tourism sector performance, secondary data was sourced from organisations such as South African Tourism (SA Tourism), Statistics South Africa (Stats SA) and the Airports Company of South Africa (ACSA).

As outlined above, this report follows the STR Framework, which includes the analysis of key tourism indicators similar to those used in the previous (2018/19) STR, to ensure consistency and continuity. The following chapters are included in the report:

- Chapter One: The Economic Value of Tourism in South Africa
- Chapter Two: Performance of Tourism Related Industries in South Africa
- Chapter Three: South Africa's Inbound Tourism Performance
- Chapter Four: South Africa's Domestic Tourism Performance
- Chapter Five: South Africa's Tourism Performance Outlook and Recovery
- Chapter Six: Global Tourism Economic Impact
- Chapter Seven: Global Tourism Performance
- Chapter Eight: Global Tourism Related Industries Performance
- Chapter Nine: Global Tourism Performance Outlook and Recovery



CHAPTER ONE: THE ECONOMIC VALUE OF TOURISM IN SOUTH AFRICA

The tourism sector has made a significant impact on the country's economic and job creation over the years. Usually industries are classified according to their production, however the tourism sector output is determined by consumption spending of tourists and other visitors within the country. Measuring tourism spending therefore requires identifying visitors and their related expenditure patterns. In order to measure the economic impact of the tourism sector, the UNWTO has developed the Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF), which is used as a guide to measure the direct contribution of tourism to the economy. The Tourism Satellite Account (TSA) for South Africa is compiled by Statistics South Africa (Stats SA) and it measures the direct contribution of tourism to the economy by calculating the output of each industry that is consumed by visitors (Hooper and van Zyl, 2011). This section provides a report on the TSA: final 2017 and provisional 2018 and 2019 estimates as well as estimates from the WTTC for South Africa's travel and tourism contribution to GDP and employment, released in July 2021.

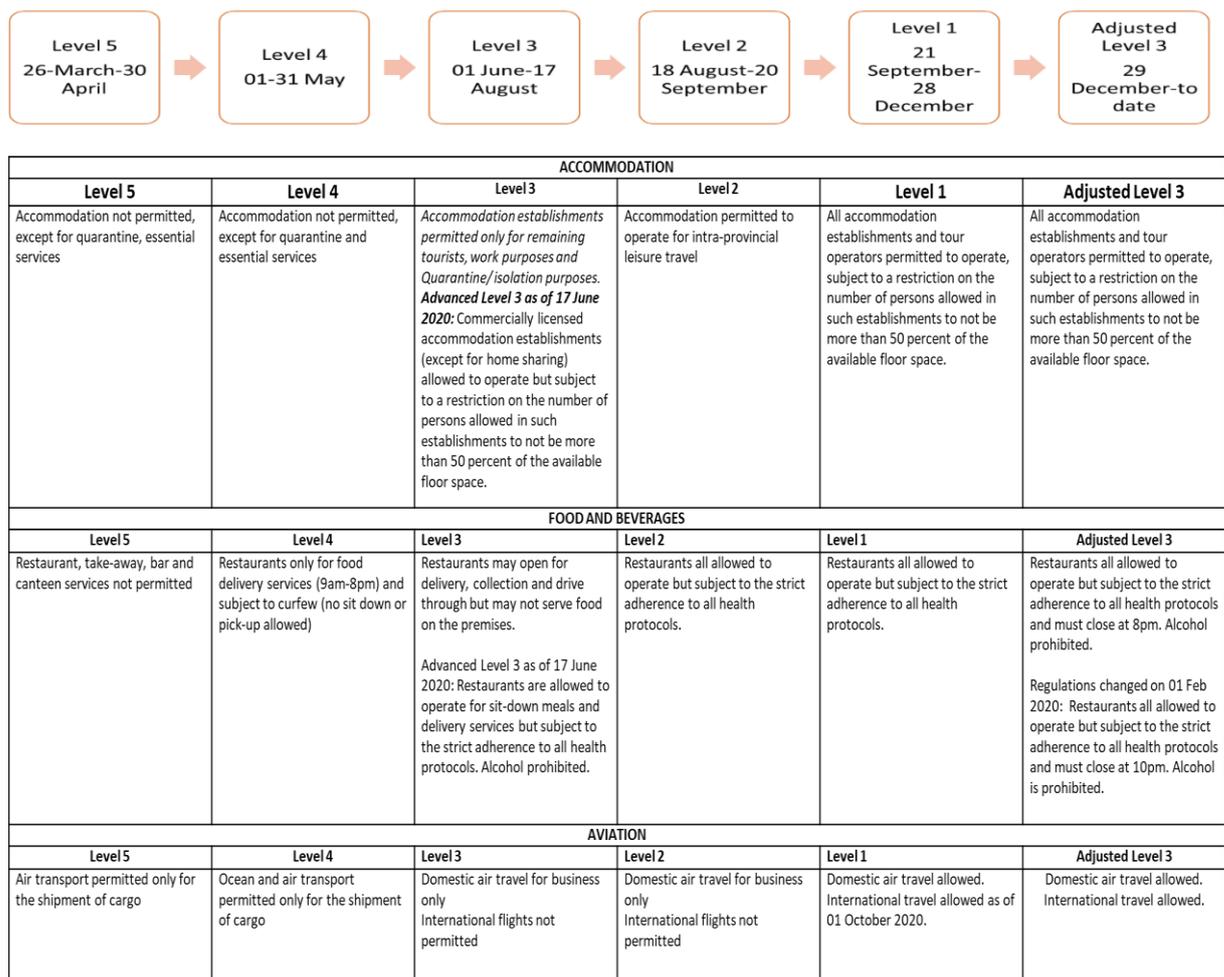
In 2020, the tourism sector was negatively affected by the COVID-19 pandemic. Before indicating the impact the sector has had on the South Africa economy, it is important to show the impact COVID-19 has had on businesses in South Africa. The following section therefore focuses on the COVID-19 regulations that were implemented by the South African government to curb the spread of COVID-19. The impact the pandemic has had on business operations is also provided in this section as well as the effect that the regulations has had on the collection of key tourism statistics since lockdown.

1.1 COVID-19 Regulations Implemented in South Africa

On 11 March 2020, the World Health Organisation (WHO) had declared the COVID-19 outbreak a pandemic (WHO, 2020). In order to limit the spread of COVID-19, many countries had started to introduce lockdown measures, which prevented people from leaving their countries. On 1 May 2020, the South African government adopted the risk adjusted strategy,

which aimed to increase economic activity while putting measures in place to reduce the transmission of the virus. As part of this approach, five (5) Coronavirus alert levels were introduced, mainly indicating the different sectors that can operate under these levels. The figure below provides a summary of the different lockdown regulations for the accommodation, food and beverages and aviation industries under levels 1-5, which were implemented during the months of March-December 2020. The performance of the tourism related industries for 2020 reported in chapter two of this report should be viewed within the context of South Africa's COVID-19 lockdown regulations as indicated in figure 1 below.

Figure 1: South Africa COVID-19 regulation for the key tourism related industries



Source: infographic developed using information from <https://www.gov.za/coronavirus>

1.2 Impact of COVID-19 regulations on businesses in South Africa

The regulations presented in figure one above had a negative impact on businesses operating in South Africa. A business survey conducted by Stats SA from 30 March 2020 to 13 April 2020 indicated that almost 20% of the businesses surveyed have laid off their staff in the short term due to level 5 and 4 COVID-19 regulations. The survey was based on 707 business responses across all sectors of the country's economy.

In 2020, the Department of Tourism in partnership with the International Finance Cooperation (IFC) and Tourism Business Council of South Africa (TBCSA) conducted a survey on the impact of COVID-19 on tourism. The three surveys were aimed to get an understanding of the impact the COVID-19 had on tourism businesses during 2020. About 98% of the responding tourism businesses indicated that they were negatively affected by the COVID-19 pandemic. The results of the survey further indicated that 58% of tourism businesses were unable to service their debts and 61% of tourism businesses were unable to cover fixed costs in October 2020. Most businesses also prioritised the need for financial support for recovery, cash flow and tax relief. These results are based on the survey that was conducted in October 2020 with a total of 480 respondents (Tourism Industry Survey of South Africa -COVID-19 Report, October 2021).

Businesses operating in the accommodation industry has also been negatively affected by the COVID-19 regulations. In 2020, the loss of revenue for major hotel groups had resulted in the closure of key hotels such as the Protea Hotel: Mount Grace in Magaliesburg, (Timeslive, June 2020). The industry was also challenged by further costs related to the implementation of COVID-19 hygiene and distancing measures required in order to limit the spread of COVID-19 (Euromonitor SA report, 2020).

The aviation industry was also negatively affected by the COVID-19 regulations. To control and slow the spread of the virus, South African borders were closed from the end of March until end September 2020, resulting in limited operations of airlines. Some of the challenges that the airlines experienced included cancellation of flights/routes, grounded aircrafts and passenger demands for refunds. The country's national carrier, South African Airways, was also affected and declared provisional liquidation in June 2020 (Euromonitor, 2020). Comair, which is classified as a low-cost airline, was grounded in 2020 as the airline needed a substantial cash injection to rescue the business (Ch-aviation, 2021). Research

conducted by Euromonitor indicates that reduced flights/routes, grounded aircrafts and higher fares of domestic airlines will continue to delay the recovery of the aviation industry in South Africa, however, there will be a variety of regional and international airlines that will be eager to fill their seats with travellers to and from South Africa (Euromonitor, 2020).

1.3 The impact of COVID-19 regulation on South Africa's tourist arrivals

As mentioned previously, the country's borders were closed towards the end of March 2020 until September 2020, and this closure prevented tourists from visiting South Africa. In 2020, the introduced regulations and travel restrictions resulted in decline in tourist arrivals of -72.6% (-7 426 273) compared to 2019. Tourists were allowed to enter South Africa from 01 October 2020. The emergence of new variants such as Beta and Delta in the country also resulted in a third wave of high COVID-19 infections during June-July 2021. Due to the country's third wave, many countries prevented their citizens from travelling to South Africa. The UK government had developed a red list, which included countries that were prohibited to travel to for UK citizens. South Africa had been on the UK's red list since May 2021 despite lobbying done by tourism organisations in South Africa namely; Southern Africa Tourism Services Association (SATSA) to remove the country from the red list. South Africa was removed from the red list as of 07th October 2021. The implementation of these types of policies/decisions has continued to impede the recovery of the tourism sector in South Africa.

The recovery of the tourism sector in different countries could depend to a large extent on the uptake of vaccines, the removal and coordination, among countries, of travel restrictions and the rebuilding of travellers' confidence (UNWTO, 2021). There is a concern that the low supply of the different COVID-19 vaccines to African countries could increase COVID-19 infections and deaths. As of August 2021, an estimated 24 million people, which is just 1.7% of Africa's total population were fully vaccinated. The WHO recommends 183 million more doses to fully vaccinate at least 10% of Africa's total population by the end of September 2021, and about 729 million more doses to fully vaccinate 30% by the end of 2021.

1.4 The impact of COVID-19 on key national tourism surveys conducted to collect statistics in South Africa

The collection of tourism statistics and information was also affected by the COVID-19 regulations that prohibited fieldwork to be conducted for some key tourism surveys. Table 1 below indicates the impact that the COVID-19 regulations has had on the different surveys and reports that are produced by Stats SA and SA Tourism.

Table 1: Impact of COVID-19 on the Data Collection of Tourism Surveys

Name of Survey/Report	Conducted by	Purpose	Impact of COVID-19
1. Domestic Tourism Survey	South Africa Tourism	<ul style="list-style-type: none"> ➤ Conducted through in-home face-to-face interviews ➤ Aimed at collecting statistics on the travel behavior and expenditure of South African residents travelling within the borders of the country. 	<ul style="list-style-type: none"> ➤ Data was not collected for the months of April and May 2020. Data collection however resumed in June 2020. ➤ Data collection methodology did not change. ➤ DTS results for 2020 was released in September 2021.
2. Departure Survey		<ul style="list-style-type: none"> ➤ SA Tourism conducts a Departure Survey at land-borders and airports of entry to collect inbound tourism data from departing international tourists that visited the country. ➤ The survey measures the travel behavior of foreign tourists as they leave South Africa. 	<ul style="list-style-type: none"> ➤ Field work for April – September 2020 was stopped when the national lockdown came into effect. ➤ Since the border re-opening in October, 2020 SA Tourism resumed the data collection. The collection is only done in the land border posts. ACSA only allowed data collection at airports under level1 lockdown restrictions. ➤ Departure survey results for 2021 was released in September 2021.
3. Domestic Tourism Survey	Statistics South Africa	<ul style="list-style-type: none"> ➤ Household survey conducted through face to face interviews. ➤ Aimed at collecting statistics on the travel behavior and expenditure of South African residents travelling within the borders of the country. 	<ul style="list-style-type: none"> ➤ Data collection using face-to-face method was suspended in March 2020 amid Covid-19. ➤ Resumed with DTS 2020 data collection using Computer-Assisted Telephone Interviews (CATI) in September 2020. ➤ Extracted dwelling units with contact details from DTS 2019 sample. ➤ Eligible households with telephones/cell phones was a total of 17 725, which led to change in the normal sample size. ➤ Data for 2020 completed and the survey results are in a process of data confrontation which will take an estimated five months to complete. ➤ The data collection plans for 2021 commenced on the 18 January 2021 and planned to be completed in December 2021.

Name of Survey/Report	Conducted by	Purpose	Impact of COVID-19
4. Tourism and Migration report	Statistics South Africa	Provides information on South African residents and foreign travelers who entered or left South Africa in August 2021. Specific focus is on foreign tourists who entered the country during this month.	<ul style="list-style-type: none"> ➤ The national lockdown prevented movement of people entering and leaving South Africa including tourists as of midnight 26th March 2020 in line with the Disaster Management Act, 2002 and Regulations. ➤ During the lockdown period of when borders were closed, Stats SA published Tourism and Migration reports for April, May, June, July, August and September 2020 which only included information on the number of arrivals, departures and transit travelers of South African residents and foreign travelers. ➤ With the opening of borders as of 01 October 2020 and tourists being allowed to travel to South Africa, Stats SA has reinstated the publication of Tourism and Migration reports with the inclusion of tourism arrivals information/data.
5. Tourism Satellite Account (TSA)	Statistics South Africa	The TSA provides a measure of the importance of tourism in terms of gross domestic product (GDP), expenditure and employment that will be comparable with similar measures from the System of National Accounts (SNA) for the overall South African economy	<ul style="list-style-type: none"> ➤ The new benchmarked National Account and the new Supply and Use Tables for 2013 to 2019 was delayed due to various reasons. ➤ There were also challenges in the input data (domestic tourism data) used for the development of the TSA which also influenced the delay of the release of the TSA. ➤ The TSA final 2017 and provisional 2018 and 2019 was published on the 30th November 2021. ➤ There is no date yet as to when the provisional 2020 TSA will be released however Stats SA would like to release the first preliminary TSA for 2020 in the 2021/2022 financial year.

Source: Table was developed with inputs from Stats SA and SA Tourism

2.1 Contribution of Travel and Tourism Sector to GDP and Employment in South Africa

This section of the report provides figures on the contribution of the travel and tourism sector to GDP and employment for South Africa by using data reported in the latest TSA and WTTC reports.

2.1.1 Total contribution of travel and tourism sector to GDP in South Africa: 2014-2020 - WTTC estimates

Stats SA's TSA does not produce results for the tourism sector's total contribution (direct and indirect) to GDP and employment as there is no framework or methodology to guide this measure. This data was then sourced from the WTTC country report for South Africa: 2020. Figure 2 below shows data on total contribution of Travel and Tourism to GDP in South Africa for 2014-2020 period. In 2019, it was estimated that the total (direct and indirect) contribution of the travel and tourism sector to GDP was R363,2 billion (6,9% of total GDP), which dropped to R182,5 billion in 2020 (3,7% of total GDP). This was a decline of -49,8% compared to 2019, which was due to the continuous travel restrictions that had been implemented across countries to stop the spread of COVID-19.

Figure 2: Total contribution of Travel and Tourism to GDP in South Africa: 2014-2020



	2014	2015	2016	2017	2018	2019	2020
Share of GDP - Relative contribution (% whole economy)	8,1%	7,5%	7,6%	6,9%	7,1%	6,9%	3,7%

Note: Real 2020 prices

Source: WTTC, South Africa Report, 2020. Report released in 2021

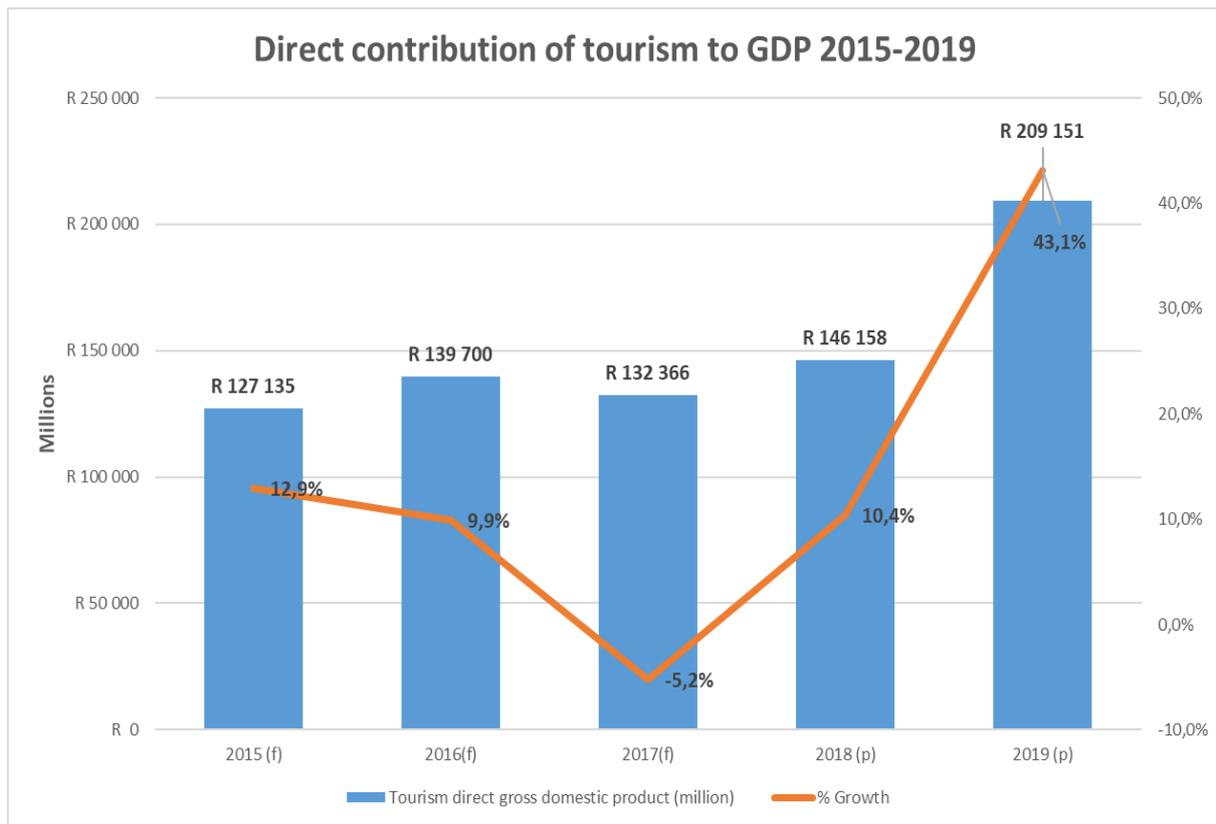
2.1.2 Direct contribution of tourism to GDP in South Africa: 2015-2019

Figure 3 below presents the final 2015 to 2017 as well as provisional results for 2018 and 2019 as per the TSA published by Stats SA. The direct contribution of tourism towards the country's GDP increased from R146, 158 million in 2018 (2.7% of GDP) to R209, 151 million in 2019 (3.7% of GDP), which was a growth of 43,1% compared to 2018. Stats SA has acknowledged that there have been large changes in the TSA time series between 2018 and 2019 and therefore the data reported should be treated with caution. It was further indicated that the large increases from the 2019 SA Tourism Domestic Tourism Survey results had also influenced the data reported in the TSA (Stats SA, 2021). The following comments from SA Tourism on the reasons for the increase in the DTS data were sourced from the TSA:

- *There were increased levels of domestic tourism in January, February, June and August to December in 2019 compared with 2018.*
- *Domestic travel increased across all purposes of travel, with notable increases in 'holiday' and 'travel for medical reasons' in 2019 compared with 2018.*
- *South Africans opted to travel domestically in 2019 instead of internationally; outbound trips decreased in the months that domestic trips increased during 2019.* •
- *There was a shift in the profile of domestic tourists, with more tourists from living standards measure (LSM) 6, 8 and 9 in 2019 compared with 2018. These LSM increases were noted in the same months when domestic tourism increased compared with 2018.*
- *Domestic tourists may have found more affordable offers to encourage them to travel domestically during 2019. They also are increasingly seeing the benefits of travel as the mentions of 'lack of affordability' and 'no reason to travel' decreased in 2019 compared with 2018.*

Source: Tourism Satellite Account for South Africa, final 2017 and provisional 2018 and 2019

Figure 3: Direct contribution of tourism to GDP: 2015-2019



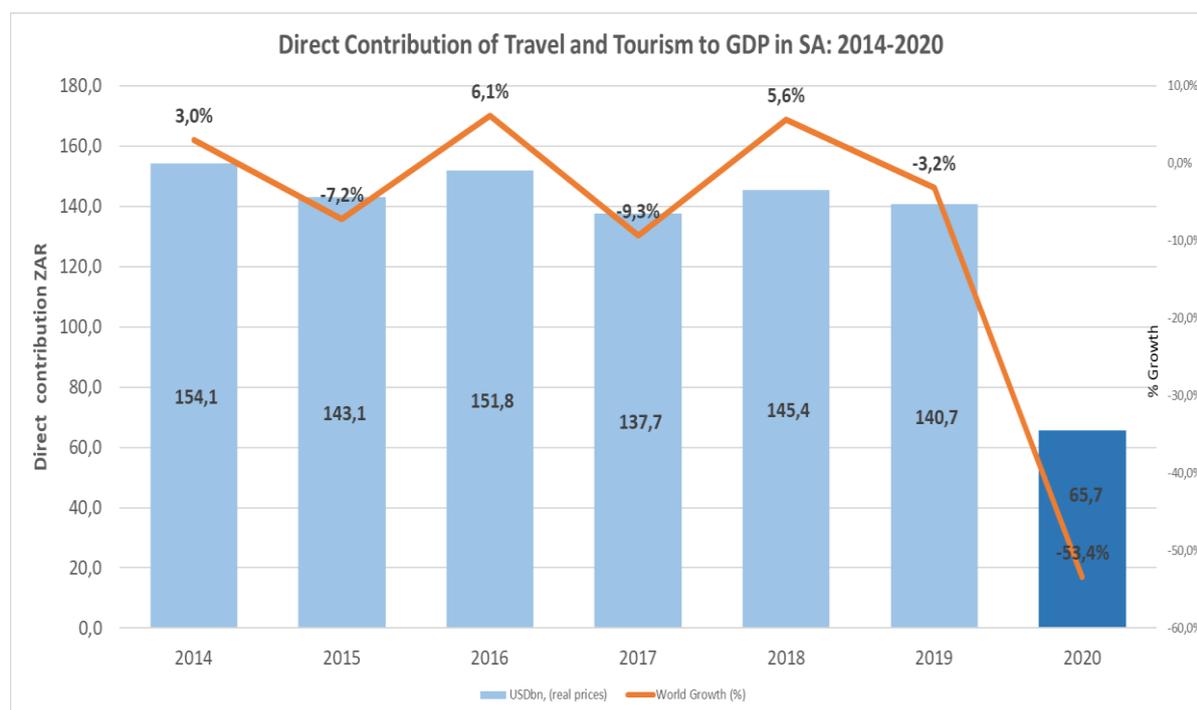
	2015	2016	2017	2018	2019
Share of GDP	2,9%	2,9%	2,6%	2,7%	3,7%

*Note: (f) =Final and (p) =preliminary

Source: Tourism Satellite Account for South Africa, final 2017 and provisional 2018 and 2019

Figure 4 below provides estimates from WTTC on the direct contribution of travel and tourism for the period 2014 to 2020. According to WTTC, it was estimated that the direct contribution of travel and tourism sector to GDP went down from R140,7 billion in 2019 (2.7% of GDP) to R65,7 billion in 2020 (1.3% of GDP), which was a decline of -53.4 %. It is important to note that the WTTC estimates follow a different pattern from the TSA results presented above. As mentioned in the TSA, this could be due to the changes in the TSA time series and the significant increase reported in the SA Tourism DTS results.

Figure 4: Direct contribution of Travel and Tourism to GDP in South Africa: 2014-2020



	2014	2015	2016	2017	2018	2019	2020
Share of GDP - Relative contribution (% whole economy)	3,0%	2,8%	2,9%	2,6%	2,8%	2,7%	1,3%

Source: WTTC, South Africa Report, 2020. Report released in 2021

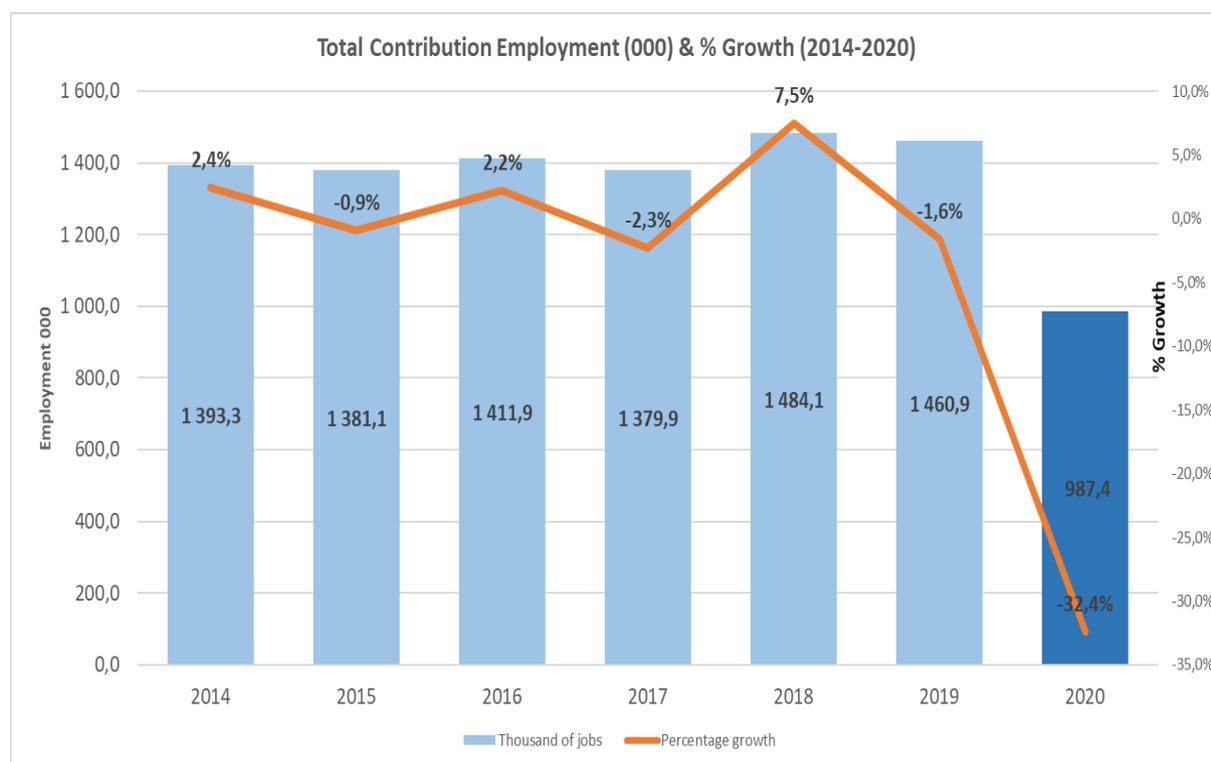
2.2 Contribution of Travel and Tourism Sector to Employment in South Africa

2.2.1 Total contribution of travel and tourism to employment in South Africa: 2014-2020

Data on the total contribution of travel and tourism sector to employment in South Africa was sourced from WTTC and is provided in figure 5 below.

According to WTTC estimates, in 2020, the travel and tourism sector (direct and indirect) contributed about 987 400 jobs, which was a decrease of about -32,4% (contributing 6.5% to total employment), compared to 1 460 900 jobs (8.9% share to the country's total employment) in 2019.

Figure 5: Total contribution of Travel and Tourism to Employment in South Africa 2014-2020



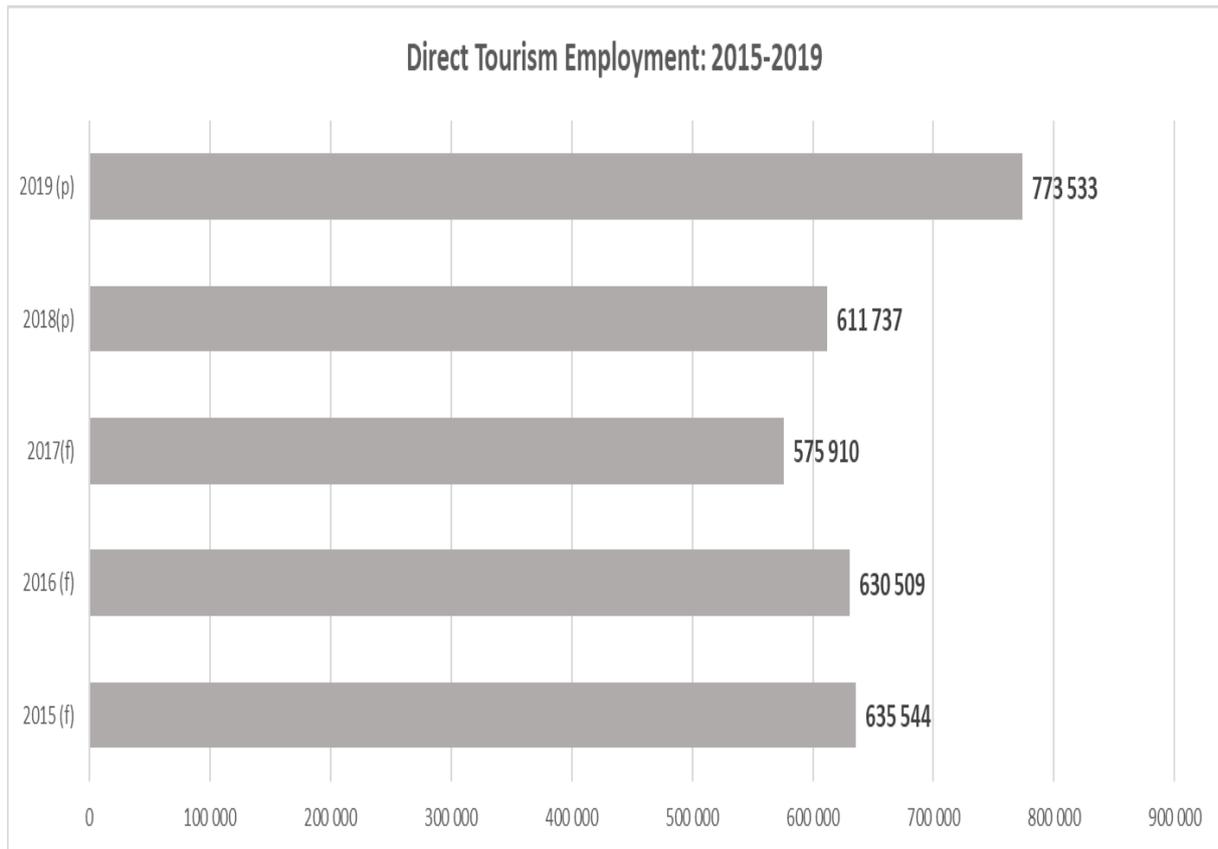
	2014	2015	2016	2017	2018	2019	2020
Percentage Share of Employment: Relative contribution (% whole economy)	9,2%	8,8%	8,9%	8,5%	9,1%	8,9%	6,5%

Source: WTTC, South Africa Report, 2020. Report released in 2021

2.2.2 Direct Contribution of tourism to employment: 2015-2019

Direct tourism employment figures were sourced from the TSA published by Stats SA, which provides final figures for the period 2015-2017 and provisional figures for 2018 and 2019. In 2018, there was a total of 611 737 direct jobs created by the tourism sector, which then increased to 773 533 direct jobs in 2019. This increase resulted in 161 796 additional jobs created only in 2019. Preliminary results for 2019 indicated that the tourism sector directly contributed about 4.7% to the country's total employment, which was an increase of 26.4% in the number of direct jobs in 2019 compared to 2018.

Figure 6: Direct Tourism Employment 2015-2019



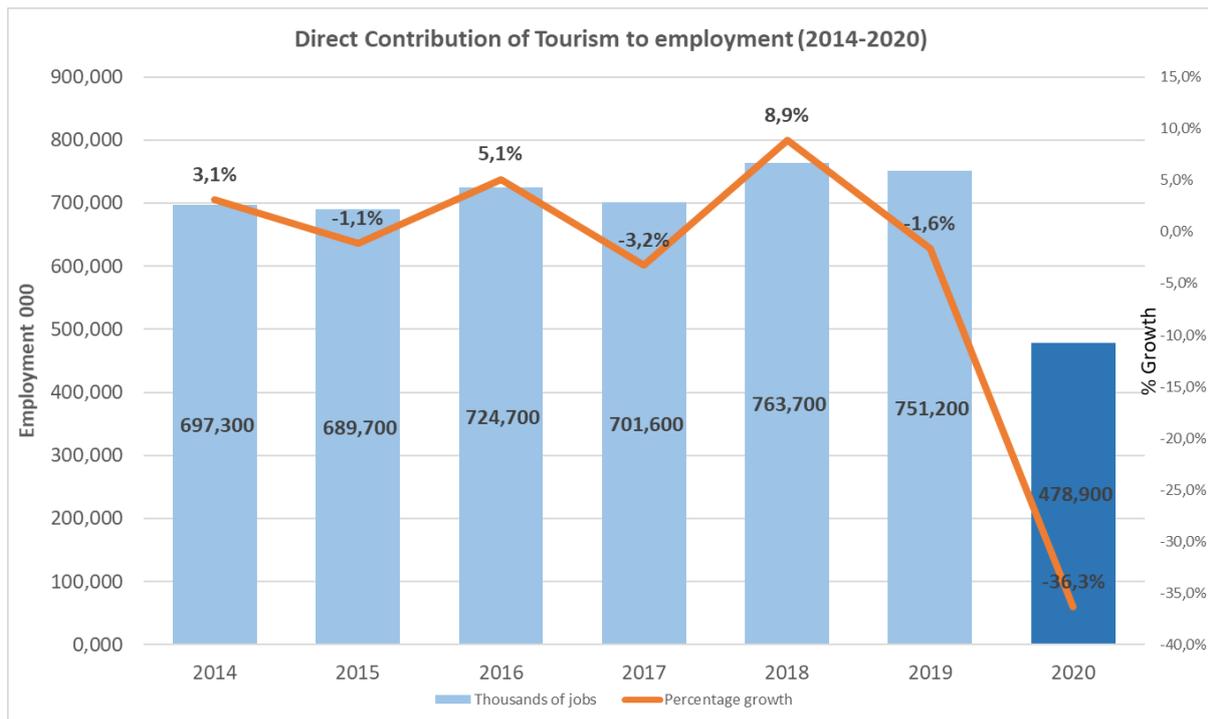
Indicator	2015 (f)	2016 (f)	2017(f)	2018(p)	2019 (p)
% of total employment in South Africa	4,0%	4,0%	3,6%	3,7%	4,7%
% Growth	-6,8%	-0,8%	-8,7%	6,2%	26,4%

Source: Tourism Satellite Account for South Africa, final 2017 and provisional 2018 and 2019

2.2.3 Direct Contribution of travel and tourism sector to employment in South Africa: 2014-2020 – WTTC estimates

According to WTTC, it was estimated that the direct contribution of tourism to employment declined from 751 200 in 2019 (4.6% of total employment) to 478 900 in 2020 (3.2% of total employment), which was a decrease of -36.3%.

Figure 7: Direct Contribution of travel and tourism sector to employment in South Africa: 2014-2020



	2014	2015	2016	2017	2018	2019	2020
Percentage Share of Employment: Relative contribution (% whole economy)	4,6%	4,4%	4,6%	4,3%	4,7%	4,6%	3,2%

Source: WTTC, South Africa Report, 2020. Report released in 2021



CHAPTER TWO: PERFORMANCE OF TOURISM RELATED INDUSTRIES IN SOUTH AFRICA

There are some key industries which are economically dependent on the tourism sector, and some of these industries that are directly affected by the tourism activities include, amongst others; accommodation, restaurants, transportation, amusements, and retail trade. The next section focuses on the performance of some of the key tourism related industries in South Africa. The performance of these industries is key for the tourism sector's contribution to the country's GDP and total employment. The data for this section was sourced from Statistics South Africa (Stats SA), STR Hotel and Airports Company South Africa (ACSA).

2.1 Accommodation Industry Performance

The following sub-section of the report focuses on the performance of the accommodation industry by analysing key indicators such as total income from accommodation and occupancy rate. The data was sourced from Stats SA based on the findings from the accommodation survey, which the institution conducts on a monthly basis.

2.1.1 Accommodation industry income: 2020 compared to 2019

Table 2 below provides the total income from the accommodation industry, which includes income for restaurants, bar sales and other income for 2020 compared to 2019. Other income includes income from casino gambling, laundry and telephone services, rentals and fees received for transport services, offices, shops, garages, etc. During 2020, the total income (current prices) from the accommodation industry recorded a decline of -61,3% compared to January to December 2019. Total income from all categories recorded a decline with total income from hotels recording the highest decline of about -62.4%, dropping from R38 099,2 million in 2019 to R14 338,4 million in 2020.

Table 2: Income from accommodation (current prices): 2020 compared to 2019

Type of Accommodation	2020				2019				% Change Total Income
	Restaurants, bar sales	Accommodation only	Other income	Total income	Restaurants, bar sales	Accommodation only	Other Income	Total income	2020 compared to 2019
Hotels (R million)	R2 632,70	R6 173,9	R5 531,80	R14 338,4	R6 645,4	R16 574,8	R14 879,0	R38 099,2	-62,4%
Caravan parks and camping sites (R million)	R2,7	R130,2	R2,1	R135,0	R11,2	R277,2	R11,3	R299,7	-55,0%
Guest houses and guest farms (R million)	R59,8	R393,7	R24,1	R477,6	R118,0	R1 025,9	R59,5	R1 203,4	-60,3%
Other accommodation (lodges, bed-and-breakfast, self-catering, and 'other' establishments not classified) (R million)	R446,3	R3 129,6	R334,4	R3 910,3	R1 045,1	R7 407,2	R623,2	R9 075,5	-56,9%
Total Industry - (R million)	R3 141,5	R9 827,4	R5 892,4	R18 861,3	R7 819,7	R25 285,1	R15 573,0	R48 677,8	-61,3%

Source: Stats SA: Accommodation data cuts, 22nd February 2021

Table 3 below indicates that income from accommodation (excluding restaurants, bar sales and other income) went down by -61,1% during the same period under review. All categories of accommodation recorded a decline in income levels with hotels recording the highest decline of -62,8%; followed by guest houses and guest farms (-61,6%), other accommodation (-57,7%) and caravan parks and camping sites (-53,0%).

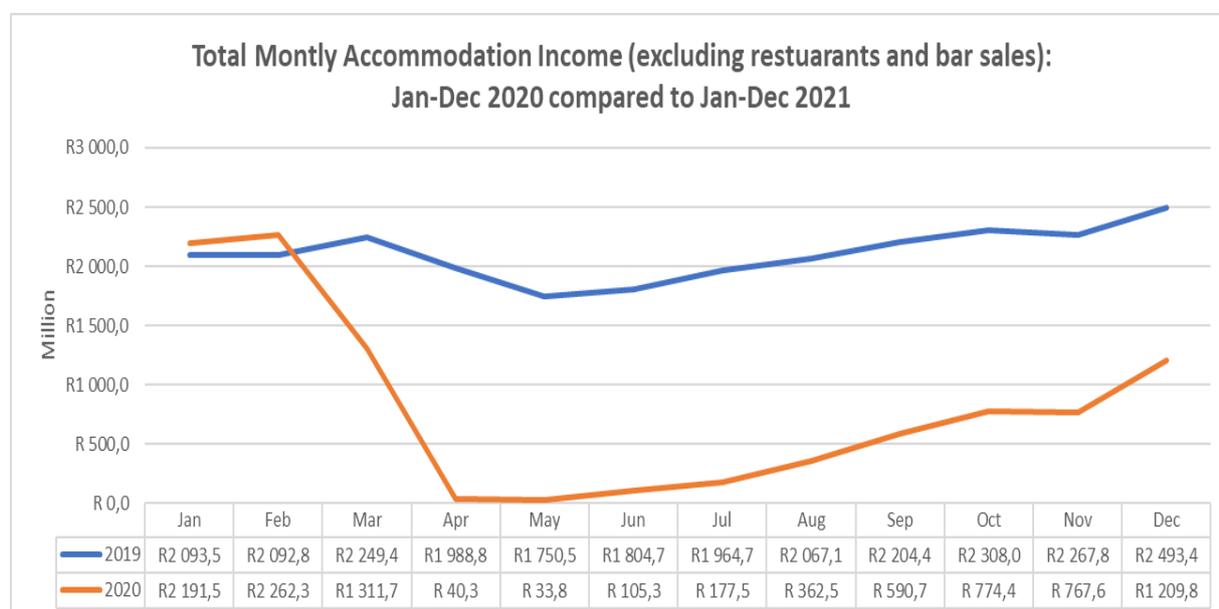
Table 3: Income from Accommodation (Excluding restaurants, bar sales and other income January-December 2020 compared to January-December 2019

Type of Accommodation	Jan-Dec 2020 Accommodation only	Jan-Dec 2019 Accommodation only	% Change Jan-Dec 2020 compared to Jan-December 2019
Hotels (R million)	R6 173,9	R16 574,8	-62,8%
Caravan parks and camping sites (R million)	R130,2	R277,2	-53,0%
Guest houses and guest farms (R million)	R393,7	R1 025,9	-61,6%
Other accommodation (R million)	R3 129,6	R7 407,2	-57,7%
Total Industry – (R million)	R9 827,4	R25 285,1	-61,1%

Source: Stats SA: Accommodation data cuts, 22nd February 2021

The total monthly income from accommodation industry (excluding restaurants, bar sales and other income) and percentage change for 2020 compared to 2019 is provided in figure 8 and table 4 below. Income from accommodation recorded an increase of 4,7% and 8,1% during January and February 2020 respectively compared to the same months in 2019. This was an improvement compared to the decline recorded during the same months in 2019 when compared to 2018. Income from the accommodation industry recorded a decline from March to December 2020 compared to the same months in 2019. The highest decline was recorded in May (-98,1%) and April (-98,0%) 2020 compared to the same months in 2019. Although the income from accommodation continued to record a decline in December 2020 compared to the same month in 2019, the declines seen had been decreasing since April 2020 except in November 2020, when the decline recorded was -66,2% which was slightly less than the decline recorded in October 2020 (-66,4%). The improvement in the declines could be due to regulations being relaxed towards November 2020.

Figure 8: Total Monthly Accommodation Income (excluding restaurants and bar sales): Jan-Dec 2020 compared to Jan-Dec 2019



Source: Stats SA: Accommodation data cuts, 22ND February 2021

Table 4: Year on Year Change in income from Accommodation

MONTH	2019	2020
January	-3,4%	4,7%
February	-3,2%	8,1%
March	0,2%	-41,7%
April	2,7%	-98,0%
May	3,1%	-98,1%
June	7,2%	-94,2%
July	2,8%	-91,0%
August	4,7%	-82,5%
September	7,4%	-73,2%
October	1,8%	-66,4%
November	-0,6%	-66,2%
December	1,0%	-51,5%
Jan-Dec	1,8%	-61,1%

Source: Stats SA: Accommodation Report December 2020

2.1.2 Accommodation industry occupancy rate: 2020 compared 2019

Table 5 below indicates monthly occupancy rates by accommodation type in 2020 compared to 2019. The average accommodation occupancy rate recorded in 2020 was 20,1% and it was a decline compared to 48,3% seen in 2019. The occupancy rate of all accommodation establishments was at its lowest from March to December 2020 compared to the same months in 2019. The lowest occupancy rates were recorded in May 2020 (1,2%) and in April (1,4%) which could be due to the level five and four COVID-19 lockdown regulations in place during these months, which prevented the accommodation establishments from operating except for quarantine and essential services. However, though the occupancy rate was still low from June 2020 (3,6%), there was a month on month improvement in occupancy rate between June and December 2020 as indicated in the table below. This improvement could be related to regulations that were relaxed especially from June 2020.

Table 5: Occupancy Rate: January-December 2020 compared to January-December 2019 (Average % Rate)

Month	Hotel	Caravan Parks and Camping Sites	Guest-Houses and Guest Farms	Other Accommodation	Total Accommodation
Jan-20	46	26,3	39,1	46,8	44,7
Jan-19	45,9	27,4	40,9	45,3	44,4
Feb-20	53,9	25,6	37,9	48	49,8
Feb-19	54,4	26,1	44,1	48,3	50,7
Mar-20	30,5	25,3	25,1	32,9	30,4
Mar-19	51,6	31,1	40,5	51,7	49,8
Apr-20	1,7	0,3	0,8	1	1,4
Apr-19	48,9	29,3	33	48,7	46,7
May-20	1,3	0,3	0,3	1,2	1,2
May-19	44,8	29,9	30,1	43,5	42,6
Jun-20	4,1	0,3	1,3	3,9	3,6
Jun-19	47,1	32,8	32,4	47,6	45,5
Jul-20	6,1	0,2	3,9	5,1	5,4
Jul-19	46,9	29,3	32,9	50	45,8
Aug-20	9,3	5,3	3,9	13,8	9,8
Aug-19	49,2	29,8	32,9	53,2	48
Sep-20	15,6	17,6	8,8	25,4	17,7
Sep-19	54,2	32,1	35	55	51,9
Oct-20	20,5	18,4	15,7	32,7	23,1
Oct-19	52,9	26,5	33,5	54,6	50,6
Nov-20	23,4	15,4	18,5	29,7	24,2
Nov-19	56,4	23,5	37	50,4	51,8
Dec-20	26,1	21,5	27,7	43	30,2
Dec-19	51,1	39,2	41,6	56,9	51,3
Average Occupancy 2020	19,9	13,0	15,3	23,6	20,1
Average Occupancy 2019	50,3	29,8	36,2	50,4	48,3

Source: Stats SA: Accommodation data cuts, 22nd February 2021

Data from STR hotel for the period January-October 2020 compared to January-October 2021 shows that there was a decrease recorded in all hotel performance indicators. Hotel occupancy rate decreased by -9,9% in Jan-Oct 2021 compared to Jan-Oct 2020 moving from an occupancy rate of 36,7% in 2020 to 33,0% in 2021. The Average Daily Rate (ADR) for Jan-Oct 2021 was R1048,3 which was a decrease of -15,0% compared to R1233,8 in Jan-Oct 2020. The Revenue Per available room also decreased by -23,5%, moving from R452,47 in Jan-Oct 2020 to R346,35 in Jan-Oct 2021. It should be noted that these figures might have been skewed by data for January-March 2020, a period when there were no lockdown restrictions and regulations in place.

Table 6: South Africa Hotel Performance: January-October 2021 compared to January-October 2020

Period	Occupancy rate	% Change	Average Daily Rate (Rand)	% Change	Revenue per available room (Rand)	% Change	Census	Sample
Jan-Oct 2021	33,0	-9,9	R1 048,3	-15,0	R346,35	-23,5	417	228
Jan-Oct 2020	36,7		R1 233,8		R452,47			

Source: STR Hotel Data October 2021

2.2 Food and beverages Industry Performance

2.2.1 Food and beverages industry income: 2020 compared to 2019

The results in table 7 indicate that the total income of the food and beverages industry in January to December 2020 was about R 33 706,6 million, which was a decrease of -40,5% when compared to R 56 626,6 million recorded from January to December 2019. All of the food and beverages industries showed a decline in income with restaurants and coffee shops having the highest decrease of -50,2% followed by catering services with -47,8% and take-away and fast food outlets with -21,4%.

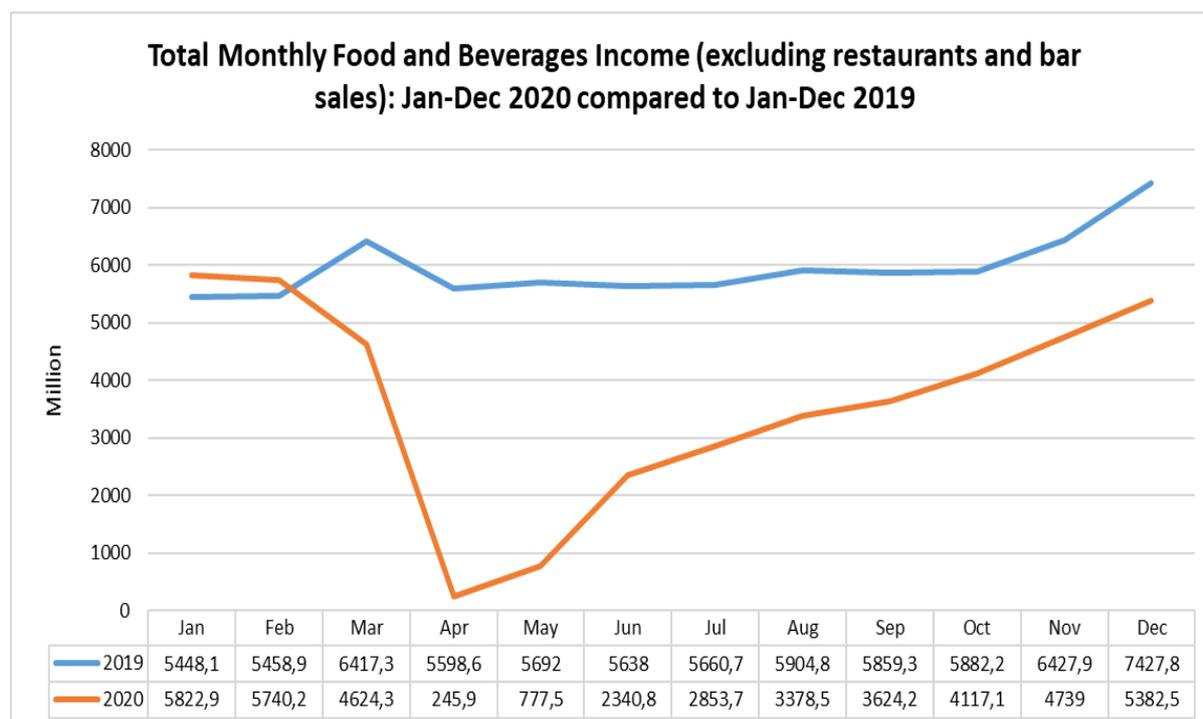
Table 7: Total income by type of food and beverage industry: 2020 compared 2019

Categories of Food and Beverages	2020	2019	% Change
Catering services (R million)	R4 426,4	R8 473,5	-47,8%
Take-away and fast food outlets (R million)	R14 477,9	R18 411,1	-21,4%
Restaurants and coffee shops (R million)	R14 802,3	R29 742	-50,2%
Total Industry (R million)	R33 706,6	R56 626,6	-40,5%

Source: Stats SA: Food and beverages data cuts, 22nd February 2021

The monthly income and percentage change of income from the food and beverage industry for January to December 2020 is provided in figure 9 and table 6 below. Income from food and beverages recorded an increase of 6,9% and 5,2% during January and February 2020 respectively compared to the same months in 2019. The income started to decline from March 2020, with the highest decline recorded in April 2020 (-95,6%) compared to April 2019.

Figure 9: Total Monthly Food and Beverages Income (excluding restaurants and bar sales): Jan-Dec 2020 compared to Jan-Dec 2019



Source: Stats SA: Food and beverages data cuts, 22nd February 2021

Table 8: Year on Year percentage change in total income for food and beverages industry

MONTH	2019	2020
January	9,9%	6,9%
February	10,5%	5,2%
March	14,8%	-27,9%
April	5,2%	-95,6%
May	10,5%	-86,3%
June	8,8%	-58,5%
July	1,5%	-49,6%
August	5,1%	-42,8%
September	4,1%	-38,1%
October	2,4%	-30,0%
November	4,9%	-26,3%
December	5,8%	-27,5%
Jan-Dec	6,8%	-38,9%

Source: Stats SA: Stats SA: Food and Beverage Report December 2020

The results above indicate the negative impact that the COVID-19 regulations have had on tourism businesses operating in the food and beverages industry. The loss of income for many businesses resulted in the loss of jobs for a number of individuals.

2.3 Airline Industry Performance

2.3.1 Passenger arrivals movement: 2020 compared to 2019

Table 9 gives the total passenger arrivals at Airports Company South Africa (ACSA) airports in 2020 compared to 2019. Total passenger arrivals declined by -66,0%, from 21 429 817 in 2019 to 7 296 351 in 2020. Number of domestic passengers recorded in 2020 was 5 649 023, which was a decrease of -62,1%, compared to 14 896 859 passengers in 2019. Table 8 further provides the percentage change by month for 2020 compared to 2019 for the different categories of passenger arrivals (international, regional, domestic and unscheduled) at ACSA airports. The number of passengers arriving on unscheduled flights went up by 6,9% during the period under review. This could be due to the flights that were arranged by the Department of International Relations and Cooperation to repatriate South Africans who were in other countries during this period (Department of International Relations and Cooperation, 2021).

Table 9: Arriving Passengers: 2020 Compared to 2019

Arriving Passengers	Jan-Dec 2020	Jan-Dec 2019	% Change Jan-Dec 2020 compared to Jan-Dec 2019
International	1 478 090	5 925 407	-75,1%
Regional	108 902	551 093	-80,2%
Domestic	5 649 023	14 896 859	-62,1%
Unscheduled	60 336	56 458	6,9%
Total	7 296 351	21 429 817	-66,0%

Source: ACSAs data cuts, December 2020

Table 10: Year on Year % Change by month for arriving passengers: 2020 compared to 2019

MONTH	International	Regional	Domestic	Unscheduled	Total
January	2,6%	-5,2%	8,6%	29,1%	6,4%
February	-0,5%	-6,4%	6,8%	-7,8%	4,4%
March	-51,1%	-51,6%	-42,0%	-20,0%	-44,5%
April	-99,9%	-99,9%	-100,0%	-9,4%	-99,7%
May	-99,9%	-100,0%	-100,0%	-8,2%	-99,7%
June	-100,0%	-100,0%	-96,7%	50,0%	-97,3%
July	-99,9%	-100,0%	-91,4%	-8,6%	-93,9%
August	-99,9%	-100,0%	-85,0%	45,1%	-89,2%
September	-100,0%	-100,0%	-73,9%	113,5%	-81,2%
October	-91,6%	-97,5%	-64,0%	-27,9%	-72,5%
November	-86,0%	-87,9%	-57,0%	-18,7%	-65,4%
December	-79,2%	-79,5%	-46,6%	-29,0%	-56,3%

Source: ACSAs data cuts, December 2020

2.3.2 Passenger departure movement: 2020 compared to 2019

Table 11 shows the total passenger departing from ACSA airports during 2020 compared to 2019. Total departing passengers decreased by -65,8%, from 21 567 439 in 2019 to 7 372 639 in 2020. There were only 107 176 regional passengers departing from ACSA airports and 1 491 364 international passengers departed in 2020. The table below indicates that there were 5 673 768 domestic passengers departed in 2020, which was a decline of -62,0% compared to 14 919 116 domestic travellers in 2019. The number of passengers on unscheduled flights in 2020 increased by 73,1%; moving from 57 972 in 2019 to 100 331 in 2020.

Table 12 also provides the percentage growth by month for 2020 compared to 2019 for the different categories of departing passengers (international, regional, domestic and unscheduled) to South Africa.

Table 11: Departing Passengers: 2020 Compared to 2019

Departing Passengers	Jan-Dec 2020	Jan-Dec 2019	% Change Jan-Dec 2020 compared to Jan-Dec 2019
International	1 491 364	6 039 107	-75,3%
Regional	107 176	551 244	-80,6%
Domestic	5 673 768	14 919 116	-62,0%
Unscheduled	100 331	57 972	73,1%
Total	7 372 639	21 567 439	-65,8%

Source: ACSAs data cuts December 2020

Table 12: Year on year percentage change by month for departing passengers: 2020 compared to 2019

MONTH	International	Regional	Domestic	Unscheduled	Total
January	1,0%	-5,8%	8,3%	17,9%	5,8%
February	0,0%	-8,1%	6,7%	-10,6%	4,5%
March	-40,8%	-56,6%	-41,5%	-14,6%	-41,6%
April	-99,9%	-99,9%	-100,0%	216,9%	-99,2%
May	-99,9%	-100,0%	-100,0%	20,0%	-99,6%
June	-99,9%	-100,0%	-96,7%	212,0%	-97,0%
July	-100,0%	-100,0%	-91,3%	120,9%	-93,1%
August	-100,0%	-100,0%	-84,9%	186,0%	-88,9%
September	-100,0%	-100,0%	-73,7%	176,2%	-80,9%
October	-90,9%	-97,4%	-63,8%	-20,6%	-71,7%
November	-88,4%	-87,2%	-57,1%	-32,6%	-66,5%
December	-82,4%	-77,9%	-45,9%	-25,4%	-57,2%

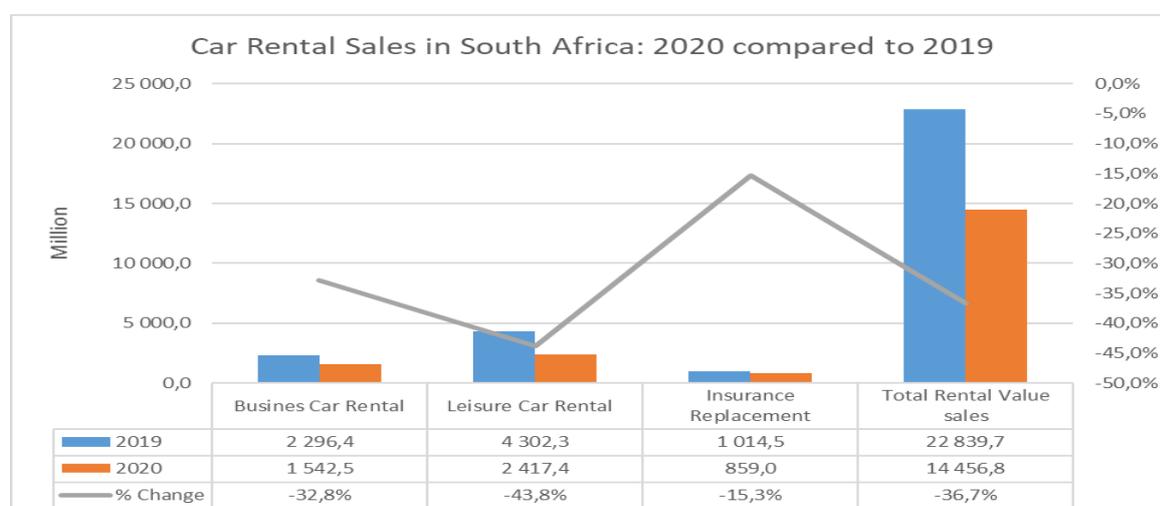
Source: ACSAs data cuts, December 2020

2.4 Car Rental Performance

2.4.1 Car Rental Performance: 2020 compared to 2019

Car rental is also an important industry for the tourism sector since tourists often use rented vehicles to travel within the country. Figure 9 below provides car rental sale for 2020 compared to 2019 and the data was sourced from Euromonitor. In 2019, the rental value sales in South Africa was R22 839.7 million, which decreased by -36.7% to reach R14 456.8 million in 2020 as indicated in figure below.

Figure 9: Car rental performance: 2020 compared to 2019



Source: Euromonitor, 2020



CHAPTER THREE: SOUTH AFRICA'S INBOUND TOURISM PERFORMANCE

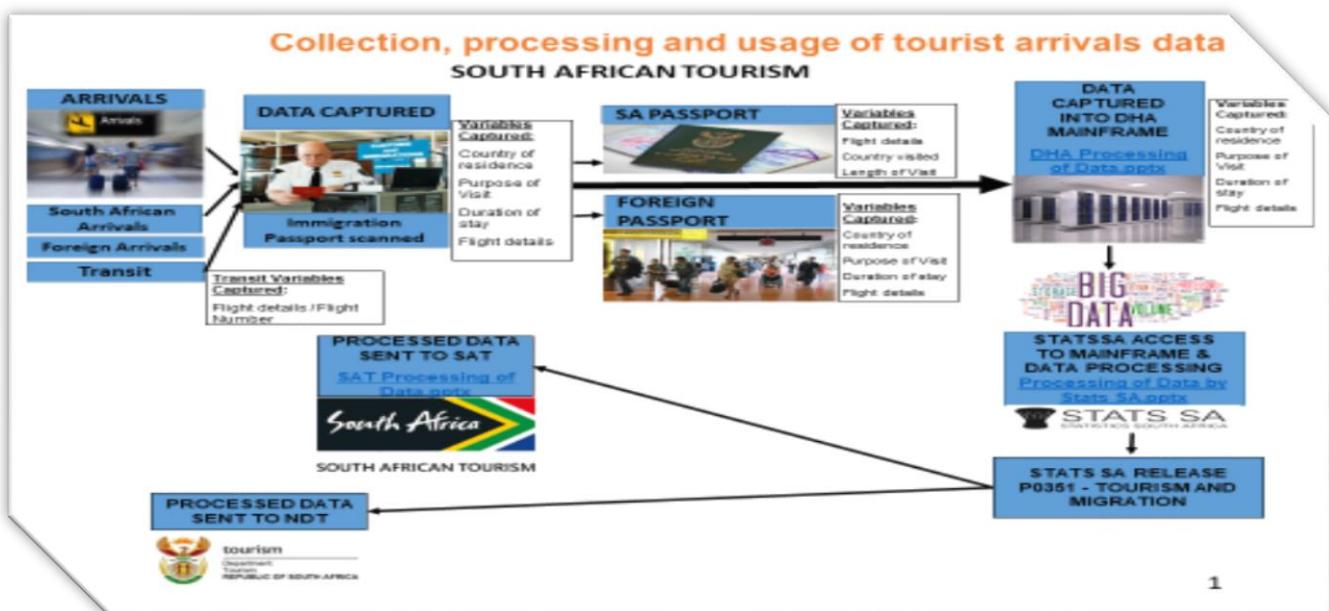
Tourism is regarded as an export industry as tourist arrivals from other countries spend on tourism products and services such as accommodation, transport and other related products within the country. By generating tourist exports through receipts, countries increase their foreign currency earnings and contribution to the economy's growth.

This section provides an analysis of South African tourism inbound performance focusing on key indicators such as total tourist arrivals including the country's top 10 Africa and overseas markets. The section also focuses on the impact COVID-19 has had on tourist arrivals.

3.1 Collection, processing of tourist arrivals in South Africa

In South Africa, the Department of Home Affairs (DHA) is responsible for collecting information of all migration data. The figure below aims to indicate the collection and processing of foreign arrivals data which includes people travelling for tourism purposes.

Figure 11: Data collection and processing of foreign arrivals (including tourists)



As seen in the figure above, travel information is firstly collected by immigration officers at all land, air and sea ports of entry on all travellers arriving into or departing from South Africa. The information is sourced directly from travel documents either by scanning them or by capturing information from the travel documents onto the port's electronic database. Some of the information not indicated in the traveller's document is sometimes requested verbally and captured in the system accordingly. Individual ports regularly transmit the data to the national database i.e. DHA's population Movement Control System (MCS). Statistics South Africa (Stats SA) then downloads the migration data covering a particular calendar month from the system. The processing of the data to produce amongst others data on tourist arrivals may be time-consuming therefore there is a two-month lag in the release of the monthly data by Stats SA.

According to the UNWTO and definitions published by Stats SA, a tourist is any visitor travelling to a place other than that of his/her usual environment for more than one night but less than twelve months, and whose main purpose of the trip is other than the exercise of an activity remunerated from within the place visited. By applying the definition of a tourist and the purpose of visit relating to tourism activities as defined by UNWTO, Stats SA is able to separate the number of tourists from the total travellers to South Africa using the purpose of visit and the length of stay (more than 24 hours). The data is published in the monthly Tourism and Migration report with a two-month lag.

Stats SA can only provide data on tourist arrivals and SA Tourism conducts a Tourism Departure Survey on a monthly basis to collect information on other key tourism indicators such as spend, geographic spread and seasonality index of tourist visiting the country. The methodology used for this survey can be sourced from SA Tourism's Annual Tourism Performance Reports.

3.2 Tourists Arrivals to South Africa: 2015-2020

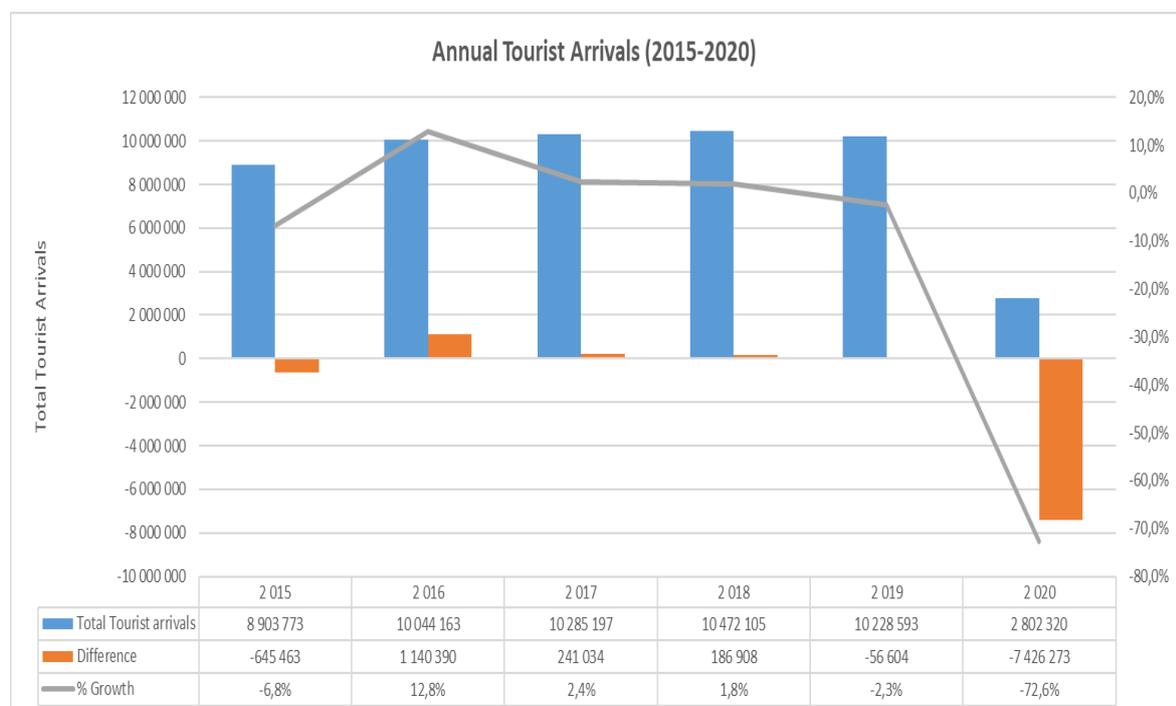
Figure 12 below indicates tourist arrivals for the period 2015 to 2020. Tourist arrivals to the country recorded an increase of 12, 8% in 2016 compared to 2015. Tourist arrivals continued to grow in 2017 and 2018, however the growth was slower during these two years. In 2019 tourist arrivals decreased by -2,3%. In 2020, a total of 2 802 320 tourist arrivals was recorded which was a decline of -72.6% (-7 426 273) compared to 2019.

The decline in 2020 is related to the COVID-19 regulations which prevented tourists from travelling to the country during the period (April-September 2020). To limit the spread of COVID-19 and prepare the health care sector, the South African government announced a

21-day national lockdown from 27 March 2020, which prevented the movement of people entering and leaving South Africa. The South African government adopted the risk adjustment strategy that aimed to increase economic activity while putting measures in place to reduce the transmission of the virus. As part of this approach, five (5) Coronavirus alert levels were introduced, which indicated the different sectors that can operate under these levels. Under levels 2-5, the risk adjustment strategy prevented international tourists from entering the borders of South Africa, from end of March to September 2020. However, exceptions were made for other South Africans and travellers from other countries to return to their country of residence. Furthermore, permission was also given to export specific cargo and permitted retail goods to neighbouring countries, which included all goods imported via South African ports of entry.

As of 01st October 2020, international tourists were allowed to travel to the country subject to restrictions. These restrictions stipulated that all travellers visiting the country will be expected to abide by the regulations that include mandatory wearing of masks at all times, practising social distancing in public spaces, regular washing or sanitizing of hands and presenting a negative COVID-19 test result not older than 72 hours from the time of departure (<https://www.gov.za/covid-19/about/coronavirus-covid-19-alert-level-1>).

Figure 12: Number of International tourist arrivals: 2015-2020



Source: Stats SA Tourism & Migration data, December 2020

3.3 Tourist Arrivals: January-December 2020 compared to January–December 2019

Tourist monthly arrivals figures for the period January-December 2020 compared to the same period in 2019 are indicated in table 13 below. Total tourist arrivals (2 802 320) went down by -72.6% (-7 426 273) in 2020 compared to 2019 (10 228 593). As already indicated, the decline was due to the national lockdown which prevented tourists from entering the country during the months of April-September in 2020. Tourists were only allowed entry as of October 2020.

Table 13: Total Tourist Arrivals by month: 2020 compared to 2019

	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan-Dec Total	% Diff
2020	1 093 268	800 815	535 094	0	0	0	0	0	0	73 988	101 096	198 059	2 802 320	- 72,6%
2019	1 068 190	797 181	838 696	903 059	753 517	734 554	790 187	896 978	780 381	834 275	850 537	981 038	10 228 593	

Source: Stats SA Tourism and Migration data January – December 2020

Table 14 indicates that total tourist arrivals from the overseas market decreased by -74,7% (-1 951 129). Asia (-81,5%) recorded the highest decrease followed by Australasia (-80.8%), North America (-79.7%), Middle East (-77.7%), Central and South America (-74,8%) and Europe with a decrease of -71.3%. Tourist arrivals from Africa decreased by -71.9% (-5 463 319) during the same period under review.

Table 14: Total Tourist Arrivals by Region 2020 compared to 2019

Region	2020	2019	Diff	% Change
EUROPE	446 653	1 556 452	-1 109 799	-71,3%
NORTH AMERICA	89 504	440 271	-350 767	-79,7%
CENTRAL & SOUTH AMERICA	30 368	120 380	-90 012	-74,8%
AUSTRALASIA	24 651	128 153	-103 502	-80,8%
MIDDLE EAST	12 399	55 532	-43 133	-77,7%
ASIA	57 455	311 371	-253 916	-81,5%
TOTAL OVERSEAS	661 030	2 612 159	-1 951 129	-74,7%
TOTAL AFRICA	2 137 524	7 600 843	-5 463 319	-71,9%
Unspecified	3 766	15 591	-11 825	-75,8%
GRAND TOTAL	2 802 320	10 228 593	-7 426 273	-72,6%

Source: Stats SA Tourism and Migration data January – December 2020

Table 15 below gives the rankings of the top ten African source markets for January-December 2020 period compared to January to December 2019. Most of the top ten African source markets remained at the same position for the period under review except for Tanzania, moving up from 11th position in 2019 to 10th position in 2020 removing Nigeria from the top 10 list. Overall, all of the top ten countries recorded a decline. Botswana recorded the highest decline of -80,6% followed by Eswatini (-76.6%), Angola (-75.1%), Malawi (-73.2%), Lesotho (-71.3%), Tanzania (71.3%), Namibia (70,4%), Zimbabwe (-69.7%), Zambia (-69.4%) and Mozambique with -68.3%. From the COVID-19 data (last two columns of table 12 below) that was downloaded as at 24th August 2021, it is evident that most African source markets ranked above the 100 mark for total cases except for Zambia (86/216), Botswana (93/216) and Mozambique (96/216). Compared to overseas regions, the African continent has not been as severely affected by the outbreak of COVID-19 (The Conversation, 2020).

Table 15: South Africa's Top 10 African Source Markets: 2020 compared to 2019 and COVID-19 cases

Country	Rank-2020	Tourist Arrivals 2020	Rank-2019	Tourist Arrivals 2019	% Change from 2019 to 2020	Total Number of COVID-19 cases	COVID-19 Rank out of a Total of 216 countries
Zimbabwe	1	684 546	1	2 258 794	-69,7%	123 001	102
Lesotho	2	448 745	2	1 563 448	-71,3%	14 382	154
Mozambique	3	422 537	3	1 333 195	-68,3%	143 127	96
Eswatini	4	214 947	4	917 631	-76,6%	40 714	126
Botswana	5	129 467	5	668 315	-80,6%	105 842	93
Malawi	6	53 365	6	199 079	-73,2%	59 624	117
Namibia	7	54 511	7	184 431	-70,4%	123 861	100
Zambia	8	46 486	8	152 064	-69,4%	204 651	86
Angola	9	15 443	9	61 995	-75,1%	46 076	121
Tanzania	10	10 977	11	38277	-71,3%	1 367	199

Source: Stats SA Tourism and Migration data, 2020 and <https://www.worldometers.info/coronavirus/> as at 24 August 2021

Table 16 shows the rankings of the top ten overseas source markets. Comparing January to December 2020 with January to December 2019, all of the top 10 overseas markets recorded a decrease in tourist arrivals. Despite this decline, fewer of the top ten overseas markets remained in the same position for the period under review except for Brazil, moving up from 9th position in 2019 to 7th position in 2020. Canada and Switzerland also moved up from 10th position in 2019 to 9th position in 2020 and from 12th position in 2019 to 10th position in 2020 respectively. Germany improved its 3rd position in 2019 and took the 2nd position in 2020. However, USA dropped from 2nd position in 2019 to 3rd position in 2020, so was India, dropping from 7th position

in 2019 to 8th position in 2020. UK remained the main source market from overseas, recording a decline in growth of -69.7%.

Data on the number of COVID-19 cases for the top ten overseas countries as at 24th August 2021 was also sourced to show the impact that COVID-19 has had on these countries. The figures indicate that some of South Africa's top 10 overseas source markets were amongst the countries that had the highest cases of COVID-19 across the globe. From a total of 216 countries, the United States of America (USA) leads with the highest number of COVID-19 cases, followed by India (2/216), Brazil (3/216). France and the United Kingdom (UK) are also amongst South Africa's top 10 source markets for 2020 and 2019 have also reported high cases of COVID-19. To control and slow the spread of the virus, the borders of these countries were closed which had an impact on tourist arrivals in 2020.

Table 16: South Africa's Top 10 Overseas Source Markets: 2020 compared to 2019 and COVID-19 cases

Country	Rank-2020	Tourist Arrivals 2020	Rank-2019	Tourist Arrivals 2019	% Change from 2019 to 2020	Total Number of COVID-19 cases	COVID-19 Rank out of a Total of 216 countries
UK	1	132 384	1	436 559	-69,7%	6 524 581	6
Germany	2	106 092	3	322 720	-67,1%	3 881 579	14
USA	3	71 959	2	373 694	-80,7%	38 814 596	1
France	4	41 023	4	165 038	-75,1%	6 624 777	5
Netherlands	5	35 026	5	144 071	-75,7%	1 921 159	20
Australia	6	20 720	6	111 439	-81,4%	42 734	122
Brazil	7	19 388	9	77 261	-74,9%	20 583 994	3
India	8	18 892	7	95 621	-80,2%	32 474 773	2
Canada	9	17 545	10	66 577	-73,6%	1 473 624	26
Switzerland	10	15 697	12	55432	-71,7%	758 984	39

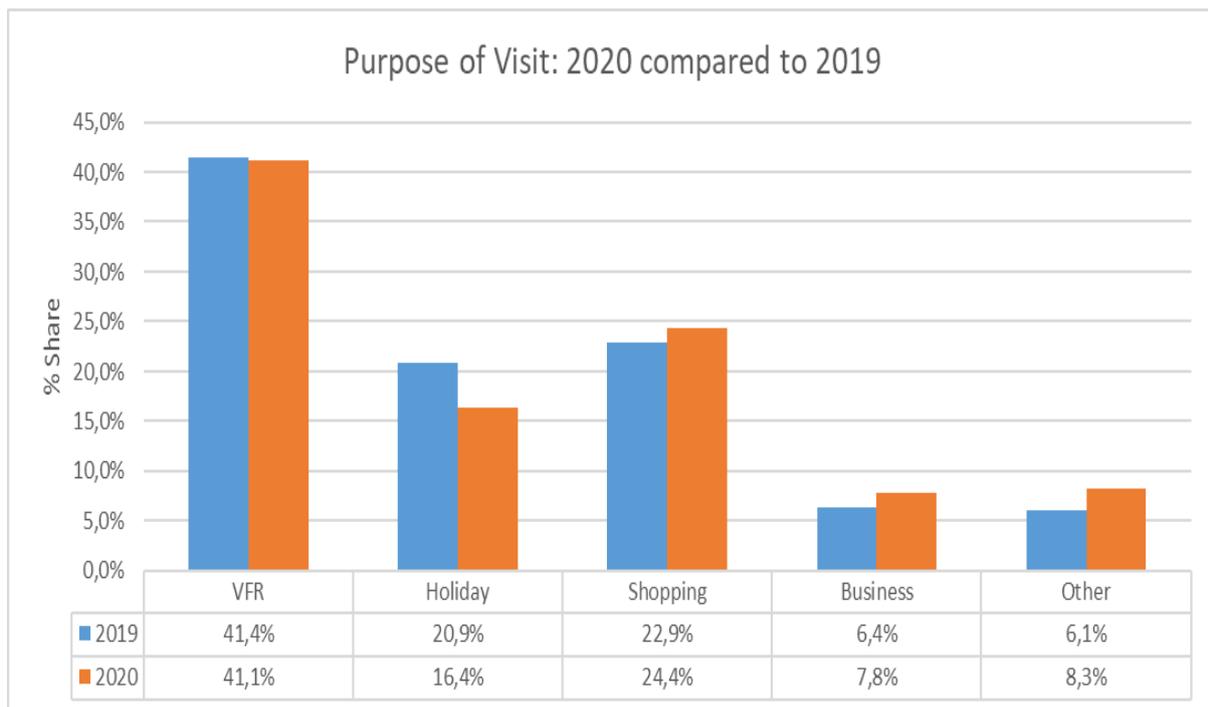
Source: Stats SA Tourism and Migration data January – December 2020 and <https://www.worldometers.info/coronavirus/> as at 24 August 2021

As already indicated, data for indicators such as purpose of visit, spend and provincial share of tourist arrivals is collected by SA Tourism through the monthly Tourism Departure Survey conducted at main land and air ports of entry to the country. The data is collected from tourists when leaving the country to get more understanding of their experience while travelling within South Africa. The sections below provide an analysis of purpose of visit, geographic spread and total spend by international tourists for the period 2020 compared to 2019 as reported by SA Tourism.

3.4 Main purpose of visit for International tourist arrivals: 2020 compared to 2019

Tourists often travel to different destinations for different purposes. Understanding the different purpose of visit categories that influence tourists' travel is important when it comes to marketing a destination. The purpose of visit for tourism includes, amongst others, travelling to visit friends and relatives, holiday, shopping and business in line with the definition of a tourist. The business category includes tourists travelling for business; and Meetings, Incentives, Conferences and Exhibitions (MICE) purposes; and the shopping category includes tourists who are shopping for personal and business reasons. The main reasons for international tourists to visit South Africa in 2020 were mainly for visiting friends and relatives (VFR) (41.1%); shopping (24.4%); and holiday (16.4%), as indicated in figure 13.

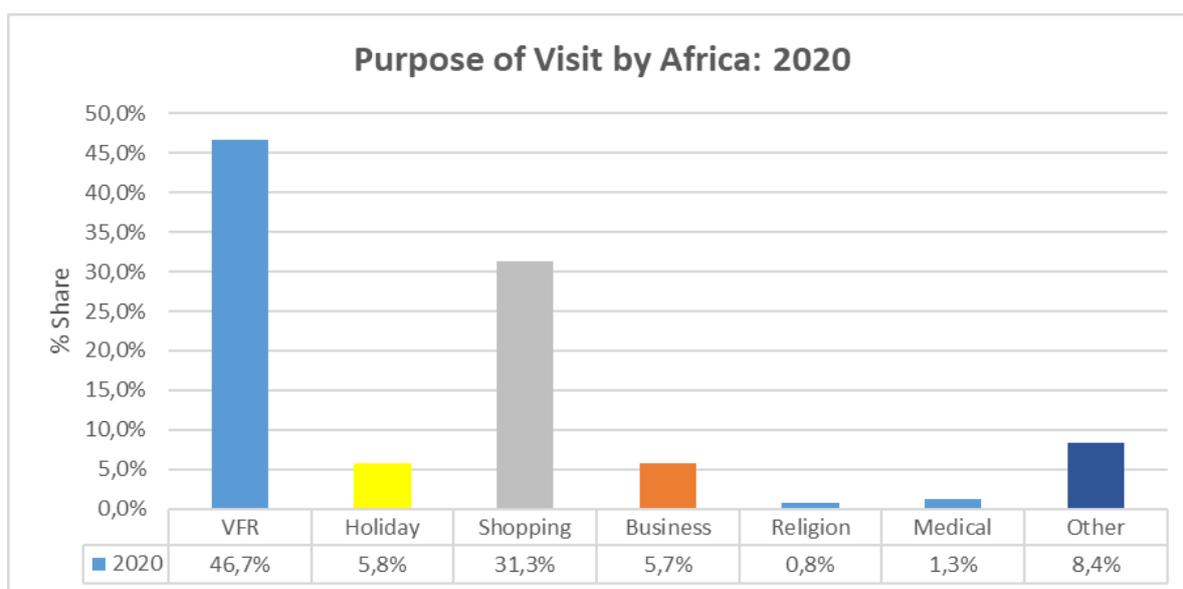
Figure 13: Main purpose of visit for international tourist arrivals: 2020 compared to 2019



Source: SA Tourism Performance Report: January-December, 2020

The results in figure 14 below give the main purpose of visit for tourists travelling from Africa to South Africa in 2020 compared to 2019.

Figure 14: Purpose of Visit for tourist arrivals from Africa: 2020

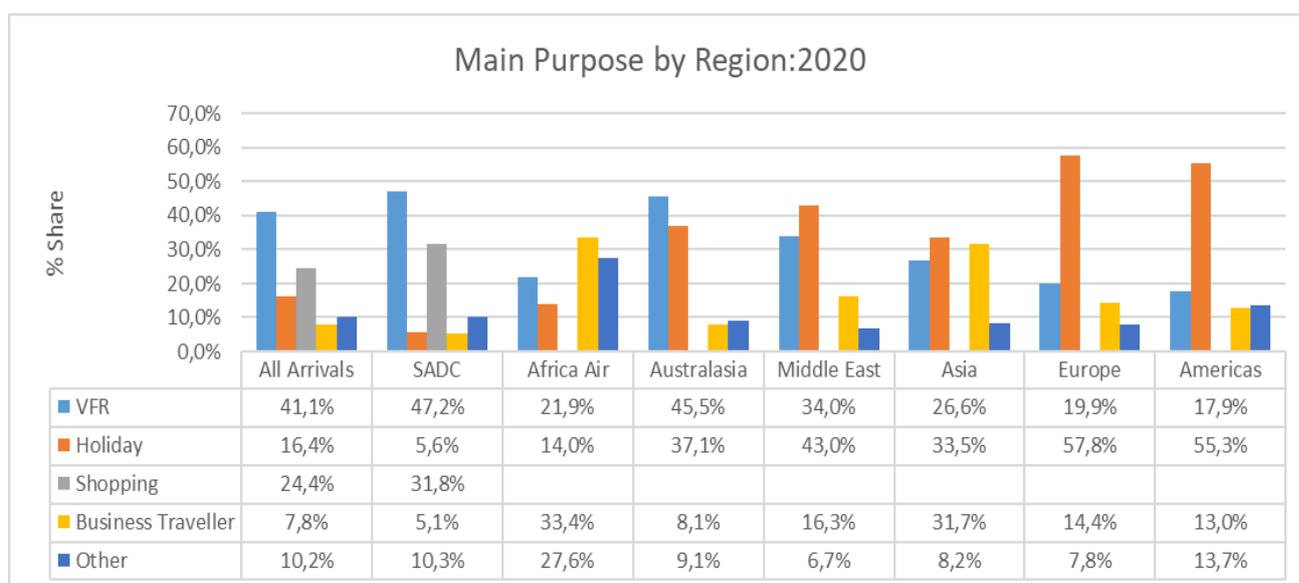


Source: SA Tourism Performance Report: January-December, 2020

Tourists from the African region predominantly visited South Africa for VFR purposes (46.7%), followed by shopping (31.3%) and holiday (5.8%) purposes in 2020. Less than 6% of tourists from the Africa region visited South Africa for business (5.7%), medical (1.3 %) and religion (0.8%) purposes.

Figure 15 below shows the main purpose of visit for tourists from overseas regions namely; Asia, Australasia, Central and South America, Europe, Middle East and North America.

Figure 15: Main Purpose of Visit for Overseas Markets: 2020



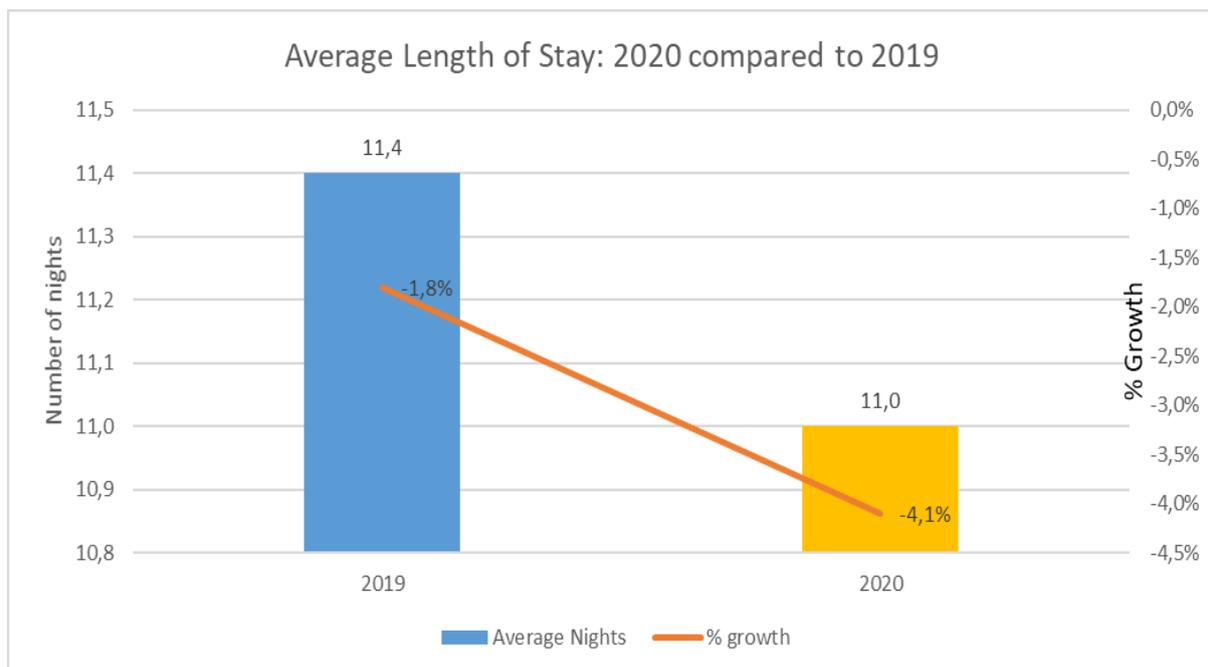
Source: SA Tourism Performance Report: January-December, 2020

More than half of tourists' main purpose for visiting South Africa were from Europe (57,8%), and Americas (55.3%), mainly for holiday purposes, followed by Middle East (43.0%) and Australasia (37.1%). Compared to other regions, most tourists from Asia (33.5%) also travelled for holiday purposes to South Africa. Australasia was leading with tourists (45.5%) visiting South Africa for VFR purposes.

3.5 Average length of stay for international tourist arrivals: 2020 compared to 2019

On average, the length of stay for international tourists was shorter in 2020 compared to 2019. The number of nights spent by international tourists went down slightly from 11.4 nights in 2019 to 11.0 nights in 2020. Increasing the length of stay of tourist arrivals could be one of the key targets to increase the contribution of tourism to the economy of any country as the longer the tourists stay in a country, the more likely they will spend more.

Figure 16: Average length of stay: 2020 compared to 2019



Source: SA Tourism Performance Report: January-December, 2020

3.6 Total Foreign Direct Spend (excluding capital expenditure): 2020 compared to 2019

One of the indicators that is used to measure the importance of tourism to the economy is how much tourists spend while they are travelling within the country, given that their expenditure

contributes to the country's economy as well as job creation. Table 17 below shows that the total foreign direct spend for international tourists was R22.3 billion in 2020, which was a decrease of -72.5% from R81.1 billion in 2019.

Table 17: Spend by region: 2020 compared to 2019

Region	2019 (ZAR billion)	2020 (ZAR Billion)	%Change	% share 2020
Africa	30,7	9,7	-68,5%	43,3%
Americas	10,6	2,4	-77,2%	10,8%
Asia	4,7	0,9	-80,2%	4,2%
Australasia	2,4	0,5	-79,2%	2,3%
Europe	31,4	8,6	-72,6%	38,6%
Middle East	1,3	0,2	-84,5%	0,9%
Total Foreign Direct Spend	81,1	22,3	-72,5%	100,0%

Source: SA Tourism 2020 data cuts & Report

The importance of arrivals from Africa could be seen by their contribution to total foreign direct spend, which was about 43,3% and the rest of the contribution was from overseas markets. The contribution from Africa is driven by volume of tourist arrivals. On average, tourists from the Africa continent spend less than tourists from overseas markets per trip. The average expenditure for international tourist arrivals in South Africa remained flat at R8 400 per trip during 2020 and 2019.

3.6.1 Total Foreign Direct Spend by Top Five African Source Markets: 2020

The top five African markets by total foreign direct spend are provided in table 18 below. In 2020, most of the total spend from African markets was from Zimbabwe, which was R3.8 billion, followed by Mozambique (R1.2 billion) and Lesotho (R0.7 billion). However, it should be noted that the total spend from Zimbabwe was driven by volume. According to SA Tourism data, top spenders from the African market were from the Democratic Republic of Congo with an average spend of R28 700 per trip in 2020, which was down from an average spend of R29 400 per trip in 2019.

Table 18: Total Foreign Direct Spend by top five African Markets: 2020

Rank	Country	Total Foreign Direct Spend 2019	Total Foreign Direct Spend 2020
1	Zimbabwe	R11 620 335 773	R3 818 355 456
2	Mozambique	R3 081 877 238	R1 180 902 948
3	Lesotho	R2 661 393 409	R728 731 007
4	Zambia	R2 047 820 855	R714 433 623
5	Malawi	R2 245 501 962	R626 957 683

3.6.2 Total Foreign Direct Spend by Top Five Overseas Markets: 2020

The top five overseas markets by total foreign direct spend are provided in table 19. In 2020, most of the total spend from overseas markets was from UK, with a total spend of R2.8 billion, followed by Germany (R1.9 billion) and USA (R1.5 billion). The top spenders from the overseas market were from Switzerland with an average spend of R26 600 per trip in 2020.

Table 19: Total Foreign Direct Spend by top five overseas Markets: 2020

Rank	Country	Total foreign Direct Spend – 2019	Total Foreign Direct Spend 2020
1	UK	R9 846 462 014	R2 837 077 088
2	Germany	R6 592 862 916	R1 968 532 048
3	USA	R7 896 143 061	R1 530 863 904
4	Netherlands	R3 087 468 621	R782 406 499
5	France	R2 701 349 834	R660 861 484

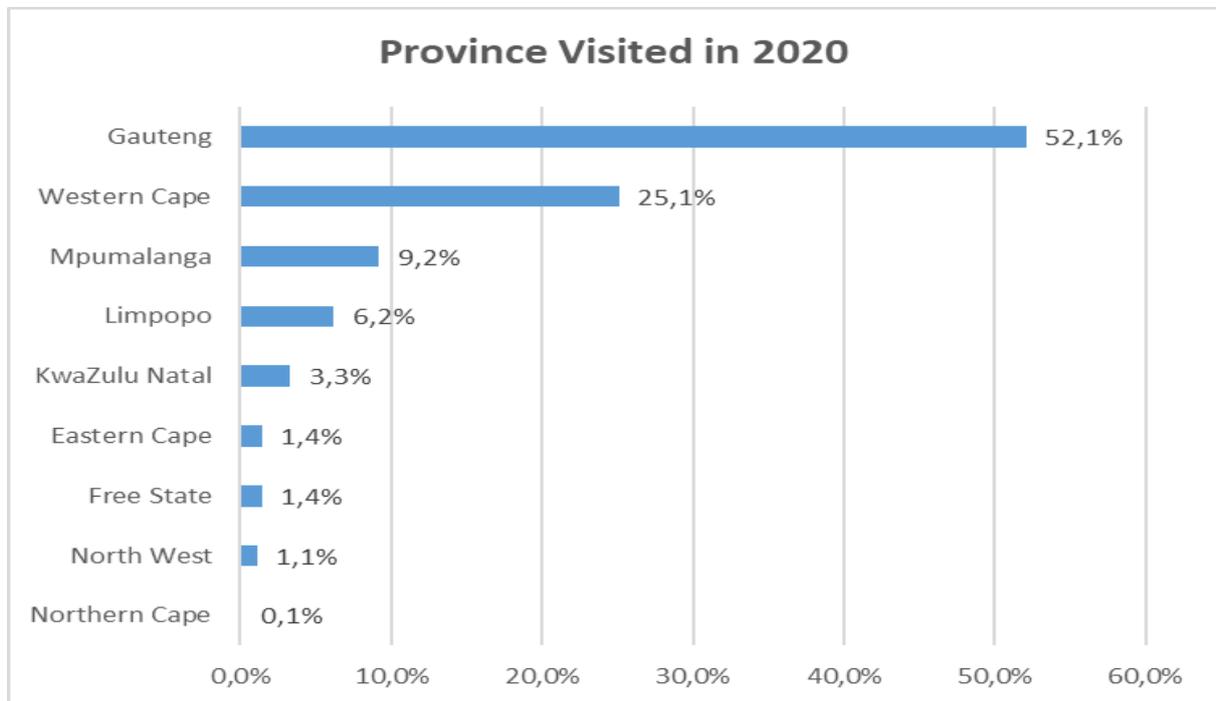
Source: SA Tourism Performance Report: January-December 2020

3.7 Provincial share of tourist arrivals: 2020

The figure below shows the provincial share of total foreign tourist trips. Provincial tourist arrivals are counted by the number of trips taken by a foreign tourist e.g. the number of trips for a tourist from the UK who visits three (3) provinces in South Africa will be counted as three (3) to correctly report on trips for each province. It is for this reason that the total number of tourists visiting provinces are higher than those reflected in the total tourist arrivals from Stats SA, in which their report records the actual number of foreign tourists into the country by considering one trip when tourists enter and leave South Africa.

Figure 17 below indicates that in 2020, most international tourists visited Gauteng (52.1%), followed by the Western Cape (25,1%) and Mpumalanga with 9.2%. The two least visited provinces were North West (1.1%), and the Northern Cape (0.1%).

Figure 17: Provincial share of tourist arrivals: 2020



Source: SA Tourism Performance Report: January-December 2020



CHAPTER FOUR: SOUTH AFRICA'S DOMESTIC TOURISM PERFORMANCE

Domestic tourism plays a critical role in the success of any tourism destination and it also forms the backbone of the sector. According to the Tourism Satellite Account (TSA) released by Statistics South Africa (Stats SA), domestic tourism plays a critical role in the tourism sector as it generates more than half the internal tourism revenue. South Africa aims to increase the impact and spread of domestic tourism through multiple marketing strategies, product development and packaging, and niche market creation. The NTSS key pillars include key elements that will drive the development and growth of the domestic market.

The Department of Tourism has also developed a Domestic Tourism Strategy to increase domestic tourism expenditure (revenue), domestic tourism volume, enhance measures and efforts aimed at addressing seasonality and equitable geographical spread, and enhance the level of the culture of tourism/travel among South Africans (Domestic Tourism Strategy, 2012).

It should be noted that domestic tourism performance for 2019 was included in the 2018/19 STR which has been published. Due to challenges in data collection and some changes in methodologies during 2020, which were impacted by lockdown regulations in the country, the Department together with key stakeholders identified a need to do further data confrontation on available domestic tourism performance results. The process is underway and the 2020 results will be reported in the next publication once the process has been completed.

Section below provides more information on the sources of domestic tourism performance results as well as the differences in methodologies.

4.1 Collection of Domestic Tourism Statistics

There are two main sources for domestic tourism performance statistics, namely the SA Tourism Domestic Tourism Survey and the Stats SA Domestic Tourism Survey. The two separate surveys are conducted for different purposes and use different methodologies which can be seen in table 19 below. This caused considerable confusion amongst the users of domestic tourism statistics. To remedy this situation, it was agreed that the two surveys would be aligned and integrated into a single DTS that would serve both Stats SA, SA Tourism and

other key stakeholders within the tourism sector. The harmonisation of the two surveys is still underway and it is envisaged that SA Tourism will then discontinue with the DTS going forward once the harmonisation process is completed. Table below indicates the main difference between these two surveys. Most of the work done by the department with regards to domestic tourism uses results from SA Tourism for now hence the analysis above is based on SA Tourism data. As mentioned in chapter one the data collection for these surveys were also affected by the COVID-19 regulations and the comparison below is based on the differences under normal circumstances.

Table 20: Summary of primary differences between Stats SA and SA Tourism Domestic Tourism Surveys

Characteristic	SA Tourism	Stats SA
Type of Survey	Household	Household
Sample	15 594 persons/Adults (about 1300 per month)	28 000 households (continuous data collection and the 28 000 is divided into four quarters)
Respondents	Adults: 18 years and above, respond to individual trips only	All ages and respondents can respond for other household members of all the age groups.
Recall Period	One-month recall period. (Respondent is asked about the trips taken in the previous month)	Up to three-month recall period but data collected monthly.
Characteristics of trips	SA Tourism collect detailed information for each trip undertaken (day/night)	Stats SA only collect detailed information for the most recent trip taken in three months under review when data is collected.
Reporting	Annual Report Quarterly reports	Annual report Bi-annual report

4.2 Impact of COVID-19 Regulations on Domestic Travel

The country first lockdown which took place from 26 March to 30 April 2020 resulted in the banning of inter- and intra-provincial travel. Domestic and international tourist flights were also not operating during this period. Public transport was restricted. Most shops and malls were closed other than those selling essential goods such as groceries, fuel, gas, electricity, airtime and medical supplies. Schools and universities were also closed during this period. Domestic business travel was only allowed under level 3 as of 01 June 2020. In late July 2020, intra-provincial travel opened up which meant that South Africans could travel within their provinces. This was shortly followed by the opening of inter-provincial travel in August 2020, which allowed for domestic leisure travel. Under these regulations, accommodation establishments

were also allowed to open provided that the establishment adhere to the government's COVID-19 health protocols (South Africa Government, 2021).

With the opening of the provincial borders in August 2020, many businesses were looking forward to domestic travellers particularly for December as this is the most popular month for travel. Unfortunately, due to the spike in COVID-19 infections in December 2020 and the introduction of tighter restrictions, domestic travel was negatively affected. Beaches were closed which effected domestic tourism in coastal towns. Plettenberg Bay Tourism indicated that the region experienced a number of accommodation cancellations which would cause further damage to the local economy (Timeslive, 2020).

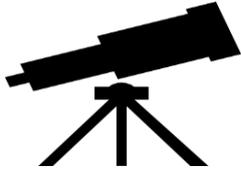
According to UNWTO, many destinations around the world are focusing on growing domestic tourism since country borders continue to remain close for international tourists (UNWTO, 2021). The Organisation for Economic Co-operation and Development, OECD has also reported that domestic tourism is providing a much-needed boost to help sustain many tourism destinations and businesses (OECD, 2021). Some examples of initiatives/programmes that countries are offering to boost domestic tourist numbers include:

- The Bonus Vacanze initiative in Italy, offers families with incomes of up to EUR 40,000 contributions of up to EUR 500 to spend in domestic tourism accommodation;
- Malaysia has allocated US\$113 million worth of travel discount vouchers as well as personal tax relief of up to US\$227 for expenditure related to domestic tourism;
- Costa Rica moved all holidays of 2020 and 2021 to Mondays for Costa Ricans to enjoy long weekends to travel domestically and to extend their stays;
- France launched the campaign #CetÉtéJeVisiteLaFrance ('This Summer, I visit France') highlighting the diversity of destinations across the country;
- Argentina announced the creation of an Observatory for Domestic Tourism to provide a better profile of Argentine tourists; and
- Thailand will subsidize 5 million nights of hotel accommodation at 40% of normal room rates for up to five nights.

Source: UNWTO, 2021

In South Africa, the previous Chief Executive Officer (CEO) of SA Tourism, Sisa Ntshona, had also indicated that the recovery of the tourism sector was being led by domestic tourism, from

walks in the park to vacation travelling and overnight stays (Mail and Guardian, 2020). South African Tourism has therefore prioritised the promotion of domestic tourism destinations for the recovery of the sector. To promote domestic travel, South African Tourism has launched "The Great South African Sale" which took place in September 2021 during the Sho't Left Travel Week (Finance 24, 2021). The campaign aimed to offer discounted rates to showcase local destinations for South Africans. Airlines, accommodation establishments, tour operators and other tourism-related experience serviced providers were invited to sign up for local deals and packages which most were reduced by 50% for travellers when booking between 6 and 12 September 2021.



CHAPTER FIVE: SOUTH AFRICA'S TOURISM PERFORMANCE OUTLOOK AND RECOVERY

The UNWTO reports that tourist arrivals are expected to return to pre COVID-19 levels in 2023 or later (UNWTO, 2021). The main barriers are travel restrictions, slow containment of the virus, low traveler confidence and a poor economic environment. This section of the report uses scenarios from Euromonitor to estimate tourist arrivals for South Africa for the years 2021, 2022, 2023 and 2024. It should be noted that these estimates might differ in other documents depending on the source used.

5.1 Estimated number of Tourist Arrivals by different forecasted scenarios: 2021-2024

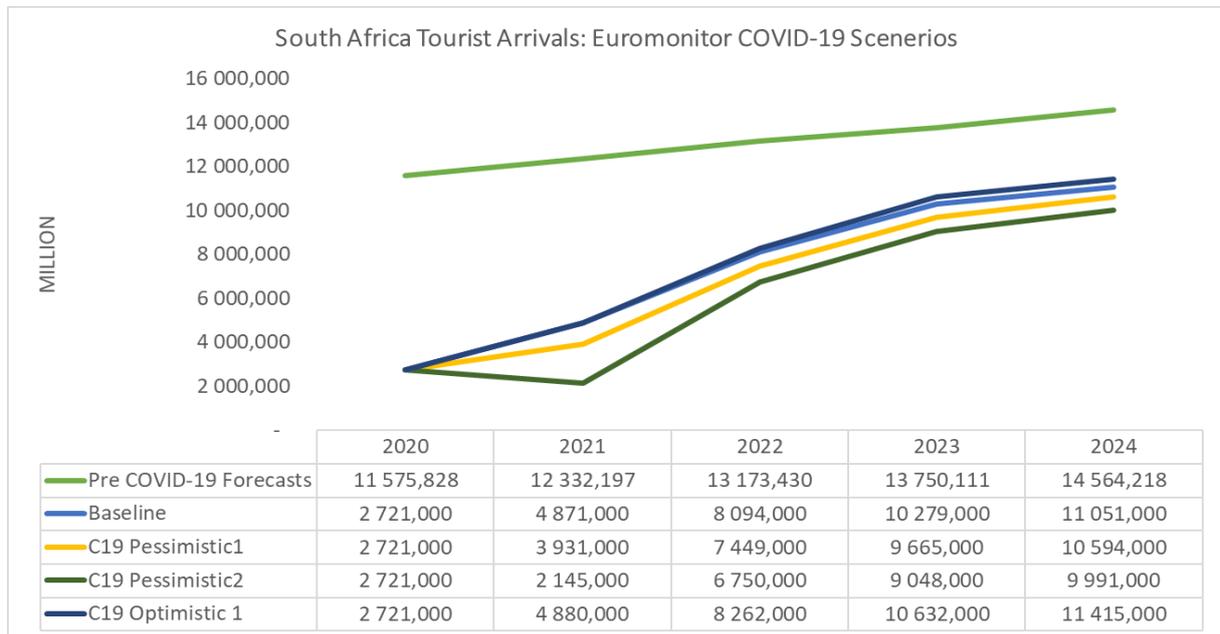
Figure 18 provides the different assumptions for the five scenarios developed by Euromonitor to forecast tourist arrivals. By applying the assumptions for the five scenarios, tourist arrival numbers are forecasted for 2021, 2022, 2023 and 2024.

Figure 18: Assumptions of the Different Scenarios developed by Euromonitor for Forecasted Tourist Arrivals Figures

Pre C19 Forecasts	Baseline	C19 Pessimistic 1	C19 Pessimistic 2:	C19 Optimistic 1
<ul style="list-style-type: none"> •This scenario reproduces the last pre-COVID-19 pandemic forecast from January 2020. •Our baseline global GDP growth forecast (as of January 2020) has remained stable since Q4 2019 at around 3% in 2020 (similar to 2019), improving slightly to 3.2% growth in 2021. •Positive factors in the outlook remain above average consumer confidence in key economies, supportive monetary policy and low financial system stress. •Negative factors for the outlook include ongoing geopolitical and trade war risks, declining business confidence, high corporate debt levels in key economies, and uncertainty surrounding the recent coronavirus outbreak in China. 	<ul style="list-style-type: none"> •The baseline forecast assumes 1-2 global pandemic waves in the first half of 2021. •Global real GDP growth is 5.5-6.5% in 2021 and 3.8-5.3% in 2022. •Most social distancing restrictions are lifted in advanced economies in Q2-Q3 2021. Local lockdowns and strict social distancing measures are likely to persist in developing economies into 2022. •Vaccination rates sufficient for approaching herd immunity are attained in advanced economies in Q3-Q4 2021. In developing economies vaccination rates remain too low to approach herd immunity until the end of 2022-first half of 2023. •Global business and consumer confidence levels return to historic averages by Q3 2021. 	<ul style="list-style-type: none"> •In the COVID-19 Pessimistic 1 scenario there are 2-4 global pandemic waves in 2021-2022. •Global real GDP growth is 4-5% in 2021 and 0.2-1.5% in 2022. •The spread of more infectious and vaccine resistant COVID-19 virus mutations leads to more intense and longer lasting lockdowns and social distancing measures. •Significant COVID-19 related social distancing restrictions/behaviours need to be reinstated in advanced economies in the 2nd half of 2021, continuing into 2022. They continue into 2023 for developing economies. •Vaccination rates sufficient for herd immunity are attained in advanced economies in Q4 2021- Q3 2022. Vaccination rates in developing economies remain insufficient for approaching herd immunity into 2023. 	<ul style="list-style-type: none"> •In the COVID-19 Pessimistic2 scenario there are 3-5 global pandemic waves in 2021-2022. •Global real GDP grows by 3-4% in 2021 and declines by 1.3-2.7% in 2022. •The spread of more infectious and vaccine resistant virus mutations leads to more intense and longer lasting lockdowns and social distancing measures. •Significant COVID-19 related social distancing restrictions/behaviours need to be reinstated in advanced economies in the 2nd half of 2021, continuing into 2022. They continue into 2023 for developing economies. •Logistical complications, significant population resistance to vaccination and lower effectiveness of vaccines against new virus variants delay sufficient vaccination rates for herd immunity in advanced economies to the end of 2022 or first half of 2023. 	<ul style="list-style-type: none"> •The Covid-19 Optimistic1 scenarios assumes 1-2 global pandemic wave in the first half of 2021, with faster than expected vaccination and economic recovery rates. •Global real GDP growth is 6.3-7% in 2021 and 6-7% in 2022. •Significant COVID-19 related social distancing restrictions/behaviours last for another 1-3 quarters in 2021. •Vaccination rates sufficient for herd immunity are attained in advanced economies in Q2-Q3 2021. •Global business and consumer confidence levels return to historic averages by Q2 2021. •Stronger fiscal stimulus effects in advanced economies, high cumulated savings and the faster rebound in consumer confidence speed up the recovery in consumer spending.

Source: Euromonitor COVID-19 Dashboard tool, data downloaded on the 01 September 2020

Figure 19: South Africa’s Forecasted Tourist Arrivals Figures for 2020, 2021, 2022, 2013 and 2024



Source: Euromonitor COVID-19 Dashboard tool, data downloaded on the 01 September 2020

Table 21 South Africa’s Forecasted Tourist Arrivals Figures for 2020, 2021, 2022, 2013 and 2024: % Change

% Change	2021 compared to 2020	2022 compared to 2021	2023 compared to 2022	2024 compared to 2023
Pre COVID-19 Forecasts	6,5%	6,8%	4,4%	5,9%
Baseline	79,0%	66,2%	27,0%	7,5%
C19 Pessimistic1	44,5%	89,5%	29,7%	9,6%
C19 Pessimistic2	-21,2%	214,7%	34,0%	10,4%
C19 Optimistic 1	79,3%	69,3%	28,7%	7,4%

Source: Euromonitor COVID-19 Dashboard tool, data downloaded on the 01 September 2020

As seen in table 21, the pre covid-19 scenario uses previous tourist arrivals figures that were not affected by COVID-19 to predict tourist arrivals for future years (2020, 2021, 2022, 2023 and 2024). Under this scenario tourist arrivals were expected to increase during the period 2020-2014 which can be seen in table 20 above.

Forecasts from the baseline scenario indicated that South Africa’s tourist arrivals in 2020 could only reach 2.7 million, which is almost close to the actual tourist numbers reported by Stats SA for 2020 (2.8 million). Under this scenario, tourist arrivals for 2021 are forecasted to be 4,8 million, which is an increase of 79,0% compared to 2020 forecasts (2,7 million). The main assumptions for the baseline scenario are that most social distancing restrictions are lifted in

advanced economies in Q2 and Q3 of 2021. Local lockdowns and strict social distancing measures are likely to persist in developing economies into 2022. Vaccination rates sufficient for approaching herd immunity are attained in advanced economies in Q3-Q4 2021. In developing economies vaccination rates remain too low to approach herd immunity until the end of 2022- first half of 2023 (Euromonitor, 2021).

The C19 pessimistic 1 scenario assumes that there is a higher spread of a more infectious and vaccine resistant COVID-19 virus mutations which leads to more intense and longer lasting lockdowns and social distancing measures. Vaccination rates sufficient for herd immunity are attained in advanced economies in Q4:2021 to Q3: 2022. Vaccination rates in developing economies remain insufficient for approaching herd immunity into 2023. Considering these assumptions, it was forecasted that tourist arrivals for 2020 would be about 2,7 million and will increase to 3,9 million in 2021 which is an estimated growth of 44,5%. Tourist arrivals are also forecasted to increase year in 2022, 2023 and 2024 compared to 2020 figures.

The C19 pessimistic 2 scenario, forecasts tourist arrivals for 2020 also to be 2,7 million and is expected to decrease to 2,1 million in 2021 which is a decline of -21,2% compared to 2020 (2,7 million). Under this scenario, tourist arrivals are expected to increase in 2022 to 6,7 million which is an increase of 214,7% compared to forecasted figures for 2021 (2,1 million). The main assumptions for this scenario include; high spread of a more infectious and vaccine resistant virus mutations which will lead to more intense and longer lasting lockdowns and social distancing measures; significant Covid-19 related social distancing restrictions/behaviors will be reinstated in advanced economies in the 2nd half of 2021, continuing into 2022 and into 2023 for developing economies. Logistical complications, significant population resistance to vaccination and lower effectiveness of vaccines against new virus variants delay sufficient vaccination rates for herd immunity in advanced economies to the end of 2022 or first half of 2023 (Euromonitor, 2021).

The final scenario, C19 Optimistic 1 assumes that there will be more than 2 waves of COVID-19 infections in the first half of 2021, with faster than expected vaccination and economic recovery rates also occurring. Significant Covid-19 related social distancing restrictions/behaviors will last for another 1-3 quarters in 2021. Vaccination rates sufficient for herd immunity are attained in advanced economies in Q2-Q3 2021. Considering these

assumptions, it is forecasted that tourist arrivals for 2020 would be 2,7 million and will increase to 4,8 million in 2021 which is an estimated growth of 79,3%. Tourist arrivals are also forecasted to increase in 2022, 2023 and 2024 compared to 2020 figures (Euromonitor, 2021).

Actual tourist arrivals data for the period January-September 2021 declined by -39,5% compared the period January-September 2020. This was a decline from a total of 2 429 177 tourist arrivals recorded during Jan-September 2020 to 1 469 111 (-960 066) during the period Jan-September in 2021. These figures suggest that current tourist arrivals figures are following the C19 pessimistic 2 scenario for 2021 which assumes a decline in tourist arrivals for 2021 compared to 2020. This could be related to the emergence of new COVID variants and low vaccination rates. It is therefore evident that the recovery of tourist arrival figures is dependent on reducing the spread of the virus, increasing the uptake of vaccines and the removal and coordination among countries of travel restrictions.

5.2 Policies and programmes implemented to assist businesses to recover from the impact of COVID-19 regulations

In South Africa, Tourism has also been recognised as an important driver for economic growth and development in the country. To address the impact that COVID-19 has had on the country, the South African Government has developed the Reconstruction and Recovery Plan which highlights the importance of the Tourism Sector for the Country's Economic Recovery Plan. The plan acknowledges that the tourism sector has been severely affected by the COVID-19 global pandemic with loss of revenue for many businesses in this sector. One of the three focus areas to boost the economy is the promotion and recovery of the tourism, hospitality, leisure and entertainment industry (South African Government, 2020).

To assist businesses in all sectors of the economy, the South African government introduced a number of relief programmes effected by COVID-19. Some of these programmes include;

- Debt Relief Finance Scheme- For Small, Medium and Micro Enterprises (SMMEs) which are negatively affected, directly or indirectly, due to the Coronavirus pandemic. This facility is a soft-loan facility aimed at assisting existing SMMEs in order to keep them afloat during the Covid-19 pandemic for a period of 6 months from April 2020.
- Restructuring of SEFA-funded loans- The Debt Restructuring Facility is geared towards SEFA-funded SMME's which are negatively affected by the pandemic. A payment moratorium/ holiday will be given to the qualifying SMME's for a period of a

maximum of 6 months, in an effort to reduce the instalment burden of loan obligations on the affected SMME's.

- Business growth/resilience facility- SMME's who locally manufacture or supply hygiene, medical products, and food items which are in demand in order to curb and manage the spread of the Covid-19 virus. This facility offers working capital, stock, bridging finance, order finance and equipment finance. The funding amount will be based on the funding needs of the actual business.
- SPAZA Support Scheme- The scheme aims to strengthen Spaza shops as locals' convenient access to basic goods, as well as facilitate bulk buying opportunities, and realise the potential for Spaza shops to serve as a market for locally manufactured goods.
- UIF Covid-19 Relief Benefit- Any UIF contributing business who is unable to pay salaries as a result of the lock down period will be provided with financial aid.

(Source: South African Government, 2021)

5.2.1 Tourism specific relief programmes for businesses affected by COVID-19 regulations

To assist tourism specific businesses effected by COVID-19, the Department of Tourism Department introduced a R200 million Tourism Relief Fund (TRF), and a R30 million Tourist Guides Relief Fund to support freelance or self-employed tourist guides. The Department of Tourism's Annual Performance Plan 2020/21, reports that there were more than 4 000 businesses in the tourism and hospitality sector that accessed the TRF. In regards to the Tourist Guides Relief Fund, 4 650 tourist guides redeemed the payment of R1500 per month which was a total was R60.8 million. The number of tourist guides who did not redeem the payment was 4 435 tourist guides (Parliamentary Monitoring Group, 2021).

During the financial year 2020-2021, the Department also offered business development through the business incubation programme in three tourism destinations namely; Phalaborwa (Limpopo Province), Manyeleti (Mpumalanga Province) and Mier (Northern Cape Province). Due to the pandemic the implementation of the programmes was revised to focus on the businesses current challenges. The support therefore included establishing partnerships for in kind support in personal protective equipment, electronic devices and assistance with online applications to various business relief programmes such as Temporary Employer/ Employee Relief Scheme (TERS), Tourism Relief Fund (TRF), Unemployment Insurance Fund (UIF) and focus on technical support and access to funding (Department of Tourism Annual Report 2020-21, 2021.)



CHAPTER SIX: GLOBAL TOURISM ECONOMIC IMPACT

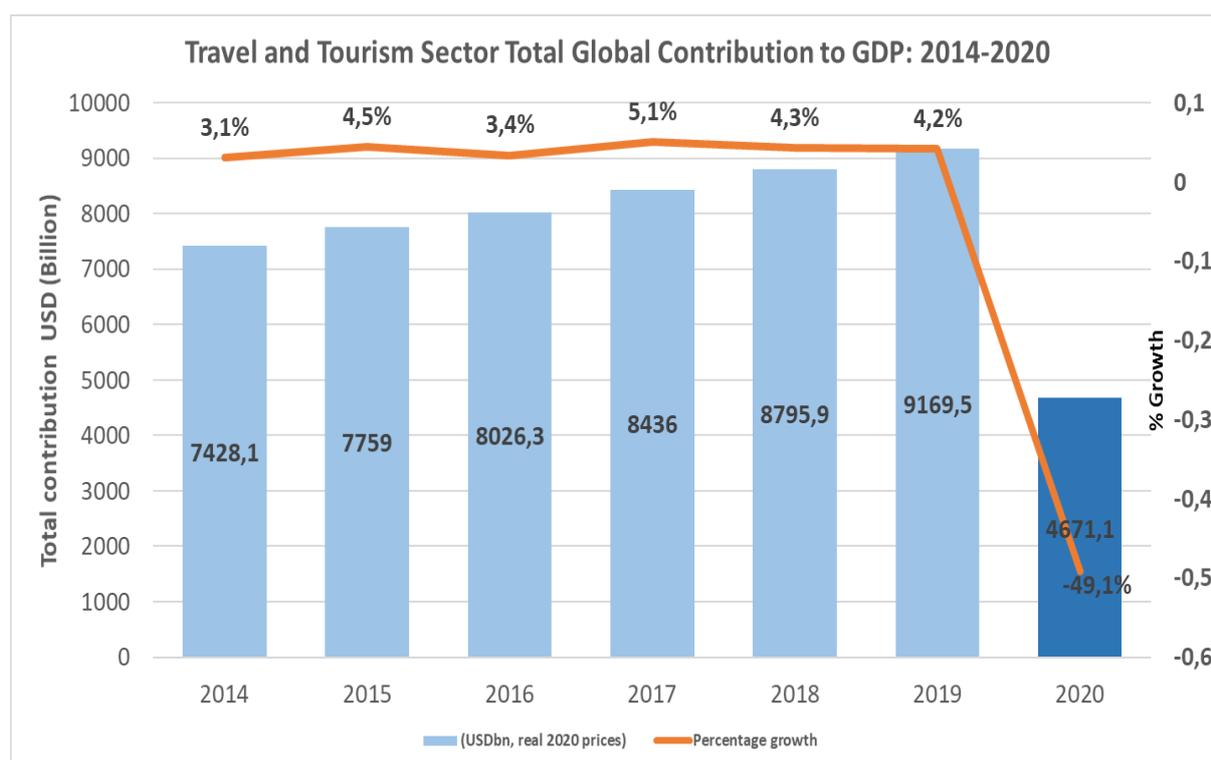
The tourism sector has made a significant contribution to the world economy over the years by contributing towards economic development and job creation. Countries across the world have become dependent on the tourism sector for improving their economies including South Africa. This section of the report details the value of the tourism sector to the global economy by analysing key indicators which include the contribution of tourism to the global Gross Domestic Product (GDP) and global total employment for the period 2014-2020. The figures reported in this section are primarily sourced from the World Travel and Tourism Council (WTTC).

The most recent estimates for 2020 produced by WTTC indicates the negative impact that COVID-19 had on the global travel and tourism sector in 2020. According to WTTC, the travel and tourism sector had a loss of nearly \$4.5 billion in 2020 compared to 2019 (WTTC, 2021). This section aims to further highlight the impact COVID-19 has on the global travel and tourism sector by comparing 2020 performance to 2019 performance.

6.1 Travel and Tourism's Total Contribution to Gross Domestic Product: 2014- 2020

According to WTTC, the total contribution of the travel and tourism sector to the global economy was about US\$9 169,5 billion in 2019 (10.4% of global GDP), which went down to US\$4 671,1 billion in 2020 (5,5% of global GDP) as indicated in figure 20 below.

Figure 20: Travel and Tourism sector total contribution to GDP 2014-2020



	2014	2015	2016	2017	2018	2019	2020
Share of GDP - Relative contribution (% whole economy)	9,7%	9,9%	10,0%	10,1%	10,3%	10,4%	5,5%

Note: Real prices

Source: WTTC World Report 2021

6.2 Travel and Tourism's Direct Contribution to Gross Domestic Product: 2014-2020

Figure 21 below shows that the travel and tourism sector's direct contribution to GDP was about US\$2 836,1 billion (3.2% of global GDP) in 2019 and decreased to US\$1 373,7 billion (1.6% of GDP) in 2020. Globally, the direct contribution of the Travel and Tourism sector is estimated to have decreased by -51.6% from 2019 to 2020.

Figure 21: Travel and Tourism Sector's Direct Contribution to GDP 2014-2020



	2014	2015	2016	2017	2018	2019	2020
Share of GDP - Relative contribution (% whole economy)	3,0%	3,1%	3,1%	3,2%	3,2%	3,2%	1,6%

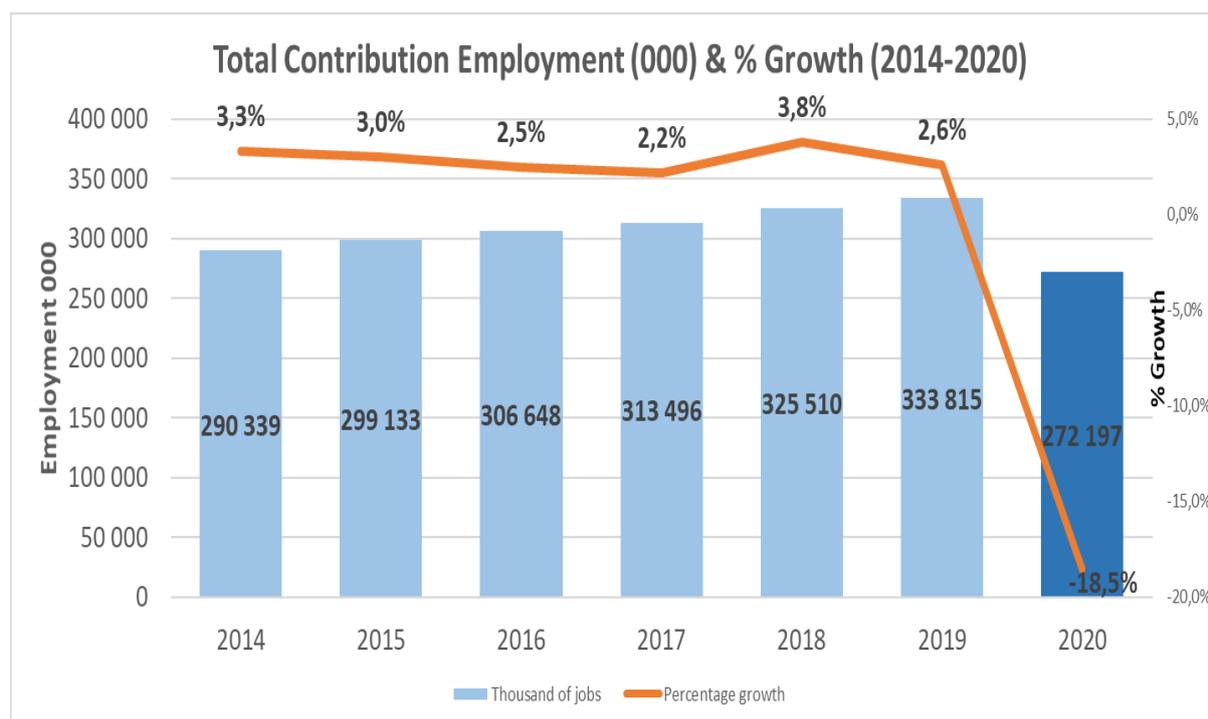
Note: Real prices Source:

WTTTC World Report 2020 and excel data sheet, downloaded May, 2020

6.3 Total Contribution of Travel & Tourism to employment: 2014-2020

According to the WTTTC, the travel and tourism sector's growth in GDP has enabled job creation (WTTTC, 2021). Figure 22 indicates that globally, the total contribution of the travel and tourism sector to employment was about 333,815,000 jobs (10.6% of total employment) in 2019, dropped to 272,197,000 jobs in 2020 (8.9% of total employment). The travel and tourism sector's total contribution to employment decreased by -18.5% during this period.

Figure 22: Travel and Tourism Sector Total Contribution to Employment 2014-2020



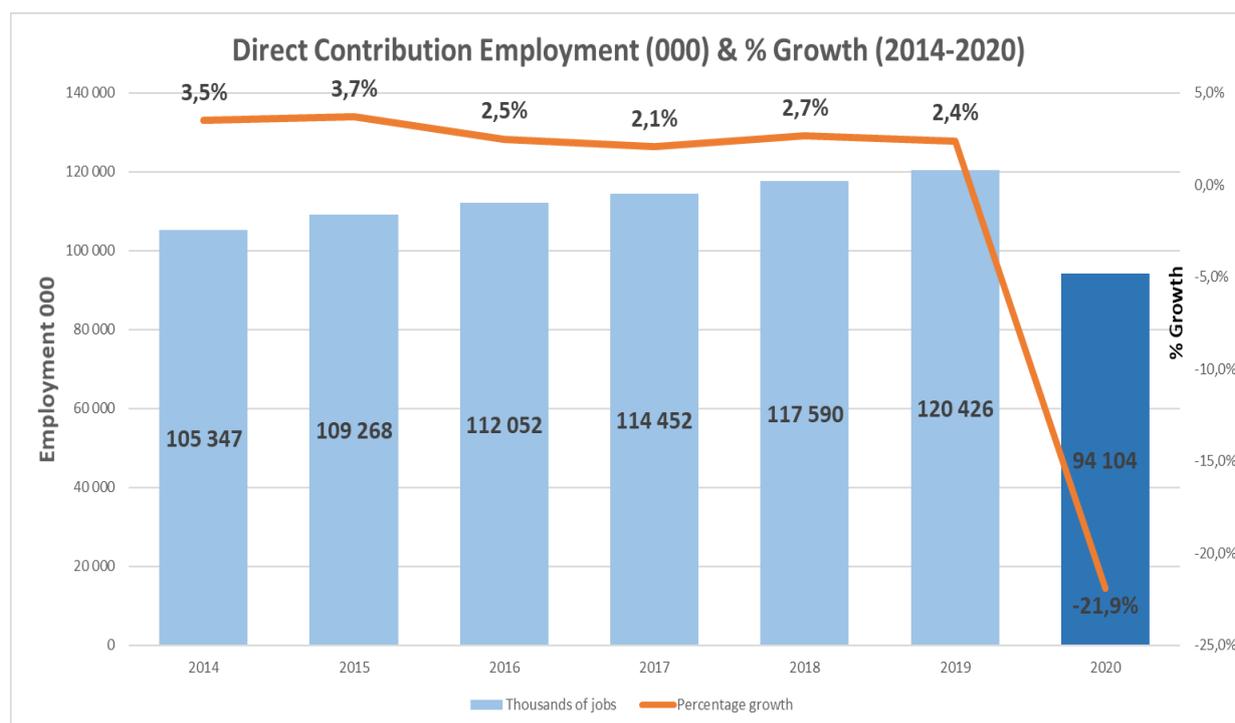
	2014	2015	2016	2017	2018	2019	2020
Percentage Share of Employment: Relative contribution (% whole economy)	9,7%	9,9%	10,1%	10,2%	10,4%	10,6%	8,9%

Source: WTTC World Report 2021

6.4 Travel and Tourism Direct Employment Contribution: 2014-2020

Figure 23 shows that the travel and tourism sector directly generated about 120,426, 000 jobs in 2019, contributing about 3.8% of total employment globally, and these jobs decreased to 94,104,000 (3.1% of total employment globally) in 2020.

Figure 23: Travel and Tourism Sector's Direct Contribution to Employment 2014-2020



	2014	2015	2016	2017	2018	2019	2020
Percentage Share of Employment: Relative contribution (% whole economy)	3,5%	3,6%	3,7%	3,7%	3,8%	3,8%	3,1%

Note: Real prices

Source: WTTC World Report 2020 and excel data sheet, downloaded May, 2020

The results presented in this chapter have shown the negative impact that the COVID-19 regulations in different countries has had on the travel and tourism sector's impact on global GDP and employment. The WTTC indicated that the sector may need to contend with shifts in international travel restrictions, which could last for several years. WTTC proposes that for the sector to recover, all stakeholders should collaborate to take advantage of opportunities in the leisure and domestic markets, stimulate business travel, and expand to new countries of origin (WTTC, 2021).



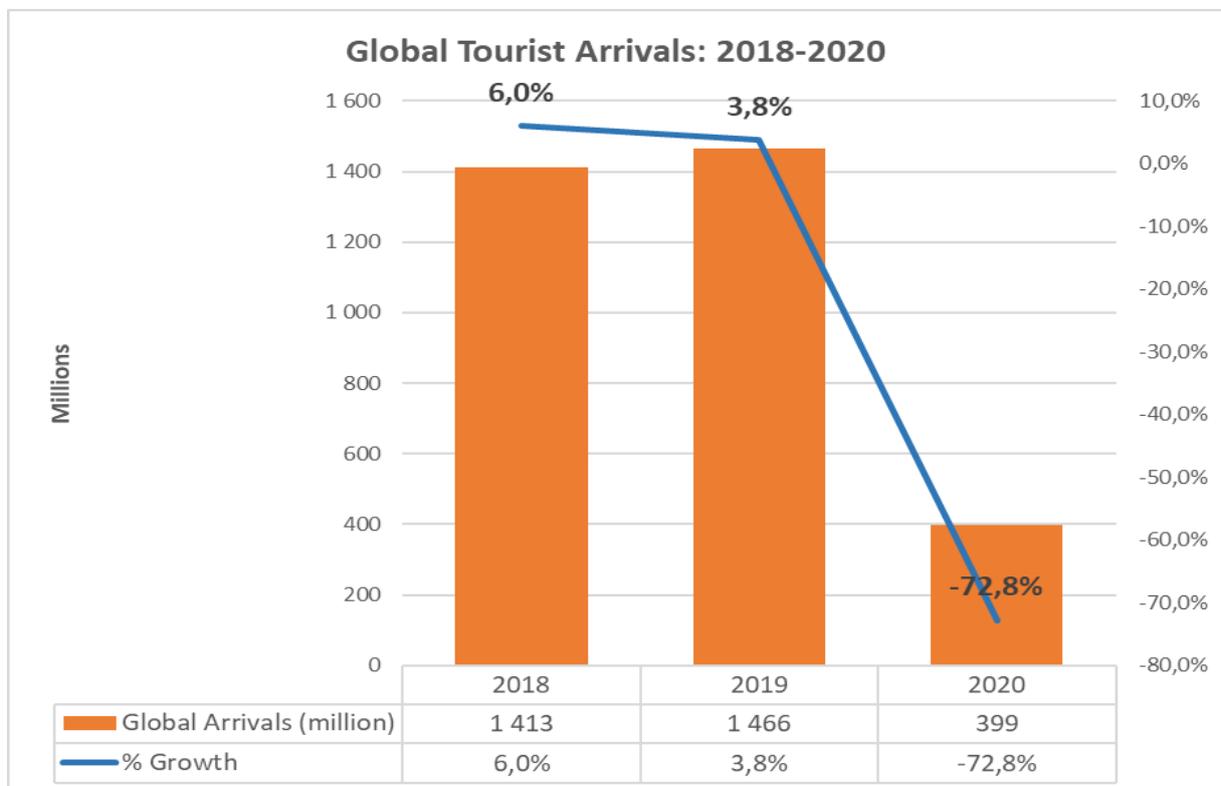
CHAPTER SEVEN: GLOBAL TOURISM PERFORMANCE

This section of the report describes the global performance of the tourism sector by analysing key indicators such as tourist arrivals and tourism receipts. The data was mainly sourced from the United Nations World Tourism Organisation (UNWTO).

7.1 GLOBAL TOURIST’S ARRIVALS: 2018-2020

The following section compares the trends of global tourist arrivals for the period 2018 to 2020, as reported by the UNWTO. Figure 24 below indicates that there was a total of 399 million global tourist arrivals recorded in 2020, which was a decrease of -72.8% compared to 1.4 billion tourists in 2019.

Figure 24: Global Tourist Arrivals: 2018-2020



Source: UNWTO World Tourism Barometer, July 2021

7.2 Global Tourist Arrivals by Region: 2020 compared to 2019

Table 22 indicates tourist arrivals by region for the period 2020 compared to 2019. All regions showed a decrease in international arrivals. Asia and the Pacific experienced the highest decline (-84.2%), followed by Africa (-74,2%), Middle East (-74,0%), Europe (-68,4 %) and the Americas (-68.1%).

Table 22: Global Arrivals by Region 2020 compared to 2019

Region	2020	2019	% Change	Share of Total (%)
	Million			
World	399	1466	-72,8%	100%
Europe	235,9	746,3	-68,4%	59,1%
Asia and the Pacific	56,9	360,4	-84,2%	14,3%
Americas	69,9	219,3	-68,1%	17,5%
Africa	18,1	70,1	-74,2%	4,5%
Middle East	18,2	70,0	-74,0%	4,6%

Source: World Tourism Barometer, July 2021

The table below provides the top 10 global destinations in 2020 and the total number of cases of COVID-19 cases, including ranking out of 216 countries. The COVID-19 data reported was accessed on 07 December 2021.

Table 23: Global Tourist Arrivals: Top 10 for 2019 and Spread of COVID-19 cases, as of 13 September 2021

No	Destination/Country	Total Tourist Arrivals 2020 (Millions)	COVID Cases	
			Rank out of a total Total of 216 countries	Total Covid -19 cases as at 07 December 2021
1	France	34 145,0	7	7,928,572
2	Italy	26 450,0	12	5,118,576
3	Mexico	24 315,8	15	3,902,015
4	USA	19 445,2	1	50,149,325
5	Spain	18 957,9	11	5,202,958
6	Austria	15 090,9	37	1,207,336
7	Turkey	12 734,2	6	8,921,150
8	Germany	12 462,4	8	6,219,169
9	United Kingdom	10 642,9	4	10,515,239
10	China	9 241,7	113	99,297

Source: UNWTO Barometer Report Volume 19, issue 4, July 2021 and <https://www.worldometers.info/coronavirus/> (07 December 2021)

The table 23 above shows that France, Italy and Mexico were the top three destinations in 2019. From the COVID-19 cases data, it is evident that some of the top 10 destinations were severely affected by the virus, for example USA, which was the 4th top destination in 2020 ranked as the leading country with the highest number of cases out of a total of 216 countries.

To control the spread of the virus many of these countries had implemented strict travel restrictions closing borders for citizens and travellers. UNWTO's report on travel restrictions indicates that as of 1 June 2021, a total of 136 destinations (63% of all destinations worldwide) have their borders either completely (63 destinations, 29% of all destinations worldwide) or partially (73 destinations, 34% of all destinations worldwide) closed for international tourism (UNWTO, 2021). Regional differences with regards to travel restrictions remain were also evident whereby 70% of all destinations in Asia and the Pacific were reported by UNWTO as completely closed, compared with 13% in Europe, 20% in the Americas, 19% in Africa and 31% in the Middle East (UNWTO, 2021). Research also shows that vaccination rates has had a significant influence on the adjustments of travel restrictions in the different countries (UNCTAD, 2021). There was a concern that vaccinations will be less effective against new variants of COVID-19 and countries will continue to enforce tighter travel restrictions which will impede on the recovery of the global tourism sector (UNWTO. 2021)

7.3. International tourism receipts: 2020 compared to 2019

International tourism receipts are defined as the amount that a country earns from tourists visiting a region (UNWTO, 2018). Total international tourist receipts by region for 2020 compared to 2019 are indicated in table 24 below.

The total international tourism receipts generated in 2020 declined -63,7%, which was an amount of about US\$535 billion in 2020 compared to US\$ 1 465 billion in 2019. Europe received US\$233.4 billion receipts with a decline of -59,7%, followed by Asia and the Pacific with US\$132,5 billion, declining by -70,2%. The Americas had a decline of -60,4%, which amounts to US\$126,6 billion in 2020 compared to 2019 (US\$322,8). In 2020, the Middle East received US\$28,4 billion, decreasing by about -68,9% compared to 2019, Africa received US\$14,0 billion with a decline of 63,6% in 2020 compared to 2019.

Table 24: International Tourism Receipts 2019-2020

Region	2019	2020	% Change
	Billions (USD)		
World	1 465	535	-63,7%
Europe	571.8	233.4	-59,7%
Asia and the Pacific	441,3	132,5	-70,2%
Americas	322,8	126,6	-60,4%
Africa	38,9	14,0	-63,6
Middle East	90,5	28,4	-68,9

Source: World Tourism Barometer, July 2021

Considering the declines reported in international tourism receipts earned in 2020 compared to 2019, UNWTO has suggested that these results have impacted a number of jobs, small businesses and livelihoods all over world, particularly in emerging economy destinations such as Small Island Developing States (SIDS) where tourism is more labour intensive and a major part of the balance of payments (UNWTO, May 2020).



CHAPTER EIGHT: GLOBAL TOURISM RELATED INDUSTRIES' PERFORMANCE

This section provides an overview of the global tourism-related industries performance. Data for this section was sourced from the International Airports Transport Association (IATA) and the Hotel News.

8.1 Air transport performance: 2020 compared to 2019

According to IATA data as indicated in table 25, the total market Revenue Passenger Kilometre (RPK), which is calculated by the total number of revenue passengers multiplied by the total distance travelled, indicates that there was a -65.9% decrease in 2020 compared to 2019.

The total market results for the Available Seat Kilometres (ASK: provides the total flight passenger capacity of an airline in kilometres) indicated that there was a -56.5% decline in 2020 compared to 2019. A decreased in ASK was also experienced in the international and domestic markets.

Passenger Load Factor (PLF) is an airline industry indicator that measures how much of an airline's passenger carrying capacity is used (UNWTO, 2020). The PLF for the total market was 64.8% in 2020 which was a decline of -17,8%. These figures show the negative impact that COVID-19 had on the airline industry in 2020. In countries such as China and the USA, where the virus is being under control and where vaccination programmes are successful, IATA has seen a rebound in passenger numbers to over pre COVID-19 levels (UNWTO, July 2021). To assist travellers, IATA has launched a Travel Pass Application in March 2021 which contains information about COVID-19 regulations in departing and destination countries. The Travel Pass APP has been tested by 74 airlines on 170 routes. Qatar Airways has also included an Integrated Vaccine Verification in the Travel Pass App (Leeham News and Analysis, 2021).

Table 25: Air transport performance indicators 2020 compared to 2019

Total Market	RPK		ASK		PLF	
	Year on year % Change		Year on year % Change		Year on year % Change	
	2020	2019	2020	2019	2020	2019
International	-75,6%	4,1%	-68,1%	3,0%	-19,2%	0,8%
Domestic	-48,8%	4,5%	-35,7%	4,1%	-17,0%	0,4%
Total Market	-65,9%	4,2%	-56,5%	3,4%	-17,8%	0,7%

Source: IATA, Air Passenger Market Analysis, 2020. RPK – Revenue Passenger Kilometres, ASK – Available Seats Kilometres, PLF – Passenger Load Factor

8.2 Global hotel industry performance: 2020 compared to 2019

The data for the performance of the hotel industry was sourced from Hotel News. The global performance of the hotel industry by region for 2020 and 2019 is indicated in the table below.

Table 26: Hotel performance indicators, 2020 compared to 2019

Region	Occupancy Rate (%)		Average Daily rate (ADR)		Revenue per available Room (RevPAR) US\$	
	2020	% change from 2019	US\$ 2020	% change from 2019	US\$ 2020	% change from 2019
Asia and the Pacific	44,5%	-35,6%	74,99	-22,2%	33,39	-49,9%
Americas	30,0%	-48,7%	78,75	-10,1%	23,62	-53,9%
Europe	33,1%	-54,2%	93,34	-18,2%	30,86	-62,5%
Africa & Middle East	45,9%	-30,3%	117,23	-17,3%	53,77	-42,4%
Global Average	38,4%	-42,20%	91,08	-17,0%	35,41	-52,2%

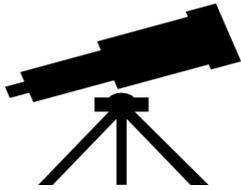
Source: Hotel News, 2021

Occupancy rate is one of the key indicators used to monitor the performance of a hotel, since the indicator measures the percentage of available rooms in a hotel that was sold during a specified period of time. All regions recorded a decrease in occupancy rate, with Europe having the highest decline of -54,2% in 2020 compared to 2019. Another key indicator used to measure hotel performance is the Average Daily Rate (ADR) which provides the average rate paid for rooms sold and is calculated by dividing room revenue by rooms sold. Asia and the Pacific recorded the highest decrease (-22.2%) followed by Europe with a decrease of -18,2% in 2020 compared to 2019.

Finally, the Revenue per available room (RevPAR) is a measure that the hotel industry uses to determine the revenue generation capability of a hotel. The RevPAR is calculated by

dividing the total room revenue with the total number of available rooms in a hotel. RevPAR differs from the ADR in that the RevPAR is affected by the share of unoccupied available rooms, while ADR shows only the average rate of rooms actually sold (UNWTO, 2020). All Regions recorded a decline in RevPAR, with Europe having the highest decline of -62.5% followed by Americas (-53,9%), Asia and the Pacific (49,9%) and Africa and the Middle East with -42.4%.

The figures above confirm that the hotel industry was one of the most impacted by the COVID-19 pandemic. For example, in New York, 200 of the 700 hotels have closed since COVID-19 pandemic (New York Post, 2020). In responding to the COVID-19 health protocols, the hotel industry had to roll out safety policies, procedures, and measures for guests which also effected the daily operating costs for the industry. Research further indicates that hotel owners have started to use social media to develop a new sales and marketing strategy to attract a new segment of customers, in particular, a more domestic market (Sing and Wang, 2021).



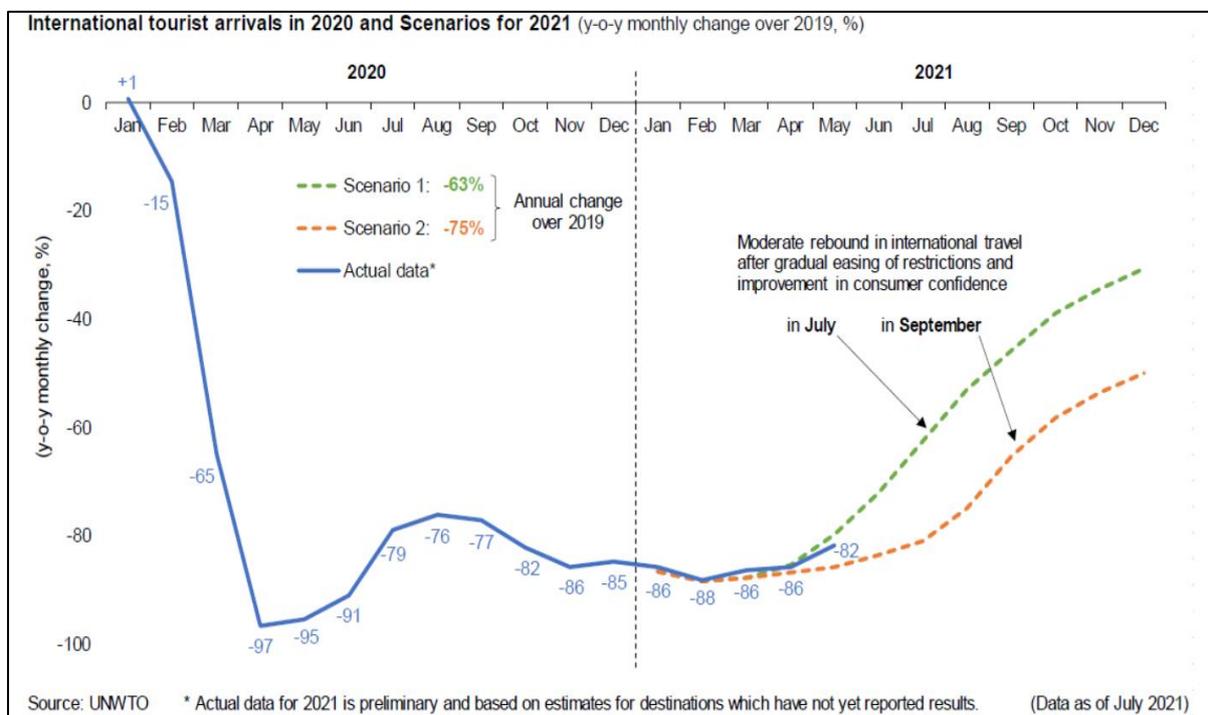
CHAPTER NINE: GLOBAL TOURISM PERFORMANCE OUTLOOK AND RECOVERY

This section of the report uses scenarios from UNWTO to estimate Global Tourist Arrivals for 2021. The different assumptions for the scenarios are also provided.

9.1 Forecasts from UNWTO

The July 2021 World Tourism Barometer May has outlined two scenarios for tourist arrivals. These scenarios assume a gradual re-opening of borders and improvement in traveler confidence in the months of July and September 2021, in line with the increase in vaccination. The scenarios are presented in the figure 25 below.

Figure 25 Forward-looking: International tourist arrivals in 2020 and Scenarios for 2021



Source: World Tourism Barometer, July 2021

The scenarios developed by UNWTO indicate that there could be 63% and 75% declines in international tourist arrivals respectively in 2021, compared to 2019. These figures however

could be negatively impacted by the Delta and other variants which have led several countries to reinstate restrictive travel measures.

9.2 Policies and programmes implemented to assist businesses to recover from tourism

The outbreak of COVID-19 has impacted countries at different times and in different ways (UNWTO, 2021). To control the spread of the pandemic, most countries implemented national lockdowns and travel restrictions which resulted in the closing of borders. Tourism businesses across the globe were therefore affected negatively by COVID-19 regulations. A number of policies and programmes were implemented in the different countries to assist tourism business. Governments have been recognised as key role players in the sector’s recovery as they are responsible for international mobility restrictions which are related to vaccination rates.

The table below provides an overview the main measures adopted by different countries to mitigate the effects of COVID-19 and the information was sourced from WTTC.

Table 27: COVID-19 policy programmes implemented by different countries to assist businesses effected by COVID-19 regulations

Type of programme	Countries	Details of the programme
Fiscal and monetary measures	Norway	The VAT on passenger transport, accommodation, cultural events and attractions has been reduced from 12% to 8% until 31 October 2020.
	Republic of Moldova	Announced a 20% to 15% VAT reduction for hotels and restaurants.
	Ecuador	Approved a six months VAT payment deferral as well as 2019 income tax for small companies, airlines, accommodation and food businesses and Seychelles has postponed the payment of corporate social responsibility tax, tourism marketing tax and business tax.
	Côte d’Ivoire	Postponed for three months the payment of capital income tax (IRC) to tourism and hotel businesses that are experiencing difficulties.
	Egypt	Postponed the payment of all dues on tourism and hotel establishments and declared exempted all bazars and cafeterias located in archeological sites from paying rent until tourism safely resumes. The Central Bank of Egypt offered tourism facilities low-interest funds, particularly for payment of salaries of employees and launched a financing initiative to support tourism, reducing the interest rate (part of this initiative is to be directed to the payment of salaries and operating expenses). As part of the initiative, banks can grant

Type of programme	Countries	Details of the programme
		credit facilities with a maximum two-year repayment period, in addition to six-months grace starting from the grant date.
	Switzerland	Swiss Society for Hotel Credit SGH (Switzerland) grants amortization deferrals of up to one year to existing customers and finances investments of customers who have financed them from cash flow in the past two years. Fiji approved a new Hotel Investment Incentive Package.
	Croatia	Croatia set a 50% counter-guarantee of principal for working capital of tourism loans (interest rate 0.5% -0.75% -1.0%) while in Belgium, a loan at a reduced rate for the hospitality sector for companies has been created. In Brazil, the National Development Bank (BNDES) opened a working capital loan line for tourism and service sectors SMEs with preferential conditions.
Measures to protect jobs and promote training and skills	Gabon	Employees placed on technical unemployment will receive an allowance representing between 50% and 70% of their gross salary. A similar initiative was adopted by Botswana and Republic of Korea. Tunisia announced an agreement for the payment of the April wages of hotel employees was signed between the Ministry of Tourism and Handicrafts, the Tunisian Hotel Federation (FTH) and the Tunisian General Labour Union (UGTT), Italy has also approved the suspension of withholding tax payments, social security and welfare contributions, including the tourism sector and extended the measure to cultural businesses. Japan expanded significantly the Employment Adjustment Subsidies so as to protect employment.
	Mauritius	The training levy will be temporarily reduced from 1% to 0.5% for operators in the tourism sector. A similar training fee reduction has been adopted by Singapore.
	Cambodia	Provided retraining and upskilling programmes for laid-off workers and announced to pay 20% of the workers' minimum wages employed in hotels, guesthouses, restaurants and travel agencies. Workers are required to attend a short course delivered by the Ministry of Tourism before.
	Bulgaria	The government will assist businesses (hospitality, travel agencies and tour operators, restaurants and fast food establishments among other) by covering the insurance payments owed by the employers. Serbia, Slovenia and Slovakia have announced direct payments to the companies (or a percentage of salaries) that have been obliged to close due to the pandemic.
	Greece	Workers whose labour contracts are temporarily suspended will receive a compensation while the state will cover their social insurance and health contributions. Similar flexibility in terms of social security contributions is seen in other countries and territories, i.e., Argentina, Kuwait, Morocco, Mongolia, New Caledonia, Samoa and in Hungary, where the contribution of payment liabilities of employers in their entirety has been cancelled and where the state would take

Type of programme	Countries	Details of the programme
		over 70% of lost wages for three months in support of part-time workers. Brunei, China, Fiji, Malaysia, New Zealand, Papua New Guinea, Senegal, Singapore and Vanuatu adopted similar measures.
	Namibia	Announced a wage subsidy for hardest hit sectors and the government will provide a wage subsidy to aid businesses in retaining jobs in the tourism, hospitality, travel and aviation and construction sectors. Lebanon allowed economic institutions to lend money without interest for five years to help them pay salaries.
	Seychelles	The government decided to allocate a special fund to the Unemployment Relief Scheme.
	Ireland and Portugal	Developed online training programmes, workshops, webinars and networking meet-ups online, addressed to help businesses navigate the effects of COVID-19 and provide advice for employers impacted by the crisis, with special attention to the digital transformation and the need to upgrade digital skills. In Israel, the Ministry of Tourism operated a comprehensive training programme of professional webinars and web-based courses, to preserve and enrich the human capital of the industry (hoteliers, travel agents, tour operators, tour guides, and other travel professionals)
	Thailand	Planned Community Capacity Building in Special Areas for Sustainable Tourism Project. and other training and skills upgrading initiatives
	Chile	The Undersecretary of Tourism, together with the National Tourism Service (SERNATUR) are adapting the technical assistance programme for businesses incorporating a strong digital component in business and digital management processes for tourism entrepreneurs.
Market intelligence initiatives and public-private partnerships	Flanders	The Walloon Tourism Observatory in collaboration with professional associations is conducting each week, a survey among a number of tourist accommodation establishments to measure the impact of COVID-19. Similar surveys and questionnaires have also been conducted by i.e. Albania, Armenia, the Cook Islands, Chile, Estonia, Hungary, Iran, Portugal, Seychelles and Switzerland.
	Thailand	Created a Big Data Storage System Development Project to be ready to use in the form of Smart Data.
	German	The Federal Government Centre of Excellence for Tourism has set up the corona-navigator website. This website is used to pool the latest news, facts and recommendations for action and provides guidance to all tourism stakeholders.

Type of programme	Countries	Details of the programme
	Peru	A special section COVID-19 at www.turismo.pe , including more than 20 shared studies on trend reports, advice, and other strategic information for tourism entrepreneurs and Study on Peruvian traveler post-quarantine.
	Poland	The Department of Tourism has developed a Q&A guide for travelers and tour operators.
	Colombia	Implemented a communication channel with Latin American tourism authorities and tourism organizations worldwide to share information on good practices. Australia undertook market intelligence analysis with a private company on bookings data for some markets.
	Vanuatu	The tourism sector is part of the Recovery Cluster under the Vanuatu Business Resilience Council, a resource tool under the Vanuatu Chamber of Commerce that provides updates, tools, workshops and support to the businesses.
	France	The Bureau of the Tourism Sector Committee meets regularly to provide support to the sector and in Austria the Ministry of Agriculture, Regions and Tourism is in permanent close exchange with the tourism industry and other tourism stakeholders (the Austrian National Tourist Office, social partners, industry associations, etc.) to discuss the current situation and further steps.
	Singapore	Created a Tourism Recovery Action Task Force comprising representatives from relevant ministries and government agencies as well as private sector associations representing travel agencies, tourist guides, airlines, hotels and accommodation, among Others.
	Ecuador	Five Working Committees have been created to reactivate the tourism sector.
Measures and initiatives to restart tourism	Spain	Created with the Spanish Tourist Quality Institute (ICTE) a Safe Tourism Certified system, a guarantee mark and certification of the implementation of the Risk Prevention System for the Health versus COVID-19 validated by the Ministry of Health. In the developing process representatives from the public sector at national, regional and local level participated, along with representatives of the private sector and trade unions. In this framework, the Ministry issued a series of Guides for reducing the spread of coronavirus SARS-COV-2 in the tourism sector for the various industry areas such as accommodation, golf courses, camping, travel agencies, etc.
	Lithuania, Latvia and Estonia	Opened their borders to each other's' citizens from May 15, creating a Baltic 'travel bubble'
	Kenya	Announced gradual reopening of tourism establishments and vouching for bilateral tourism agreements and Covid-19 free certifications for East Africa countries.
	Bulgaria	Announced that the deadline for refunding from a tour operator is stipulated (13 June) in case the traveler does not

Type of programme	Countries	Details of the programme
		accept the options given (a voucher or a tourist package replacement).
	Belgium, Croatia, Denmark, France, Italy and Portugal	Cancellations of an event as well as trips and travel packages due to the COVID-19 crisis can be compensated via vouchers.
	Singapore	Launched a Marketing Partnership Programme and a fund to adopt tools to accelerate digital transformation, provide online training for tourism sector to upskill workers and provide additional assistance for travel agents.
	China	Conducted market intelligence to forecast the proportion of domestic tourism in the overall tourism demand. Tourism has been resumed and activities are encouraged within each of the provinces, the scale and scope of the activities being decided by each province. The Ministry of Culture and Tourism and the National Health Commission jointly called upon the provincial governments to reopen local scenic spots and attractions with limited admission on the premise of strict control.
	Bahrain	Is working on a crisis management action plan including building trust-based coalitions, keeping positive and in continuous contact with tour operators, focusing on co-marketing and joint promotion with other tourism partners.
	Egypt	Approved a new initiative promoting travel to upper Egypt during summer months (June, July and August) by offering discounts on entry fees to archeological sites in Qena, Luxor and Aswan, in addition to reduction of visa fees upon arrival at Luxor and Aswan Airports.
	Italy, Iceland, Lithuania and Republic of Korea	Approved the travel vouchers issued by the government and granted to families to spend in domestic travelling.

Source: WTTC, Feb 2021.

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