

# **Tourism Recovery Process**

Yesterday Tourist is not  
Tomorrow Tourist



**We Mind Our People's Business**



# *Global Tourism Sector Performance, 2019*

- Tourism is one of the significant economic sectors due to its labour absorbing capacity and contribution to countries' GDPs.
- The year 2019 showed a very strong growth for global Travel & Tourism sector reinforcing its role as a driver of economic growth and job creation;
- Global international tourist arrivals grew by 3,8% to 1,5 billion compared to the same period in 2018;
- The sector remains important in that it still outpaced global economic growth (3%)
- According to the UNWTO, the sector's direct and indirect induced impact, globally accounted for:
  - ✓ US\$8,9 trillion contribution to the world's GDP, which translates to 10,3% of the global GDP.



# *South Africa's Tourism Sector Performance, 2019 /2*

- South Africa received 10,2 million international tourist arrivals in 2019, which is 2,3% below what was achieved in 2018;
- Domestic travel trips taken by South Africans within South Africa grew by 61,3% to 28,5 million in 2019 compared to 2018.
- A larger proportion of South Africans visited Family and Friends, as well as those taking holiday trips.
- The sector generated approximately R81,2 billion into the South African economy. Total revenues generated by domestic tourism in 2019 was R43,9 million.



# ***Mpumalanga Tourism Sector Performance, 2019 /4***

- Mpumalanga Province was on a **positive trajectory**, as it experienced a steady increase of foreign tourist arrivals:
  - From 1,6 million in 2018 to 1,7 million in 2019;
- The recorded increase was from our **Province's traditional source markets**; namely:
  - eSwatini, Mozambique, Germany, the **USA** and the **United Kingdom**.

# *Mpumalanga Tourism Sector Performance, 2019 /*

- Domestic Tourism remains a stronger priority in rebuilding the tourism sector.
- While the domestic market continues to increase at a National level, Mpumalanga & Eastern Cape showed a decline in 2019 compared to 2018.
  - MP: recorded 2,5 million in 2019 down from 2,9 million received in 2018, which represents a total of 12,5% decline from 2018 domestic trips.
  - However, there was a significant improvement on the Mpumalanga people visiting their own province in 2019 compared to 2018.



## **SECTION: TWO**

### **REFLECTION ON COVID 19 PANDEMIC**

### **THE IMPLICATIONS TO THE TOURISM SECTOR**

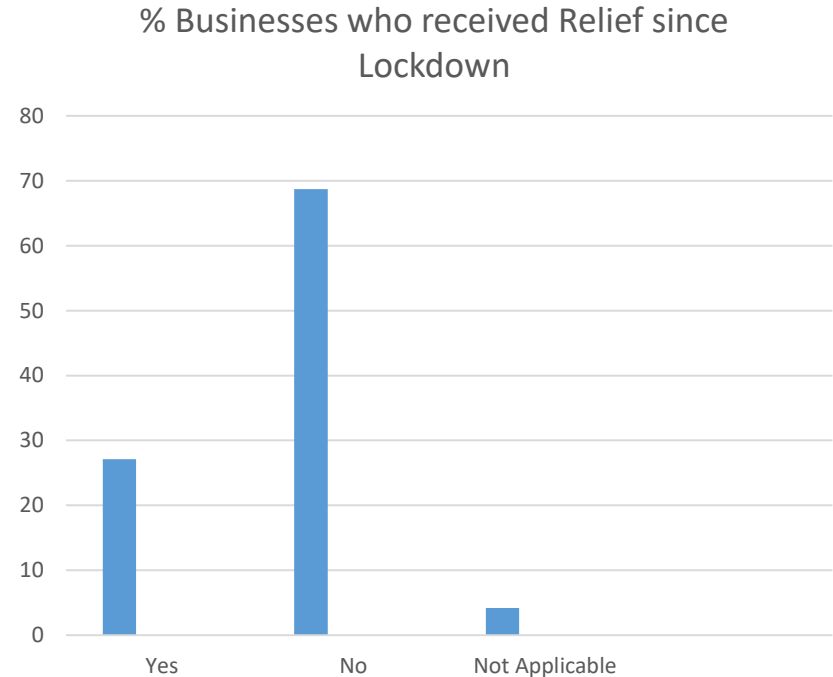
## *COVID 19 PANDEMIC*

### *& ITS IMPLICATION TO MP TOURISM, 2020 /*

- In SA the tourism sector lost an estimated R68 billion since 26 March to around July 2020 as a result of the COVID 19 national lockdown - 49 000 SMMEs negatively affected.
- Mpumalanga tourism sector estimated a total of 30 000 job losses during the same period;
- 95% of tourism related businesses has lost revenues in Mpumalanga (*June & July 2020 surveys*)

# ***COVID 19 MPUMALANGA TOURISM SECTOR: IMPACT SURVEY REPORT,..2020/***

- A significant Tourism Businesses (68.7%) indicated that they did not benefit from any of the Relief Funding made available by the National Departments (Tourism Relief Fund & UIF) and or Provincial or Local Municipalities.
- Only 27.1% indicated that they received funding from the TRF in particular.
- A total of 4.2% were not aware of the funding that government made available for qualifying tourism businesses.
- A total of **238** businesses benefitted (R11,900 million (6%)). Each business received **R50 000**.
- Of which **121** (51%) are black owned.
- *Ehlanzeni region: 169 (71%), Nkangala: 48 and Gert Sibande: 21.*





# ***PROVINCIAL TOURISM POLICY RESPONSE TO COVID-19***

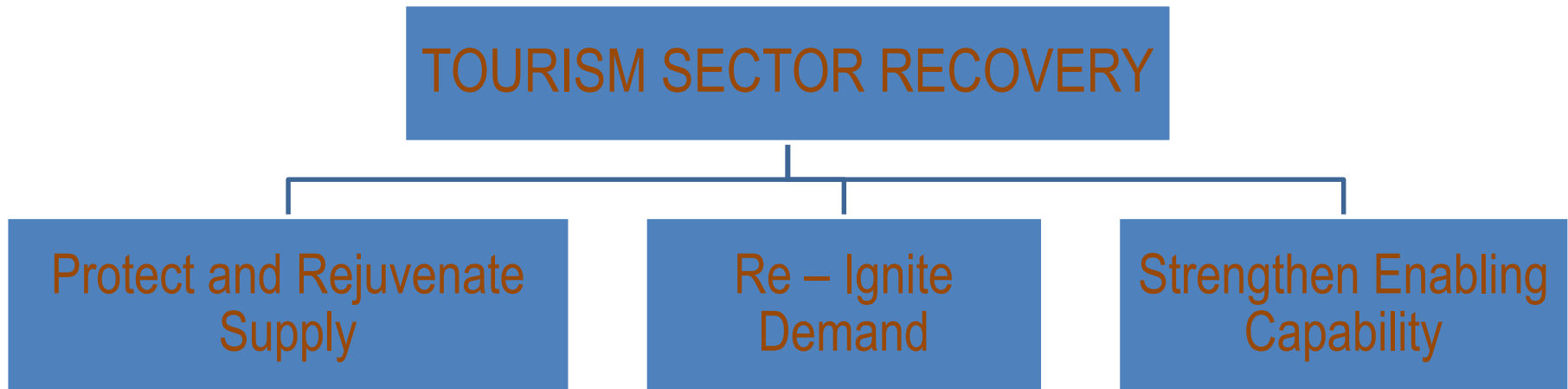
## ***Mpumalanga Tourism Recovery Plan:***

- In response, the Province, working with the private sector, has developed the **Tourism Recovery Plan**;
- The Plan has since been **approved by the Provincial Executive Council**;
- The Recovery Plan proposes **measures to enable re-opening and re-positioning Mpumalanga** to compete in the national and global markets, post COVID-19.
- We continue to work with the private sector to solicit funding for the Plan, which will **benefit tourism SMMEs, in the main**.

# ***PROVINCIAL TOURISM POLICY RESPONSE TO COVID-19,... /2***

## ***Mpumalanga Tourism Recovery Plan:***

- There are three strategic themes central to the Recovery Plan – in line with the national framework:



# The Challenges Going Forward

- The Private has been leading the recovery process with no or little help from the public sector
- They have been producing content to keep tourism alive through virtual tours and zoom meetings with buyers.
- The municipalities have not come to the party with an exception of the 3 municipalities
- There has been no allocation to support the recovery instead tourism facilities' utilities were restricted .
- There has not been any marketing campaigns launch except for individuals private business marketing their establishment

# How Will People Travel?

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- **They'll stay in their country.** International travel will fall out of favor for now, as people will choose stay closer to the safety of home.
- **They won't travel far from home.** "Stay-cations" and road trips will be favored over flying or cruising.
- **They'll make it quick.** A softer economy will mean the traditional two-week summer vacation could turn into a long weekend.
- **Cleanliness will be addressed a lot.** Everyone, whether it's, lodging or hotels, are going to have to change how they monitor and clean the environment that consumers interact with and communicate that back to guests in order to increase their comfort level. Whether that means hand sanitizers everywhere or regularly disinfecting hard surfaces, "there will be a clearly communicated regimen to let the customers know, 'here's what we're doing to keep you

# **Local Municipalities Role**

- We expect local Municipalities to fund Local Tourism
- local relief fund with a blend of financing options to buy recovery stock
- To halt interests payments on utilities and create payment plans
- Creating support desks to help small business apply for relief measure
- Assist the tourism sector with marketing content





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