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MEDIA RELEASE

TBCSA welcomes R294 billion investment into SA economy

Pretoria, South Africa, 30 October 2018: The Tourism Business Council of South Africa (TBCSA) welcomes the announcement of investment commitments totalling R294 billion at the recently-concluded inaugural Investment Conference hosted by President Cyril Ramaphosa in Sandton.

TBCSA believes that the commitments, once converted into live investment, will go a long way towards the realisation of the creation of 275 000 jobs identified by the President at the Jobs Summit, held earlier this month in Midrand.

This investment drive was announced following years of investment decline in the South African economy due to regulatory uncertainty and low business confidence.

“The commitments that the President has secured so far in his \$100 billion investment crusade over the next five years have boosted the brand image of South Africa and will stimulate business travel to our country, particularly from international tourism source markets.

“We anticipate that the investment commitments announced on Friday by local and international companies will have a positive impact on the tourism value chain, whereby we expect to see an increase in demand for accommodation, air travel, car rental and others,” said TBCSA chief executive officer Tshifhiwa Tshivhengwa.

South Africa is one of the world’s fastest growing leisure and business travel destinations, thanks to its scenic beauty and diversity, sunny climate, wildlife as well as rich culture and heritage.

“South Africa’s tourism sector presents a number of investment opportunities. Business tourism is one of the fastest growing areas of the sector. We have over 1000 high-quality conference and exhibition venues that are supported by a National Convention Bureau.

“There are also attractive opportunities for commercial ventures in eco-tourism, cultural tourism, and sports tourism,” said Tshivhengwa.

“For nearly a decade, we have been unable to reverse the declining trend in our fixed investment. President Ramaphosa’s investment mission will help our country move closer to the target set in the National Development Plan (NDP), where as a country we aim to increase total fixed investment to at least 30% of GDP by 2030 from 19% last year.



The President’s efforts will also help restore our status as a gateway to Africa and will hopefully will have a positive impact on travel and tourism,” said Tshivhengwa.

Tourism, along with mining, oil & gas, and telecommunications, have been identified by the government as sectors that are potential growth engines with a potential to attract new investment and improve the overall performance of the South African economy.

Tourism currently contributes 9.5% to South Africa’s GDP and the sector employs more than 1.5 million people. “In monetary value terms, tourism contributes R412 billion to the GDP, but TBCSA believes that tourism can substantially increase its contribution to the economy if regulatory obstacles to its growth are eliminated urgently.

“We are encouraged by President Ramaphosa’s remarks at the Investment Conference that government was working with investment promotion and facilitation agency Invest SA to reduce red tape and improve ease of doing business in our country. This reform will unlock further travel and tourism potential, and TBCSA looks forward to contributing to this process,” said Tshivhengwa.

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Editors Notes:

Tourism Business Council of South Africa (TBCSA) is the umbrella organisation for business in the travel and tourism industry. We are a non-profit, member-centric organisation representing the unified voice of business. We serve to unite and influence the diverse travel and tourism industry to contribute to a competitive, responsible and inclusive travel and tourism (and South African) economy.

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