



Tourists stream to SA thanks to weak rand

THREAT: BUT SPORTS TRANSFORMATION BAN POSES PROBLEMS

» **Sector responsible for more than 9% of economy and supports 1.5m jobs.**

A weak rand and a government U-turn on restrictive visa rules are helping South Africa's tourism sector to stage a strong recovery after a shaky 2015.

But a ban affecting the country's international sports teams over their failure to field more black players risks setting the industry – an increasingly vital cog in a struggling economy – back again.

Foreign visitors dropped nearly 7% last year, partly due to new visa regulations requiring children to travel with full birth certificates and visitors from some countries, including China, to appear in person at a South African embassy, often requiring lengthy journeys.

The government relaxed those rules in October and Tourism Minister Derek Hanekom said on Tuesday the industry, which was also hit by health fears sparked by an Ebola outbreak in West Africa last spring, was on the mend.

“More than ever before, governments around the world are looking to tourism for economic growth. South Africa is no different,” Hanekom told parliament.

“Tourism is recovering rapidly from last year's decline and 2016 promises to be a year of strong growth.”

More than 1 million tourists arrived in SA in January, up 15% year-on-year, and the increase was 18% in February. Arrivals from China, where authorities now let agencies apply for visas on behalf of travellers, doubled over the period.

In 2013, tourism's direct contribution to South Africa's now ailing economy was about R104 billion, about 2.9% of GDP.

The sector accounts for more than 9% of economic output and supports more than 1.5 million jobs. The World Travel and Tourism Council estimates it will contribute more than R380 billion this year. A 25% fall in the rand in 2015 has also helped this process.

South Africa's tourism capital, Cape Town, is the lowest-priced of 32 long haul destinations surveyed in this year's UK Post Office Holiday Money Report and the third cheapest overall for British tourists.

The favourable finances helped lure hundreds of cricket fans to the city at the end of last year to support the touring English team.

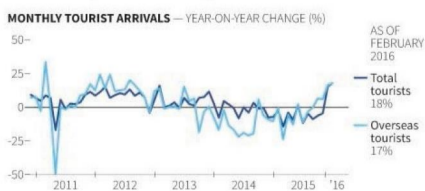
“This ‘Barmy Army’ highlighted how much sport events and tournaments can boost tourism,” Cape Town tourism CEO Enver Duminy said. – *Reuters*



RESOLUTE. Sport and Recreation Minister Fikile Mbalula during a media briefing.
Picture: Gallo Images

South African tourist arrivals

South Africa's tourism sector has recovered its footing after new visa regulations hit visits last year.



Source: Thomson Reuters Datastream
W. Foo, 06/05/2016

