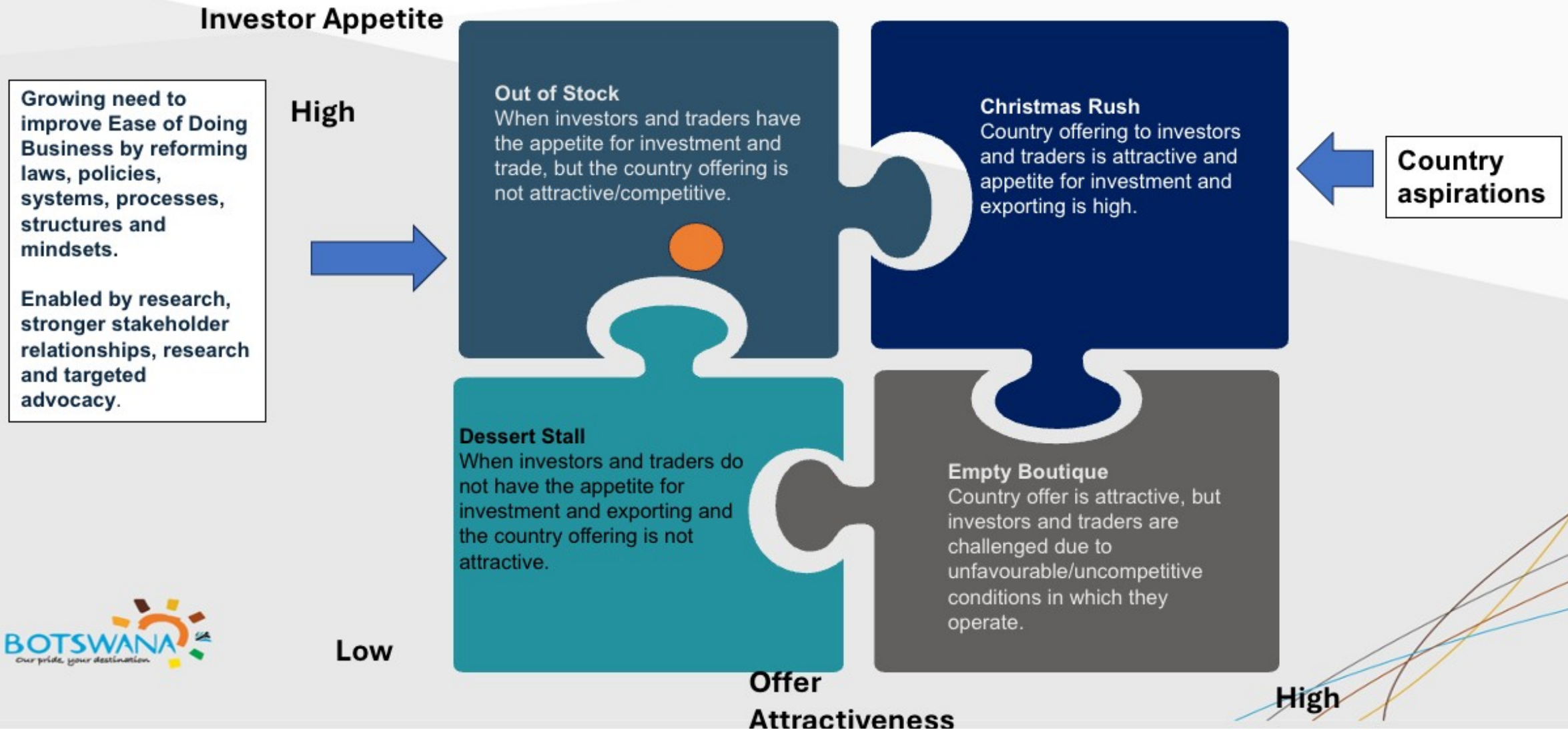




BITC CEO FACILITATING
INVESTMENT IN TOURISM: April
2024 Maun

SELF EVALUATION FOR APPROPRIATE REFORMS



Global Tourism Status

Current Status

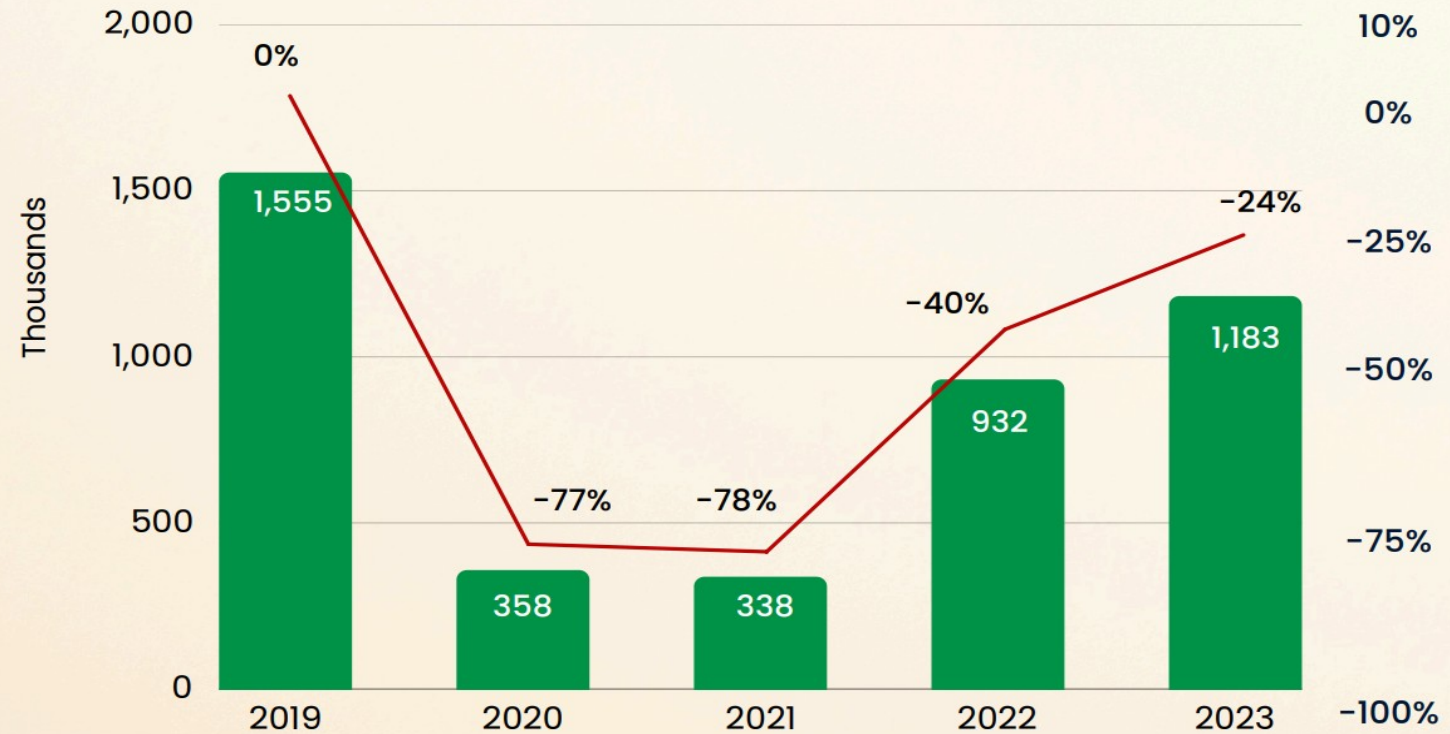
- Before 2019, Tourism was world largest service sector at about 25% and 10.4% of global GDP (US\$9 trillion);
- COVID-19 resulted in about 50% loss in GDP contribution; 20% job losses and about US\$ 1.3 trillion in revenue
- There were 1.4 billion global tourists in 2024 according to World Tourism Watch (2024) by World Bank; this represented 11% more tourist (or 140 million) more than in 2023;
- Global Travel at about 99% of 2019 in 2024 before the advent of COVID -19

Outlook

- Growth of about 3% to 5% globally expected – dependent of improving world economy and no escalations in current geopolitical tensions
- This may have a positive impact of investment (new projects, expansions and commercial presences in some areas)

Botswana's Arrivals Pre and Post COVID-19










- In 2023, Botswana received **1,183,432** international tourists representing **76%** of the pre-pandemic levels (**1,555,399**).
- The majority of these visitors, **77.2% (913,893)** came from the SADC region, reflecting the continued strength of regional travel.
- Long-haul markets have also shown a strong recovery, with **70%** of the top ten surpassing pre-COVID-19 levels.
- In quarter one of 2024, the country received **18%** more tourists than in the same period in 2023 which is indicative of gradual recovery of the sector towards full recovery.



Source: Statistics Botswana, Tourism Statistics Annual Reports, 2019-2024

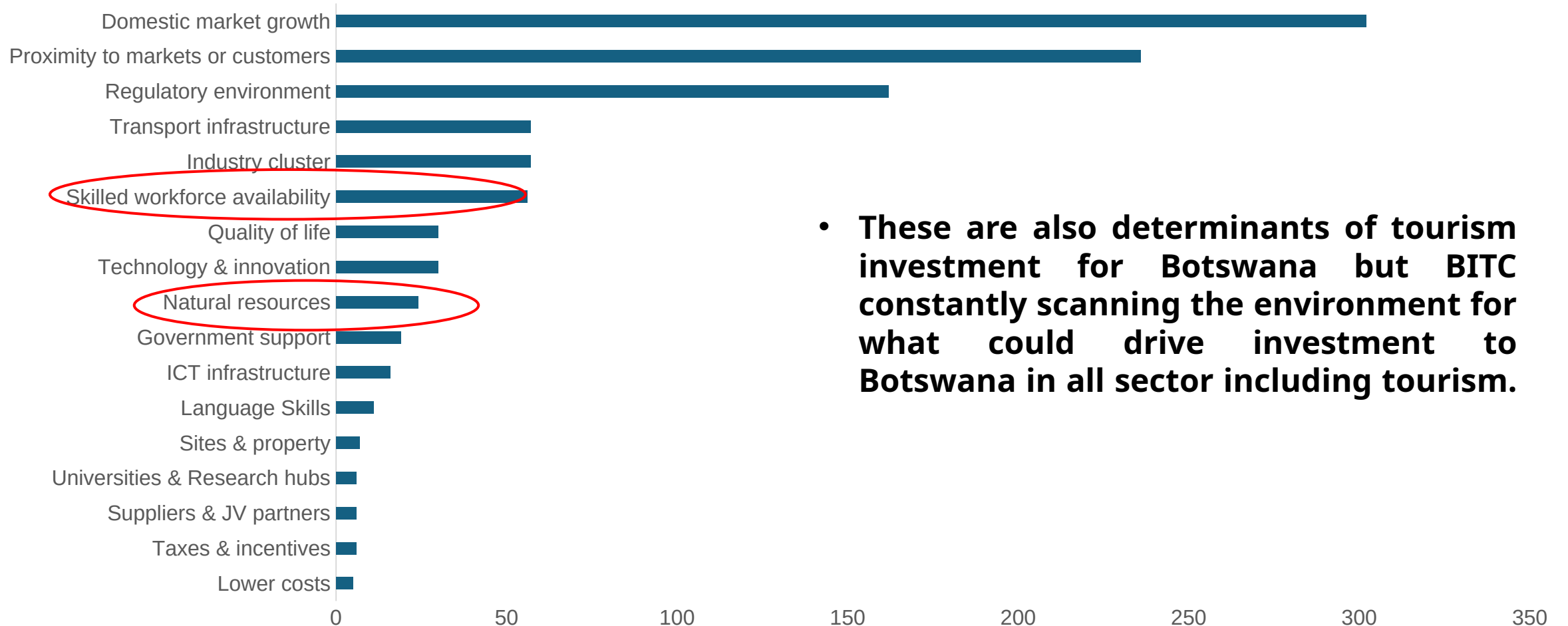
Botswana's Top 10 Source Markets

- **7/10** of the top 10 international source markets have surpassed the 2019 levels
- Arrivals from the United States and Germany have exceeded pre-pandemic levels by **10%** and **9%**, respectively.
- The United Kingdom has recovered **88%** of the 2019 levels.

		2019	2020	2021	2022	2023	%Recovery
	United States of America	56,618	5,313	10,203	43,861	62,386	110
	Germany	37,616	3,518	4,064	26,834	40,856	109
	United Kingdom	28,719	3,460	1,985	20,161	25,357	88
	France	14,258	1,016	2,087	9,743	14,673	103
	Australia	16,525	1,406	303	4,617	12,298	74
	Netherlands	13,011	741	1,355	8,148	11,249	86
	Canada	9,028	1,378	538	5,308	9,533	106
	Switzerland	8,128	478	2,199	5,924	8,419	104
	Italy	6,575	339	399	4,282	6,807	104
	Spain	6,445	253	1,474	4,420	6,680	104
	Total	196,923	19,922	24,607	133,300	198,258	101

Source: Statistics Botswana, Tourism Statistics Annual Reports, 2019–2023

MOTIVES & LOCATION DETERMINANTS FOR INVESTMENTS 2003-2023 Africa



What Drives Investment in Tourism?

Driving Longterm Investor Confidence through:

Predictability and Clarity of Policy

- Investors need **clear, transparent** and **consistent** policy frameworks.
- Especially vital in areas such as **land allocation** for tourism development, **tourism site concessions**, **clarity on tenure**, **renewal processes with clear timelines**, **environmental compliance with shorter timelines**, and clear **licensing processes**.
- **Overall**, clear timelines and criteria create **certainty** and therefore critical.

Ease of Doing Business

- Streamlined investment process, minimal redtape, and **time-efficient decision-making drive confidence**.
- **BOSSC**: Offer seamless support to investors.

Comparative and Competitive Advantage

- **Natural & Cultural Assets**: Botswana's comparative and competitive advantage lies in its unique and untapped eco-tourism offerings, cultural heritage (**The Delta, Kalahari, heritage sites – Tsodilo Hills, Old Mines Sites**), **Sports**.

- Investors seek destinations with

What Drives Investment in Tourism?

Driving Longterm Investor Confidence through:

Economic Stability

- **Botswana's Economic Stability:** Low corruption, political stability, and prudent fiscal management make it attractive.
- Critically important to maintain this reputation.

Incentives

- Investors are attracted by competitive and well-designed incentives.
- E.g. **The Botswana International Financial Services Centre (IFSC)** offers opportunities for structuring tourism funds.

Botswana's Value Proposition in Tourism Investment



Source: Tourism and Travel Index 2024

Recommendations for Investment Promotion

Promoting Botswana as a MICE Destination

Key Leverages /Enablers

MICE Strategy of 2023

- A tool for economic diversification and growth;
- Leverage on natural resources endowment;
- A historical experience in conservation;
- Geo-strategic location in SADC and Africa;
- Value addition to tourism industry to achieve more income generating; and
- Profiling of projects under BITC project origination initiative – for projects-based investment promotion

New and Emerging Opportunities: Medical Tourism, sport tourism, agro-tourism, development of lesser known local destinations among others.

Creating A Conducive Environment

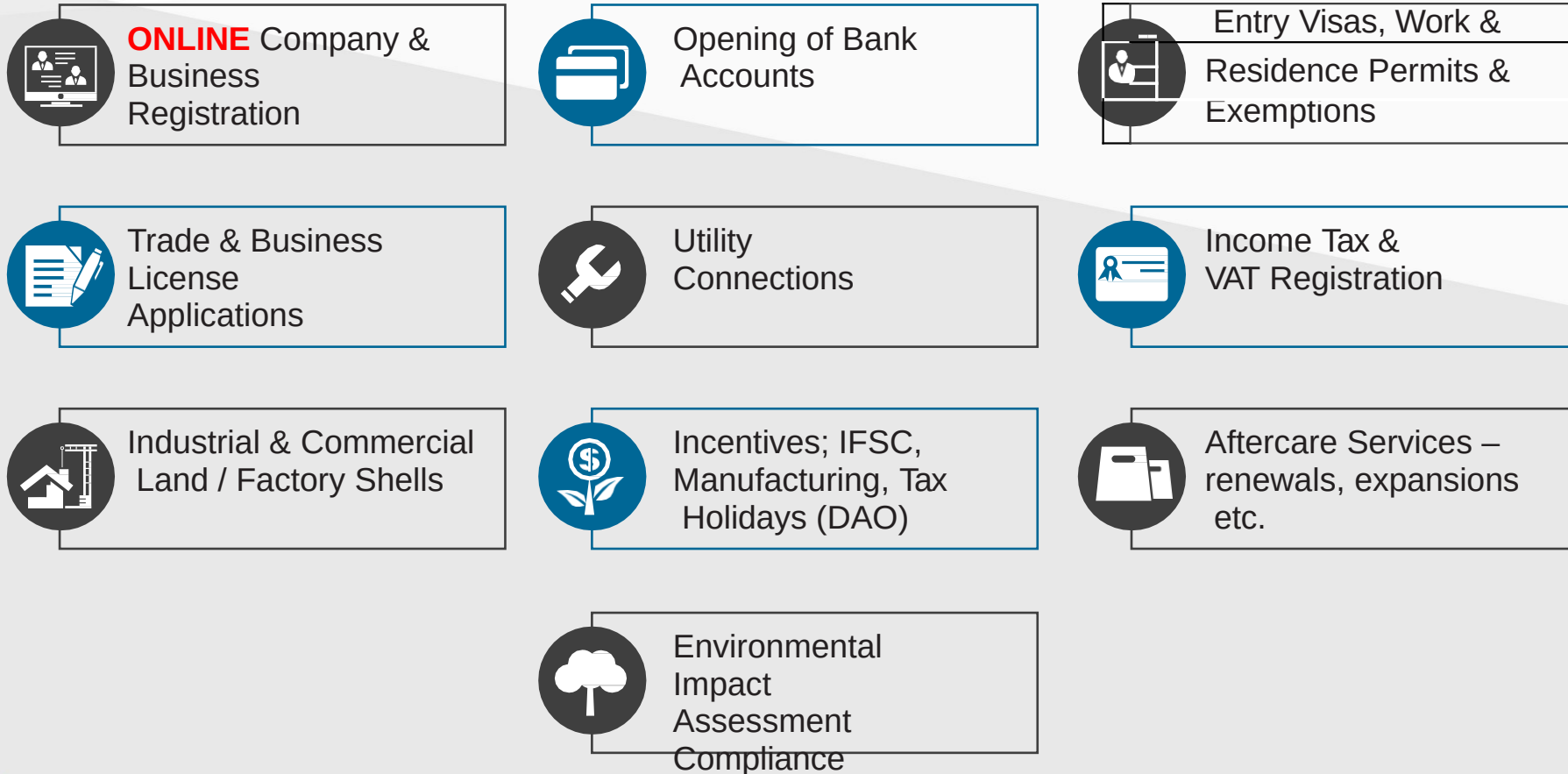
Balanced Empowerment and FDI

- Need for a **win-win model** that combines Citizen Economic Empowerment (**CEE**) with openness to **FDI**.
- Promote **CEE**: CSI, Equity, skills development, and local sourcing/procurement quotas.
- **FDI** attraction: provides both the capital and expertise required.

Infrastructure & Connectivity

- **Air Access**: Open sky policies, and partnerships with more airlines to regional/international routes.
 - Develop new airstrips and expand existing ones, dev. other regional airports
- **Road Networks**: Linking tourism sites to urban centres and transit corridors will improve connectivity and reduce transit time **e.g. Kazungula Bridge**.
 - Need for similar investments for **Kalahari Transfrontier/ Corridor** (PPP-driven)
- **Utilities**: **Reliable power supply**, water

Tourism Investment Facilitation: BOSSC @ BITC



THANK YOU

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