

Omicron variant hits revival of SA's international tourist trade

By Saawmiet Moos and Ngobile Dludla

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Rushdi Harper's tour company in Cape Town was just starting to recover from a disastrous Covid-19 lockdown that had forced him to sell his house just to keep the business going. Then the Omicron variant of the coronavirus struck.



Visitors are seen in the popular Waterfront district, as numbers of international tourists decline following recent coronavirus disease (COVID-19) travel restrictions, in Cape Town, South Africa, December 7, 2021. REUTERS/Mke Hutchings

Until then, Harper's Wow Travel & Tours, for which foreigners make up 80% of business, had been looking forward to a bumper Christmas season when travellers from a cold northern hemisphere - mostly Britain, the United States and Germany - typically head south for the sun.

But Omicron's sudden emergence last month prompted the imposition of international travel curbs on southern Africa, hotspot of Omicron, that have "given us quite a setback again," Harper, the company's managing director, told Reuters.

"Fifty percent of our bookings were cancelled for December alone," he said, and 40% for January, he said at the Cape Town waterfront, with a view of its legendary Table Mountain behind him. "As a small business like ours, that's probably about a million rand (\$63,274.72)...lost in a very short space of time."

A succession of tough lockdown restrictions imposed in South Africa in 2020 hammered a tourism sector reliant on foreigners, with businesses closing and shedding thousands of hospitality jobs, before the curbs were eased earlier this year.

Now, travel restrictions imposed by the European Union, Britain and the United States because of Omicron, designated a viral strain of concern by the World Health Organization, have cut off South Africa's three biggest foreign markets.

Wow Travel & Tours started seeing cancellations when news of Omicron broke late in November, with quite a number from Brazil, the United States and Germany, often at the last minute as flights were axed.

Abundant wildlife, stunning scenery and renowned vineyards have made South Africa one of the world's big long-haul travel destinations, establishing tourism as a pillar of the economy. But coronavirus-driven lockdown and travel restrictions decimated tourist numbers. Total foreign arrivals slumped by 71% to less than 5 million in 2020 from just over 15.8 million in 2019, according to Statistics South Africa.

'Devastating consquences'

Tshifhiwa Tshivhengwa, chief executive officer of the Tourism Business Council of South Africa, told Reuters that a survey of tour operators showed that the cancellations so far are worth about 1 billion rand. These do not include airlines, restaurants and accommodation.

"It could easily be 3 billion rand (\$191m) worth of cancellations that we've seen for the festive season," he said.

Big hotel owners Tsogo Sun Hotels, City Lodge Hotel Group, Sun International and Radisson Hotel Group interviewed by Reuters said they too had experienced cancellations of international bookings.

William McIntyre, Regional Director of Africa at Radisson Hotel Group, said its hotels are having to review plans to hire more staff in anticipation of a busy festive season.

"The bookings for December and January led us to believe that 2022 was going to be the year the industry would begin its return to normality," McIntyre said.

Marcel von Aulock, CEO of Tsogo Sun Hotels, which owns and operates over 100 hotels across the African continent, said the group had suffered cancellations of corporate, sporting and cultural events.

"The continuation of these travel bans will have further devastating consequences...(namely) of further job losses and business closures," Sun International said in a statement.

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