

WORLD EXPO 2020
‘CONNECTING MINDS. CREATING THE FUTURE’

TEAM SOUTH AFRICA KEY MESSAGES

OVERVIEW/SUMMARY:

World Expos are one of the oldest and largest international events on the planet, taking place every five years and lasting for a continuous period of six (6) months. It is a festival of exploration, experience, exploration and innovation and sharing ideas. Some of the greatest innovations launched at previous World Expos include the telephone (Philadelphia, 1876), the Eiffel Tower (Paris, 1889), the Ferris wheel (Chicago, 1893), the X-Ray machine (Buffalo, 1901), the ice cream cone (St Louis, 1904), the commercial broadcast television (New York, 1939), IMAX (Osaka, 1970), touchscreens (Knoxville, 1982) and the humanoid robot (Nagoya, 2005). The upcoming instalment of the World Expo was initially set to take place in Dubai, United Arab Emirates (UAE) in 2020. However, due to COVID-19, the expo was postponed and is now scheduled for 1 October 2021 to 31 March 2022. It is expected to showcase several world-class innovations on a scale no less than that of the aforementioned examples.

Expo 2020 Dubai will be the first World Expo ever hosted in the Middle East, Africa and South Asia (MEASA) region. It was initially expected to attract 25 million visits (from approximately 15 million individual visitors), with 70 per cent of visitors projected to come from outside the UAE - the largest proportion of international visitors in the 168-year history of World Expos. However, due to the safety protocols necessitated by the outbreak of COVID-19, the number of visits may change. There will be more than 200 nations’ participants including multilateral organisations, businesses and educational institutions. To date, 190 nations from across the world have confirmed their participation at Expo 2020.

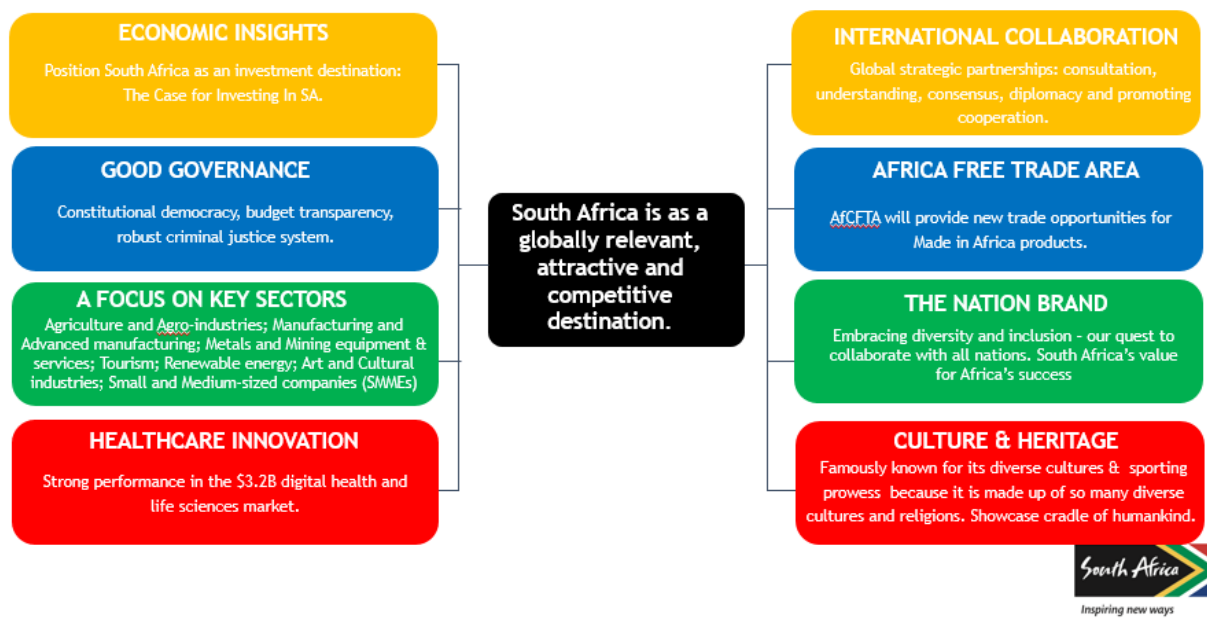
The World Expo 2020 offers South Africa a unique opportunity to showcase the country’s competitive edge to a global audience, on multiple platforms for an extended period.

Objectives:

- Position South Africa as a globally relevant player and a nation that is able to compete with the best.

- Showcase South Africa’s capabilities - across arts, culture, technology/innovation, sport, tourism, development of start-ups, as well as its strategic importance in the world.
- Strengthen South Africa’s image and reputation to position the country positively amongst global audiences.
- Reinforce South Africa’s position as an attractive business, investment and tourism destination.

Key Messages



KEY MESSAGE	SUPPORTING STATEMENTS
<p><i>South Africa will participate at the World Expo 2020 in Dubai</i></p>	<ul style="list-style-type: none"> • Expo 2020 is scheduled to be a World Expo to be hosted by Dubai in the United Arab Emirates, originally was scheduled for 20 October 2020 - 10 April 2021. However, due to the COVID-19 pandemic in the United Arab Emirates, the new dates are 1 October 2021 - 31 March 2022 • For 170 years, World Expos have provided a platform to showcase the greatest innovations that have shaped the world we live in today. • South Africa confirmed its participation at Expo 2020 in 2018.

KEY MESSAGE	SUPPORTING STATEMENTS
<p><i>South Africa - a brand that inspires its people and is admired globally</i></p>	<ul style="list-style-type: none"> • South Africa inspires positive action through initiatives that build social cohesion and champion active citizenship. • Inspiring Excellence. Encouraging Innovation <ul style="list-style-type: none"> ○ A South African doctor pioneered the world’s first transplant of middle ear bones, using 3D printed components and restored the hearing of a 40-year-old man with conductive hearing loss. The ground-breaking surgical procedure was pioneered by Mashudu Tshifularo, MD, Head of the Department of Otorhinolaryngology at the University of Pretoria’s (UP) Faculty of Health Sciences, and his medical team at Steve Biko Academic Hospital, in South Africa. • Growth areas in the ocean's economy, renewable energy, the green economy and shale gas exploration offer new investment opportunities. • South Africa is a frontier for new sectors of investment in broadband infrastructure and information technology. • Incentives and support services in the country’s Special Economic Zones programme are available to potential investors.
<p><i>The South African arts and culture industries are key to how we are able to showcase our country in a positive light internationally, as well as drive nation building and social cohesion at home</i></p>	<p>Arts and Culture</p> <ul style="list-style-type: none"> • The arts add to South Africa’s value proposition as it contributes tremendously to its competitive edge as a nation to both international and domestic audiences. • Creative industries are one of the key drivers of sustainable economic opportunities in South Africa and contribute significantly to the education and entertainment of consumers. • Internationally acclaimed locally produced films have successfully addressed a wide range of social,

KEY MESSAGE	SUPPORTING STATEMENTS
	<p>economic and political issues in South Africa; while at the same time accurately promoted and created awareness on aspects of the Nation Brand that highlight South Africa its cultural diversity and a resilient nation.</p> <ul style="list-style-type: none"> • South Africa has a rich and diverse cultural heritage and has produced many gifted artists. Culture is also a valuable economic asset, with many South African artists having become internationally successful and contributing to South Africa's export earnings. • The South African Cultural Observatory is a national research project of the Departments of Sport, Arts and Culture (DSAC), which undertook an Economic Mapping of the Cultural and Creative Industries (CCI) in South Africa 2020. • The direct impact of the CCIs in 2018 was R74.39 billion, which accounts for 1.7% of South Africa's GDP, including the indirect and induced impacts as wells; the CCIs generated a GDP value of R241.8 billion in 2018, which represents about 5.2% of the national GDP (Gross value added at basic prices) of South Africa, because of their strong linkage (multiplier) effects, 69% of the CCI's GDP impact was generated in other non-CCI sectors in the rest of the economy. • In 2018 South Africa's cultural goods exports were valued at US\$ 446.5 million, and the value of cultural goods exports has been growing faster than the exports of other goods. • South Africa's cultural goods exports grew at 14.6% per year between 2015-2018. <p>Fashion</p> <ul style="list-style-type: none"> • South Africa has excellent design talent and a strong talent pipeline that reflects the creativity and

KEY MESSAGE	SUPPORTING STATEMENTS
	<p data-bbox="724 241 1417 479">potential of the sector, with 14 tertiary institutions offering fashion-related degrees. Since 2014, a number of South African designers have showcased their designs at the acclaimed New York Fashion Week.</p> <ul data-bbox="676 501 1417 2031" style="list-style-type: none"> <li data-bbox="676 501 1417 837">• It is also the home of the coveted LVMH prize-winners - Thebe Magugu in 2019, Sindiso Khumalo in 2020 and Lukhanyo Mdingi in 2021. The South African Clothing, Textile, Footwear, and Leather (CTFL) manufacturing industry is well developed and ranges from the production of synthetic and natural inputs to final clothing and shoes. <li data-bbox="676 860 1417 994">• Designers who form part of the clothing and textile sector in South Africa contributed approximately R1-billion to South Africa's GDP during 2019. <li data-bbox="676 1016 1417 1196">• South Africa is the world's largest mohair producer and supplier, accounting for about 54% of global production. The mohair sector generates about R1.5bn in foreign currency annually. <li data-bbox="676 1218 1417 1442">• Our country has a large supply of quality leather. Over 2 million cattle and 4 million sheep are slaughtered per year in South Africa. At least 65% of bovine hides are suitable to be used in the automotive industry. <li data-bbox="676 1464 1417 1644">• In 2019 U.S., investor Mark Cuban and his partners invested in the manufacturing of a uniquely South African leather shoe, Veldskoen, taking the shoe global. <li data-bbox="676 1666 1417 2031">• The CTFL sector accounts for about 2.5% of South Africa's manufacturing output. In 2018, wearing apparel accounted for about one-third of the industry's manufacturing output. There are approximately 4 500 CTFL manufacturers in South Africa, with the majority of the firms being micro-enterprises.

KEY MESSAGE	SUPPORTING STATEMENTS
	<ul style="list-style-type: none"> • Not only does the African continent present a market of over one billion consumers for African textiles and garments, but these products are also becoming increasingly popular in European and Eastern markets. • Clothing brands from African designers are also making inroads in global markets. Significant opportunities exist for designers to adapt traditional African textiles for uses in clothing, household textiles, etc. • Linkages with the automotive value chain have sustained demand for industrial textiles, particularly leather products for export-oriented leather seat cover manufacturing. • South Africa has committed to creating a competitive environment in the CTFL sector. Government support has been focused on programmes that encourage employment opportunities and competition in the industry. • The South African government and industry stakeholders continuously support the CTFL industry through several incentive programmes. <p>Film and Television</p> <ul style="list-style-type: none"> • Another growing sector is the South African Film industry that is growing at a competitive rate. The industry competes internationally in areas such as providers of quality content, creative artistry, and as a service region. • The direct contribution made by the film industry to the economy was estimated at R 4.4 billion in 2016/17, according to Urban Econ. The sector has recorded an average growth of 15% per year since 2013, reflecting its vibrancy and expanding investment opportunity set.

KEY MESSAGE	SUPPORTING STATEMENTS
	<ul style="list-style-type: none"> • Over the past ten years, the industry has produced an array of award-winning films, television series, documentaries, and commercials. Some of the best local and international films to be shot in South Africa include Yesterday, Tsotsi, UCarmen Ekhayelitsha, Hotel Rwanda, Catch a Fire, Lord of War, Blood Diamond, District 9, and Invictus. • Co-production treaties continue to enhance South African collaboration with international production houses, exposing the local industry to global skills and standards. South Africa's creative crew has globally competitive talents and expertise. The industry's visual effects specialists and animators are fast gaining recognition and add to the excellent value of local knowledge. • The local industry was also given a boost with the establishment of an R500 million film studio on just under 200ha of land in Cape Town. Along with private shareholders, The Cape Town Film Studios is supported by national, provincial, and local governments, enabling films to be made at a significantly reduced rate, attracting international filmmakers. • South Africa's film industry has made inroads internationally. Still, development opportunities exist in pre-and post-production facilities and other support services (e.g., special effects, design, and the making of costumes, décor or film set, animation). • Private equity constitutes the industry's primary funding source (ca. 32.4%), reflecting its attractive investment credentials. • The industry receives significant public sector support, including government incentives (e.g. Foreign Film and Television Production and Post-

KEY MESSAGE	SUPPORTING STATEMENTS
	<p>Production Incentive, S.A. Film Production and Co-production Incentive), development and production funding from the National Film and Video Foundation and the Industrial Development Corporation.</p>
<p><i>Sport is a key driver for social cohesion, nation building and the quality of life of all South Africans. South Africa is committed to the development and excellence at all levels of sport participation in investing in relevant sporting infrastructure.</i></p>	<ul style="list-style-type: none"> • Statistically, the most popular sports in South Africa are cricket, rugby, and soccer, South Africa is among a few countries that have participated in world cups of all three major sports - cricket, football, and rugby • South Africa has also hosted a number of international sports meetings such as the 1996 African Cup of Nations, 2003 Cricket World Cup, the 2007 World Twenty20 Championship, and the 2010 FIFA World Cup. • South Africa is set to host the 2023 Netball World Cup, following success in winning the bid. • The protea is the national emblem worn by South Africans representing their country in sport. <p>Sports infrastructure in South Africa</p> <ul style="list-style-type: none"> • The Durban stadium, fondly known as Moses Mabhida - located in the coastal province of KwaZulu-Natal - was built near the beachfront in 2010 and has since transformed the city's skyline. It was designed as a multipurpose venue, with attractions such as restaurants, shops, an art gallery, a cable car, and a bungee jump from the top of the arch providing panoramic views of the city and the ocean. • FNB Stadium - also commonly known as Soccer City - was designed as the primary association football

KEY MESSAGE	SUPPORTING STATEMENTS
	<p>stadium for the 2010 World Cup. Situated in Gauteng at the border of South Africa's biggest township SOWETO it has become the middle ground where all South Africans can come together - with the Global Citizen concert being proof.</p> <ul style="list-style-type: none"> • Cape Town Stadium - formerly known as Greenpoint Stadium - was explicitly created for the 2010 World Cup and swiftly became an association football and rugby stadium. Located in Greenpoint, close to the Cape Town centre, it has become the home stadium of the local team's Cape Town Spurs and the Cape Town City.
<p><i>South Africa is one of the world's top tourism destinations owing to its diverse offering, world-class infrastructure and positive global reputation.</i></p>	<ul style="list-style-type: none"> • South Africa is geopolitically distinctive and possesses natural and cultural diversity that supports a globally compelling tourism proposition - as one of the 17 mega-biodiverse countries in the world - ranked at number 6 as of 2019. • Surrounded by two oceans - Atlantic and Indian - South Africa occupies only about 2% of the world's land area while hosting an impressive 10% of the world's plants, 7% of the reptiles, birds, and mammals, and 15% of coastal marine species. Let us not forget around 850 species of birds and 300 species of mammals occurring across our landscape. • With an outstanding ecological richness with nine distinct biomes within the country's borders. These are showcased within five world heritage sites, twenty-two national parks, and hundreds of game and nature reserves. • Our rich, deep, and varied cultures and complex history combine to create a rich tapestry of human experience. The country's liberation from Apartheid and the construction of a multi-racial democratic dispensation is a touchstone for universal aspirations of peace, freedom, equality, and dignity.

KEY MESSAGE	SUPPORTING STATEMENTS
	<ul style="list-style-type: none"> • These core differentiators are reflected in a tourism value proposition that offers high quality, value-for-money experiences spanning wildlife and safari, the scenic outdoors, beaches, adventure tourism, cultural and city lifestyles. • Before the pandemic, the sector accounted for 2,9% of GDP (8,6% indirect), supported about 725,000 direct jobs (1,49 million direct and indirect), and accounted for 8,2% of total investment activity in 2019. Inbound tourism generated R82,5 billion in direct foreign spend (R126,7 billion total tourism expenditure), contributing an equivalent of 9,2% of total national exports, with 10,23 million international arrivals and 7,11 million domestic holiday trips. The African continent accounted for nearly three-quarters of arrivals, seen in the context of a growing middle class in the continent and its prospects for the future. • In response to the detrimental effect of the pandemic on tourism globally, in August 2020, the Department of Tourism issued a Sector Recovery Plan formulated under 3 strategic themes for a successful recovery: "Re-Igniting Demand"; "Rejuvenating Supply"; and "Strengthening Enabling Capability". Within these themes, 10 strategic recommendations have been put forward with specific action plans, timeframes and accountabilities. With regards to an enhanced value proposition for investment flowing from these interventions, these include: <ul style="list-style-type: none"> • A market entry facilitation programme to support investment in the sector will be a catalyst for renewed growth, development, and recovery of the tourism industry.

KEY MESSAGE	SUPPORTING STATEMENTS
	<ul style="list-style-type: none"> • Strategic focus on driving growth in the domestic tourism market. • Governmental drive to facilitate re-entry into international tourism markets through the rollout of an automated and efficient e-visa system for low-risk travellers. • Visa waivers to be extended to countries exhibiting source market development potential. • Accelerated implementation of the Tourism Equity Fund to support strategic investments that will contribute to the sector's transformation. • Policy reform in the sector supports the development of a wide range of high-growth segments such as sports tourism, wine tourism, medical tourism, etc. • In light of these responses to the pandemic and considering its position as one of the world's fastest-growing leisure and business travel destinations, several investment opportunities are on offer.
<p><i>South Africa remains committed to innovations and technologies that will advance the and has a highly sophisticated ICT and electronics sector</i></p>	<ul style="list-style-type: none"> • For South Africa our view on the importance of innovation stems from one belief: that a coordinated and efficient national system of innovation will help the country achieve its national development priorities by promoting change through innovation, enabling all South Africans to enjoy the economic, socio-political, and intellectual benefits of science, technology, and innovation. • A survey held by South Africa's Center for Science, Technology and Innovation indicators - together with the Department of Science and Technology - showed that innovation was pervasive across all sectors in 2020. • A high percentage of businesses were innovation active - almost up to 70%. This proportion of

KEY MESSAGE	SUPPORTING STATEMENTS
	<p>innovation active businesses compares favourably with trends in OECD countries.</p> <ul style="list-style-type: none"> • A substantial number of innovation-active businesses reported the use or development of advanced new technologies. These included computerised design and engineering, material handling, supply chain and logistics technologies, business intelligence technologies, and green technologies. • Innovation-active businesses also accessed national and global markets more than their counterparts did with no activity. This included markets in the rest of Africa, Europe, and Asia. Businesses with innovation activity were more likely to have sold their goods and services on national markets (58.1%) when compared to non-innovation-active businesses (37.7%). • Quality improvement was the top-rated innovation outcome for innovation-active businesses. Improved quality of goods and services was considered by 38.0% of product and process innovators as a highly successful outcome of innovation. This was followed by increased revenue (31.8%) and improved profit margins (30.9%).
<p><i>South Africa is as a globally relevant, attractive and competitive destination.</i></p>	<ul style="list-style-type: none"> • The country’s participation at Expo 2020 reinforces our mission that South Africa is attractive destination for FDI. • South Africa aims attract investments in various sectors of its economy. • South Africa is on an investment drive to improve confidence in the country’s economy and increase sustainable and inclusive growth. • Since the induction of the South African Investment Conference (SAIC) in 2018, the country has secured over R770 billion worth of investment commitments.

KEY MESSAGE	SUPPORTING STATEMENTS
	<ul style="list-style-type: none"> • In navigating the impact of COVID-19 on the country's economy, South Africa remains committed to its five-year investment target of over R1 trillion (\$100 billion). • South Africa defines itself as an investment-friendly environment and has piqued interest with global investors through increasing engagement and networking. The plan is to have more than 1,000 U.S. companies operating and investing in South Africa by 2025. • Collaborative efforts between the South African government and the private sector is vital in meeting priority infrastructure targets. At the Sustainable Infrastructure Development Symposium that took place in June 2020, 276 catalytic projects worth R2.3 trillion were identified with a funding gap of R502 billion. The Sustainable Infrastructure Development Symposium (SIDSSA) is a platform that brings together critical role-players in the infrastructure investment space. • As an investment destination of choice for many global corporates, more than 180 Fortune Global 500 companies have a footprint in South Africa. • The Global Innovation Index ranks South Africa number one in innovation in Africa, making it Africa's leading financial hub. • South Africa has R644bn in current investment, and The Expo 2020 Dubai is forecasted to grow that figure exponentially. • With all South Africa's trade agreements in place, the African Continental Free Trade Area (AfCFTA) will boost intra-Africa trade and create a market of over 1 Billion people with a combined GDP of over US\$2trn.

KEY MESSAGE	SUPPORTING STATEMENTS
	<ul style="list-style-type: none"> • South Africa is the world's leading producer of platinum group metals, the sixth-largest producer of gold, with more than 100 listed mining companies operational in the country. • As a by-product of the National Development Plan 2030 and its National Biodiversity Strategy and Action Plan 2015-2025, South Africa has increased investment in the wildlife and biodiversity sectors. With the help of a \$8.9 million grant from the Global Environment Facility (GEF), economic recovery can remain a top government priority.

Frequently Asked Questions

QUESTION	ANSWER
<p><i>Why is South Africa participating in the Dubai Expo 2020. Is this another junket for South African officials?</i></p>	<ul style="list-style-type: none"> • Participation at Dubai Expo 2020 is expected to attract about 190 countries. This presents South Africa with an opportunity to position the country as open for business. It is an opportunity for the country to highlight its competitive strengths to possible partners. • Team South Africa's participation at Dubai Expo 2020 will be a multi-stakeholder one consisting of government, business and state owned enterprises (where appropriate). • Stakeholders have the opportunity to have one to one discussions with counterparts and other possible partners to articulate why South Africa should be an investment and tourism destination of choice.
<p><i>Is this the right time for the country to be participating in the Dubai Expo 2020 given the current economic climate?</i></p>	<ul style="list-style-type: none"> • The country's economy grew by 1.1% in the first three months of 2020.

QUESTION	ANSWER
	<ul style="list-style-type: none"> • The growth follows a revised 1.4% rise in real GDP in the fourth quarter of 2020. On an annualised basis, the economy grew 4.6% quarter-on-quarter. • However, despite this being the third consecutive quarter of positive growth, the South African economy is still 2.7% smaller (-3.2% unadjusted) than it was in the first quarter of 2020, before the Covid-19 pandemic hit in earnest. • It may therefore fairly be said that the money to be used to fund South Africa’s participation in the Expo can be used to support domestic priorities. • In the business of governance, there are always trade-offs between various competing interests. The Dubai Expo 2020 is a growth opportunity for key sectors that have the potential to have a positive impact on the economy. • The practitioners that would be participating would be earning a living as well as the service providers that will be appointed. This is done to contribute to the upliftment of our economy.
<p><i>Why is South Africa participating at this Expo? Is it the best platform at which to position the country positively?</i></p>	<ul style="list-style-type: none"> • As South Africa has dealt with the COVID-19 pandemic, many sectors have been looking at how to innovatively resuscitate the economy. There are therefore many opportunities that South Africa can offer to the world. • This is an appropriate platform to access the right business and development partners through which South African stakeholders can develop win-win solutions. • World Expos are a global gathering of nations dedicated to finding solutions to pressing challenges of our time.

QUESTION	ANSWER
	<ul style="list-style-type: none"> • World Expos have a rich history of showcasing the greatest innovations that have shaped the world in which we live. • It is therefore an excellent platform on which to position South Africa as open for business and a destination of choice for a range of sectors. • The AU has declared this year of Arts, Culture and Heritage and it is prudent that the government then exports its Arts, Culture and Heritage assets
<p><i>Is this the only plan that South Africa has towards economic recovery?</i></p>	<ul style="list-style-type: none"> • South Africa unveiled its new Reconstruction and Recovery Plan amidst the COVID-19 pandemic in October 2020. • The plan contains many practical initiatives, which together, should improve the underlying investment environment and unlock greater job creation and faster economic growth. • This includes, amongst others, regulatory reform and the energy sector proposals. • Infrastructure development is another key pillar of the plan with the Infrastructure Fund providing R100 billion in catalytic finance over the next decade, leveraging as much as R1 trillion in new investment for strategic infrastructure projects.
<p><i>How will the deployment of a South African team to operate this pavilion for 6 months help with the country's economic situation?</i></p>	<ul style="list-style-type: none"> • As the world economy begins to open-up, South Africa is taking up the opportunity to let global markets know that the country is open to opportunities for investment and growth. • There is no better time than now to create inroads to attract investment into South Africa. • Team SA will be at the Dubai Expo 2020, to project the ease of doing business with SA, to unlock global business potential, position SA as an investment hub and a gateway into Africa.

QUESTION	ANSWER
	<ul style="list-style-type: none"> We anticipate that we will use this event to market and be ambassadors of our country, with the cultural exchange programmes / artists being a great business lever for the country and the sector.
<p><i>How will South Africa position itself as open for business amidst the service delivery issues that are impacting negatively on business confidence and business operations?</i></p>	<ul style="list-style-type: none"> The South African government is taking decisive steps to address corruption. The Dubai Expo 2020 is an opportunity to showcase the country's potential, to engage various stakeholders on precisely these matters to showcase the country's strategic importance in the world and strengthen the nation brand reputation while positioning the country positively amongst key international audiences. Our narrative at the Expo will position South Africa as an attractive and competitive business, investment, tourism and sports destination. Not only is sport a unifier, it is also a key tourism driver that positions South Africa as a sport event destination of choice - e.g. Netball World Cup to be hosted in SA in 2023.
<p><i>Would the public money being spent on this pavilion and the South African team travelling to Dubai, not be better served in paying for COVID-19 vaccines or other pressing demands in the country?</i></p>	<ul style="list-style-type: none"> There are indeed very pressing domestic demands. The recently announced measures to combat the third wave of COVID-19 have once again brought these to the fore. However, the South African economy is still 2.7% smaller (-3.2% unadjusted) than it was in the first quarter of 2020, before the Covid-19 pandemic hit in earnest. South Africa's participation at the Dubai Expo 2020 could bring in much needed foreign direct investment and new business opportunities for South Africa.

QUESTION	ANSWER
	<ul style="list-style-type: none"> • These opportunities have the potential to create jobs through which people can uplift themselves, their families and communities from poverty. • The Dubai Expo 2020 presents a much-needed potential for sustainable economic boost and an opportunity to create international platforms of businesses and artists.
	<ul style="list-style-type: none"> • South Africa has many competitive strengths. Its political, cultural and social openness is one of its many positive attributes. The strong and independent judicial system, in addition to its strong banking and financial sector, also offers investors and business partners' peace of mind. • Although South Africa's economic growth has been sluggish and anaemic, the COVID-19 pandemic has offered the country an opportunity to kick-start its economic growth plans. • The country boasts one of the most diverse and dynamic legacies that transcends sports, arts and culture. • These along with our talent, creativity and innovation will be showcased at the Expo.