

Western Cape Cruise Liner Industry
Economic Contribution 2024/25 Season

Prepared for Wesgro

Final Report



Prepared by:
Antony Boting

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Executive Summary

This report quantifies the economic contribution of the 2024/25 Western Cape cruise liner industry. This is the third such report and it describes how the industry is going from strength to strength.

The 2024/25 Western Cape Cruise Season

A total of 79 cruise line vessels visited Cape Town between September 2024 and June 2025¹. World cruises formed the bulk, with 42 visits. These were followed by sixteen international coastal voyages (which use Cape Town as a home port and cruise up and down the coast with mostly international passengers on board), sixteen expedition vessels and five domestic coastal vessels (which are like the international coastal vessels but are aimed primarily at the domestic market). Vessel numbers were up 18% on the 67 of the 2023/24 season.

There were 127 000 passengers this season, 16% more than the 110 000 of 2023/24. The composition is different though, with substantially more of the international passengers on world cruises embarking and disembarking in Cape Town than last season. This is important, because it is these passengers most of who go on to see more of the sights that the Western Cape and South Africa have to offer, thus generating a greater economic return. International passengers increased by 39% over the previous season, eclipsing the 9% global growth.

Serving the passengers were 48 700 crew. Most of the crew were considered 'in transit', meaning they remained with the vessel on its voyage but some of whom were given shore leave to explore Cape Town. There were 2 500 crew members who disembarked and 2 900 who embarked in Cape Town. These crew members usually spend two extra days in the city and are treated like international tourists in the analysis.

The 2024/25 Western Cape cruise season expenditure is summarised in Table ES1. This is before considering displacement effects. Total expenditure amounted to an estimated R1.99bn, with the international passengers and cruise lines contributing the bulk at R1 166m and R732m

¹ A total of 83 vessels called at the Cruise Liner Terminal during the 2024/25 season. However, excluding visiting naval vessels and those that only used the terminal for repositioning, there were 79 unique cruise liner visits that are included in the economic assessment.

respectively. Crew and domestic passengers contributed the remaining 5% of total expenditure, with R60m and R33m respectively. Total expenditure in 2024/25 was up by 32% in nominal terms and 27% in real terms over the 2023/24 amount.

Table ES1: Total Expenditure excluding Displacement

Type of Cruise Ship	Number of Visits	International Tourist		Domestic Tourism	Crew	Port Fees	Refuelling & Stores	Total	% of Total
		Visitor	Transit						
World Cruise	42	R766m	R77m	R4m	R39m	R40m	R434m	R1 360m	68%
Expedition	16	R92m	R13m	R1m	R9m	R8m	R77m	R200m	10%
International Coastal	16	R205m	R13m	R0m	R12m	R11m	R101m	R342m	17%
Domestic Coastal	5			R28m	R0m	R7m	R54.7m	R90m	5%
Total	79	R1 063m	R102m	R33m	R60m	R66m	R666m	R1 991m	
% of Total		53%	5%	2%	3%	3%	33%		

Displacement at a provincial and national level needs to be considered and the R1.99bn reduces to R1.91bn nationally and R1.76bn provincially.

Western Cape Economic Contribution

Economic contribution is typically measured as increases in income and jobs. Income in turn is measured, at a national level, as contribution to Gross Domestic Product (GDP). The provincial equivalent is Gross Domestic Product – Regional (GDP-R). This is the broadest measure of economic contribution. It is the total value of all final goods and services, which is fundamental to the economic quality of life of people.

The cruise season contributed R1.79bn to Western Cape GDP-R. This is composed of R919m in direct and R870m in multiplied contribution. The contributors were international passengers at 60%, vessel expenditure at 35%, crew at 4% and domestic passengers with 1%.

Three cruise seasons have been assessed to date. Cumulatively, the contribution to Western Cape GDP-R has been R4.34bn. In real terms (i.e. with the effects of inflation removed), the 2024/25 season has made the largest contribution of the three and showed a 31% increase over 2023/24.

Jobs are important. Over the season there were 1 234 direct (full-time equivalent) jobs provincially. Multiplier effects increased this to 2 345 jobs. It is of some value to know where these jobs were created. Shops, markets and souvenir sellers had a 44% share, followed by hotels and restaurants with 27%. Various business services like tour agencies received 9%, while

fuel bunkering had 8%. The remaining 13% was distributed between port fees & other government services, transport, recycling and water provision.

South African Economic Contribution

At a national level economic contribution is typically measured as increases in GDP. Jobs are also important. It is also possible, at a national level, to estimate the contribution to foreign exchange, taxes and household incomes.

GDP is the broadest national measure of economic contribution. The 2024/25 cruise liner season contributed R2.34bn to the South African GDP. This is an increase of R552m on Western Cape GDP-R. The Western Cape cruise industry has made a cumulative contribution to South African GDP of R5.32bn over the three years.

Nationally, there were 2 959 jobs. International passengers made the largest contribution. Their expenditure created 1 938 full-time jobs across the country, 65% of the total. Spending by vessels added 26%.

South Africa has historically had a major current account deficit and any contribution to growing foreign exchange is welcome. Over the cruise season a total of R1.91bn foreign exchange came into the country and R586m flowed out (on fuel, for example). This gives a net R1.33bn foreign exchange inflow. In this instance international visitors accounted for 68% and expenditure by vessels brought in a further 29%. The cruise industry has generated a cumulative R3.04bn in foreign exchange over the three years.

The season generated R259m for the national fiscus of which 70% was from international visitors. Vessel expenditure added a further 27%.

The season added R906m to household incomes, again with the lion's share of 66% coming from international passengers. Vessel expenditure added 31%.

Smaller Municipalities

Some of the cruise liners visited the smaller municipalities of Mossel Bay, Hermanus and Saldanha Bay. It is estimated that 32 000 cruise passengers visited these locations, with the majority at Mossel Bay. This influx of visitors translated into expenditure of approximately R47.5m into these local economies. The spending extended across a wide range of activities, including

guided tours, local transport services, restaurants, retail outlets and visits to cultural and natural attractions (such as game farms). In addition to the immediate revenue for local businesses, the increased demand stimulated temporary employment opportunities and created greater exposure for these towns as future tourism destinations. The ripple effects of such expenditure therefore go beyond the initial injection, contributing to longer-term benefits such as repeat visitation and increased investment in tourism infrastructure.

Local and International Comparisons

Table ES2 compares the provincial economic contribution of this season to that of the last two.

Table ES2: Comparison to Previous Seasons

Western Cape	2022/23	2023/24	2024/25
WC Cruise Industry GDP-R	R1 234m	R1 320m	R1 789m
Western Cape GDP-R	R919 084m	R984 653m	R1 027 405m
%	0.13%	0.13%	0.17%
WC Cruise Industry Jobs	1 864	1 965	2 345
Western Cape Jobs	2 595 785	2 756 714	2 744 099
%	0.07%	0.07%	0.09%

The recent cruise season added R1.79bn to provincial GDP-R. This is equivalent to 0.17% of the provincial economy. It also added 2 345 provincial jobs, 0.08% of all those in the Western Cape. These proportions have been increasing steadily since 2023. The contribution to GDP-R has increased from 0.13% to 0.17% and jobs from 0.07% to 0.09%.

The final and more direct comparators are against direct national spending by international holiday makers, on the one hand, and tourist spending in the Western Cape. These expenditure amounts were sourced directly from Tourism SA. The first comparison is between direct onshore expenditure by international passengers and direct spending by all international holiday makers. In 2024 international holiday makers spent R92bn in the country. At the same time the cruise season international passengers spent R1.2bn. This is a 1.27% equivalent.

The second comparison is to the Western Cape directly. In this instance, the available data was for all visitors to the Western Cape (domestic and international) for all purposes (holidays, visiting friends and family, business, etc.). In 2024 these visitors spent R41bn. In the 2024/25 cruise season international and 'out of province' passengers spent R1.0bn. This is a 2.41% equivalent. This is an understatement because a better comparator would be only holiday makers to the

Western Cape rather than all visitors. Nevertheless, the contribution compares very well to the 2.7% global norm reported by the Cruise Lines Industry Association.

Summary

The contribution to the Western Cape and national economies of the 2024/25 Western Cape cruising season is summarised in Table ES3.

Table ES3: 2024/25 Western Cape Cruise Season

Cruise Line Vessel Numbers	79
World Cruise	42
Expedition	16
International Coastal	16
Domestic Coastal	5
Passengers	127 178
World Cruise	68 837
Expedition	10 155
International Coastal	23 834
Domestic Coastal	24 352
Crew	48 700
International Cruises	43 973
Domestic Cruises	4 727
Total Expenditure	R1 991m
International Passengers	R1 166m
Domestic Passengers	R33m
Crew	R60m
Cruise Lines	R732m
Smaller Municipalities	R47.5m
Macroeconomic Contribution	
Western Cape GDP-R	R1 789m
South African GDP	R2 341m
Direct Jobs	1 234
Total Western Cape Jobs	2 345
Total South African Jobs	2 959
Fiscus	R259m
Household Income	R906m
Foreign Exchange	R1 326m

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Abbreviations

CLIA	Cruise Lines International Association
Forex	Foreign Exchange
GDP	Gross Domestic Product
GDP-R	Gross Geographic Product – Regional
SIC	Standard Industrial Classification of all Economic Activity
SAM	Social Accounting Matrix

Introduction

The sight of cruise liners docking at the Cruise Line Terminal has become an increasingly familiar feature of Cape Town's waterfront. Since its establishment, the dedicated terminal adjacent to the V&A Waterfront has grown steadily in activity, attracting more vessels, more passengers and greater global attention with each passing season. Beyond the visual spectacle of these ships, each arrival represents a significant boost to the local and provincial economy. Cruise tourism stimulates demand across a wide range of sectors from hospitality, food and beverage and local attractions to transport, logistics and port services, creating a ripple effect of economic benefits that extend well beyond the immediate vicinity of the terminal.

This report documents and quantifies the economic impact of the 2024/25 Western Cape cruise season. It highlights passenger and crew spending, operational and logistical expenditure by cruise lines and the broader contributions to job creation and investment in the regional economy. Importantly, this is the third annual report of its kind produced by StratEcon, providing continuity in the measurement of cruise tourism's economic contribution and offering an evidence-based perspective on the growth and evolving role of the sector in the Western Cape.

There are seven parts to this report. First is a brief description of the latest international cruise line features. The second paints a picture of the Cape Town industry with a view to making the economic estimates. Comparisons regarding vessel arrivals, passenger and crew numbers are made to earlier seasons where appropriate. The third section gives the estimated economic contribution of the 2024/25 Western Cape cruise liner season. It also compares this year's economic contribution to that of previous years and quantifies the cumulative contribution over the last three years. Section four summarises the results and section five lists the literature references. The final section is an appendix that describes the methodological approach for this macroeconomic assessment.

1 International Cruise Line Industry

This section paints a brief picture of the international economic contribution of the cruise liner industry and the main changes to the industry over the last year. The main source is the Cruise Lines International Association (CLIA). The CLIA publishes regular information on cruises, passenger numbers and economic analyses.

The global cruise industry is estimated to have generated \$76.3bn of direct spending, which in turn resulted in \$168.6bn of productive output worldwide in 2023, the year of latest economic assessment. This in turn contributed \$85.6bn to global Gross Domestic Product (GDP) and created employment for 1.6 million people, earning \$56.9bn in salaries and wages (CLIA, 2024, p. 6). The United States and Canada benefitted the most in terms of economic impact, with \$69.3bn out of the \$168.6bn (41%). This was closely followed by Europe, at \$59.7bn (35%). The remaining \$39.6bn (23%) was distributed throughout the rest of the world. The employment distribution was different and here it was the rest of the world where most of the employment was concentrated, with 846 000 jobs out of the 1.6 million (53%). Europe was next with 440 000 jobs, or 28% of the total. The United States and Canada, despite having the lion's share of GDP, only employed 20% of the cruise industry workforce.

Globally, cruise passengers spend an average of \$96 per transit visit and \$242 per embarkation (CLIA, 2025). Their economic contribution commences even before boarding, with more than half of passengers staying at least one night in a hotel in the port city. Similarly, after disembarkation, over half choose to spend an additional night or two in the city, further extending their economic impact (CLIA, 2025, p. 58).

It is estimated that every 20 cruise passengers create one full-time job equivalent (CLIA, 2024, p. 15). This underscores the importance of this industry to a country such as South Africa, with its high unemployment rate. These jobs are not only confined to those directly employed by the industry but also through the supply chain effects and induced impacts when these employees spend their salaries and wages. However, the employment opportunities include those people who manufacture the vessels and who are employed by the cruise lines.

Cruise tourism is outpacing growth in tourism overall and in 2023 exceeded pre-pandemic levels by 7% (CLIA, 2025, p. 10). Passenger numbers grew by 9% globally between 2023 and 2024 and this upward trend is expected to continue, with passenger numbers forecast to grow by a further 21% by 2028. A key driver of this growth is the evolving profile of cruise travellers. Passengers

are becoming younger, cruises are increasingly appealing to solo travellers and many are choosing to book repeat trips and longer voyages. Expedition and exploration cruises, in particular, continue to attract strong demand, especially among younger travellers seeking extraordinary and immersive experiences. Overall, satisfaction levels associated with cruises are substantially higher than with non-cruise holidays and are widely perceived to offer greater value for money (CLIA, 2025, pp. 10, 14, 16, 21 & 25).

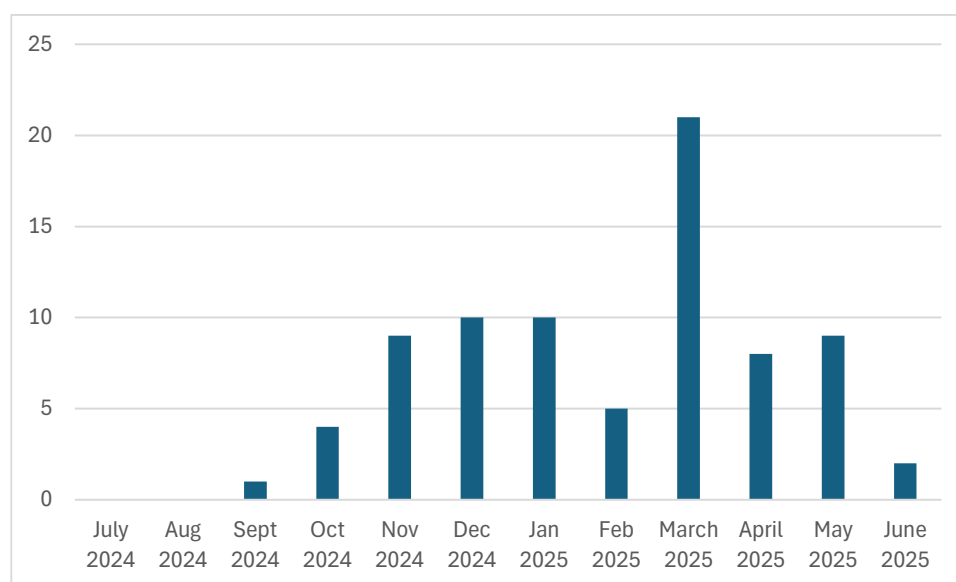
2 2024/25 Vessel Arrivals and Statistics

The section starts with a description of the vessels that arrived in the Cape over the 2024/25 season and then follows by examining the vessel types. This is important because this allows a distinction between local and international passengers and length of stay. This leads into the expenditure data which forms the basis of the macroeconomic calculations. Comparisons are made to previous seasons to illustrate changes.

2.1 Vessel Arrivals

The latest Cape cruising season stretched from September 2024 to June 2025, with 79 cruise liners visiting Cape Town². This is illustrated in Figure 1. There were 21 visits in March, the maximum for the season, and ten in each of December and January.

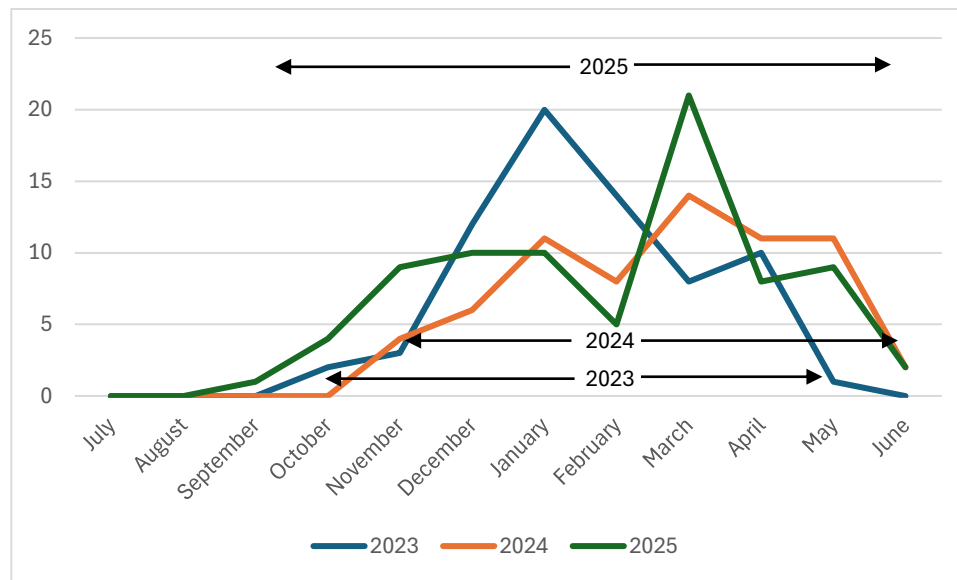
Figure 1: 2024/25 Monthly Vessel Arrivals



Source: (V&A Waterfront, 2025)

Figure 2 shows the length and intensity of the cruise industry over the last three years.

² A total of 83 vessels called at the Cruise Liner Terminal during the 2024/25 season. However, excluding visiting naval vessels and those that only used the terminal for repositioning, there were 79 unique cruise liner visits that are included in the economic assessment.

Figure 2: Season Comparison

There are some distinct patterns:

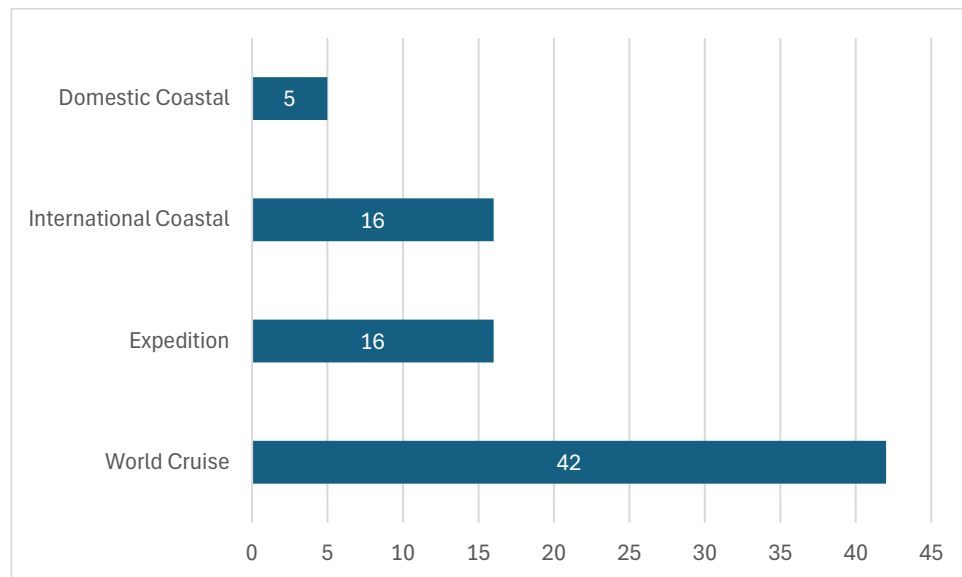
- In 2022/23 (shown as 2023 in the figure) there were 70 vessel calls. This dropped to 67 in 2023/24, a 4% reduction. This trend was reversed in 2024/25, with 79 vessel calls, an increase of 18% over the previous season.
- The 2022/23 and 2023/24 seasons each lasted eight months, while the 2024/25 season extended to ten months.
- In 2022/23, activity was heavily concentrated in January, which recorded twenty vessel calls. By contrast, the 2023/24 season was more evenly spread, peaking at fourteen calls in March.
- The 2024/25 season combined elements of both patterns. From November to May, vessel calls were steady at eight to ten per month, except in March, when Cape Town recorded a sharp peak of twenty-one calls, and February when it dropped to five calls.
- The twenty-one calls in March 2025 are the maximum number of monthly visits recorded over the last three years.

2.2 Vessel Type

Four categories of cruise vessels docked in Cape Town. These were domestic coastal ships operating turnaround voyages for South Africans; international coastal ships also operating turnaround voyages but aimed almost exclusively at the international market; world cruises; and

international expedition ships. The latter two are similar in that they visit Cape Town as part of a broader international cruise but the size of vessel and purpose of voyage differs. These, and the number of arrivals, are illustrated in Figure 3.

Figure 3: 2024/25 Vessel Arrivals by Type



Source: (V&A Waterfront, 2025).

There were 42 world cruises and 16 expedition visits. These vessels call at the Cape on a long voyage and depart. The distinction between a world cruise and an expedition is the size of the vessel and the purpose of voyage, with the latter being substantially smaller and emphasizing exploring remote locations rather than just visiting main ports. A distinct difference between the 2025 season and that of the previous year is the proportion of passengers who embarked and disembarked in Cape Town on these voyages, rather than remaining on-board (in-transit). In 2024 more than two-thirds (68%) of the passengers remained on-board, whereas in this latest season only 43% did so. The higher the number of passengers who embark and disembark on these voyages the better it is for the economy, because a large proportion would go on to visit more sights in the Western Cape and South Africa. The in-transit passengers only visit Cape Town for the day.

Completing the international visits were the 16 international coastal vessels. These voyages are marketed almost exclusively at the international market. They sail the Southern African coast and make extensive port visits. The voyages start and end in Cape Town. Visitors on turnaround

vessels embark and disembark in Cape Town. This means they must travel to Cape Town, probably stay in Cape Town and possibly visit other attractions in South Africa.

This season there were only five domestic coastal vessels. These are marketed almost entirely at the South African market. They are 'out and back' voyages that start and end in Cape Town.

Figure 4: Season Vessel Comparison

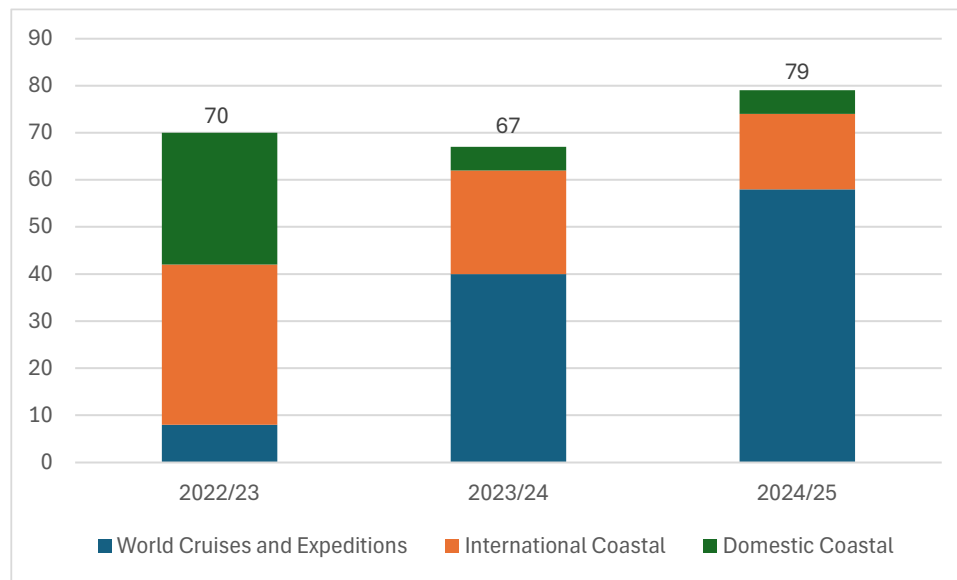


Figure 4 compares this season's visits to those of the last two years by type of vessel. While there was a reduction in three vessels in total between 2022/23 and 2023/24, the loss was from domestic coastal voyages (the green portion of the column). International vessels, as indicated by the blue and orange portions of the column, showed a substantial up-tick. The trend continued into the latest season, where international voyages accounted for 74 out of the 79 vessels. This is encouraging for the economic contribution because international passengers account for the highest levels of expenditure.

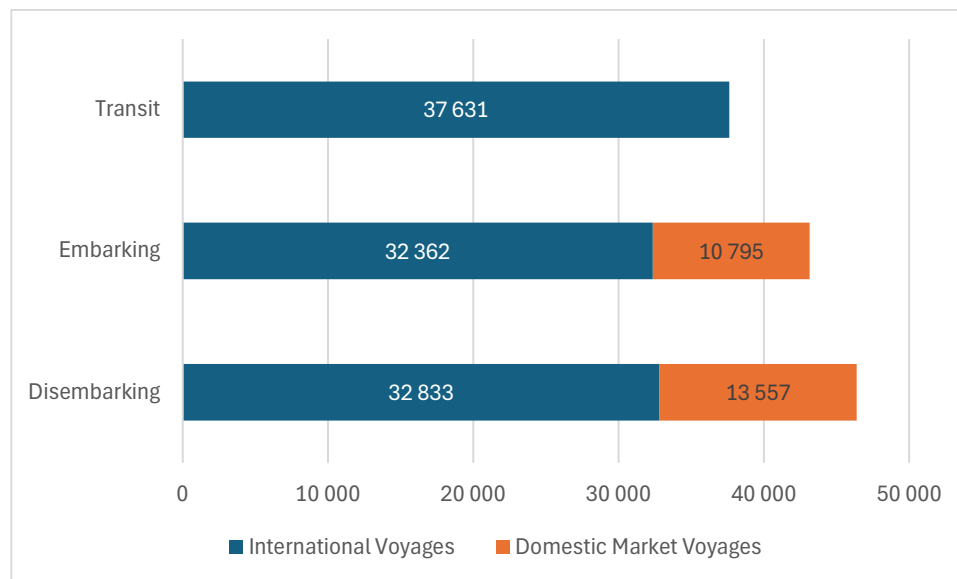
2.3 Passenger Information

The analysis makes a distinction between three types of passengers – international, those from the Western Cape and 'out of province' South Africans.

2.3.1 Numbers

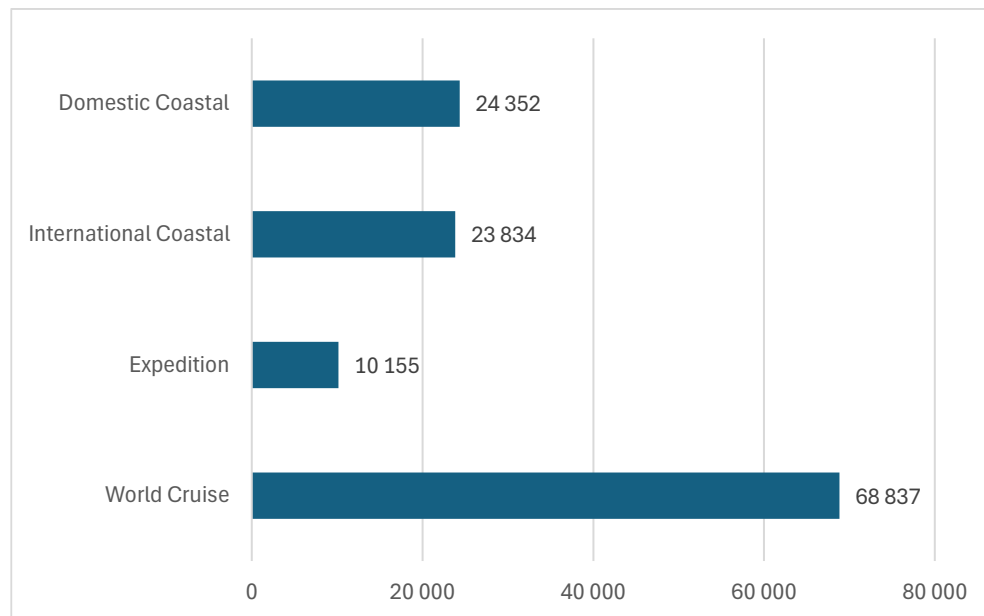
Passenger numbers are important because they are a vital component of the economic contribution of the cruise liner industry. Just as important is the type of passenger. Figure 5 illustrates the number of passengers embarking, disembarking and in-transit.

Figure 5: Disembarking, Embarking and Transit Passengers 2024/25



In total there were 127 128 embarking, disembarking and transit passengers³, with more than 80% on international voyages. Total passengers, by type of vessel, are shown in Figure 6.

³ For the coastal voyages operating to and from Cape Town many of the embarking passengers are captured in the disembarking numbers when the vessel returns to port. Including all these passenger numbers in the economic contribution would result in double counting. There were 20 863 such passengers, leaving 106 315 unique passengers that were taken forward into the economic analysis.

Figure 6: Passengers by Vessel 2024/25

World cruises make up the bulk of the passengers at 68 837 passengers. This is 54% of the total. There were 23 834 international coastal passengers, accounting for a further 19%. Also at 19% were the 24 352 domestic coastal passengers, with the 10 155 expedition passengers making up the final 8%. This means there were 102 800 passengers on international vessels, 81% of the total.

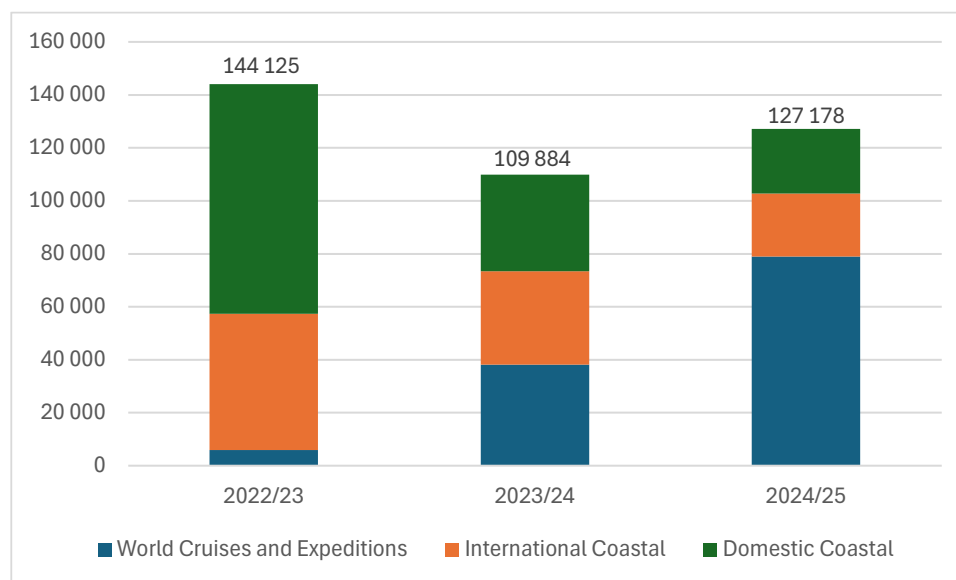
Figure 7: Season Passenger Comparison

Figure 7 shows passenger numbers over the last three seasons by type of cruise. There was a drop from 144 000 passengers in 2022/23 to 110 000 in 2023/24, but most of this reduction occurred amongst the domestic passenger categories. It will be discussed later how these domestic passengers are mostly excluded from the economic analysis because of displaced spending. By focussing on the dark blue and orange portion of the columns, which show the passenger numbers on the international cruises, it can be seen how they have steadily increased over the three years.

There was a 16% increase in overall passenger numbers between 2023 and 2024. This proportion increases to 39% when only international passengers are considered. This phenomenal growth is substantially higher than the 9% growth recorded globally (CLIA, 2025, p. 10 & 14).

Figure 8: International Passenger Comparison

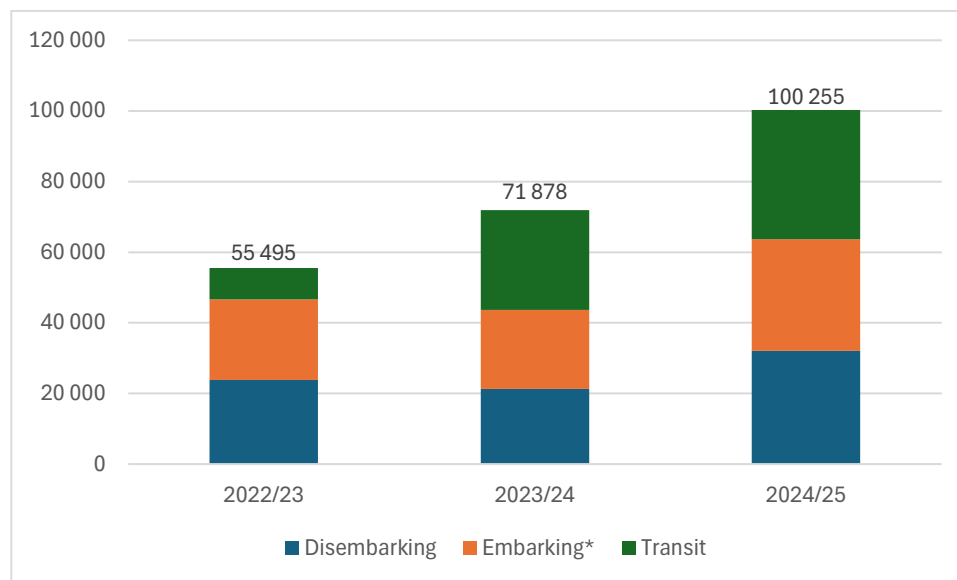


Figure 8 compares only the international passengers. There has been a steady increase over the three years and their numbers have almost doubled. Also pleasing is the increase in the embarking and disembarking passengers in 2024/25 (the blue and orange columns), because these are the passengers rather than those in-transit who would spend more time in South Africa. It should be noted though, that some of the embarking passenger numbers are included in the disembarking numbers for the coastal turnaround voyages, so to avoid double-counting not all these passengers are taken forward into the economic assessment.

2.3.2 National and International Passengers

It is important to differentiate between national and international passengers because they have different onshore spending patterns. It is expected that the bulk of passengers on domestic volume vessels are South African. This follows from the fact that these voyages are marketed in South Africa and make few port calls while on a voyage. A 100% South African passenger composition was assumed in the absence of better information.

Table 1: South African Passengers

	% SA	Rationale
Domestic Coastal	100%	Domestic Coastal targets local markets with limited SA Port visits
International Coastal	98.6%	International Coastal targets international markets. Manifest has 1.4% SA
World Cruise	97.2%	Targets mostly international market. Manifest has 2.8% SA
Expedition	97.2%	Assumed as above

The proportion of South Africans on board international vessels is based on passenger manifestos that were provided by some cruise liners. There were 2.8% South Africans on world cruises and 1.4% on international coastal vessels. No information was available for expedition vessels and it was assumed that these would be the same as world cruises. These assumptions are summarised in Table 1.

Table 2: Passengers by Origin

Type of Vessel	Source	Europe	North America	South America	Asia	Middle East	Oceania	Africa	South Africa
Domestic Coastal	Assumed								100%
International Coastal	Manifest	40.9%	50.8%	0.2%	0.6%	3.0%	2.9%	0.2%	1.4%
World Cruise	Manifest	66.5%	13.5%	0.1%	0.9%	0.0%	14.2%	2.0%	2.8%
Expedition	As Above	66.5%	13.5%	0.1%	0.9%	0.0%	14.2%	2.0%	2.8%

The final important piece of information in this section is the origin of passengers by vessel which is given in Table 2. Apart from South Africans on domestic volume vessels, the bulk of passengers on international vessels are from Europe. The only difference is with international coastal vessels where there are more North Americans. There is a sprinkling of visitors from other areas, most notably Australian and New Zealand passengers on world cruises.

2.3.3 South African and Western Cape

Just as it is important to differentiate between South African and International passengers it is equally important to differentiate between Western Cape and 'out of province' passengers.

It can be expected that the expenditure of people from the Western Cape on a cruise is likely to be at the expense of some other type of expenditure, typically other leisure activities. This is a displacement effect. As a result, it was necessary to remove all Western Cape passengers from the economic estimates because their expenditure would be at the expense of other expenditure in the province. This was done by excluding passenger related costs like food, water, etc. Costs like fuel and harbour fees were included because they are generally incurred irrespective of passenger numbers.

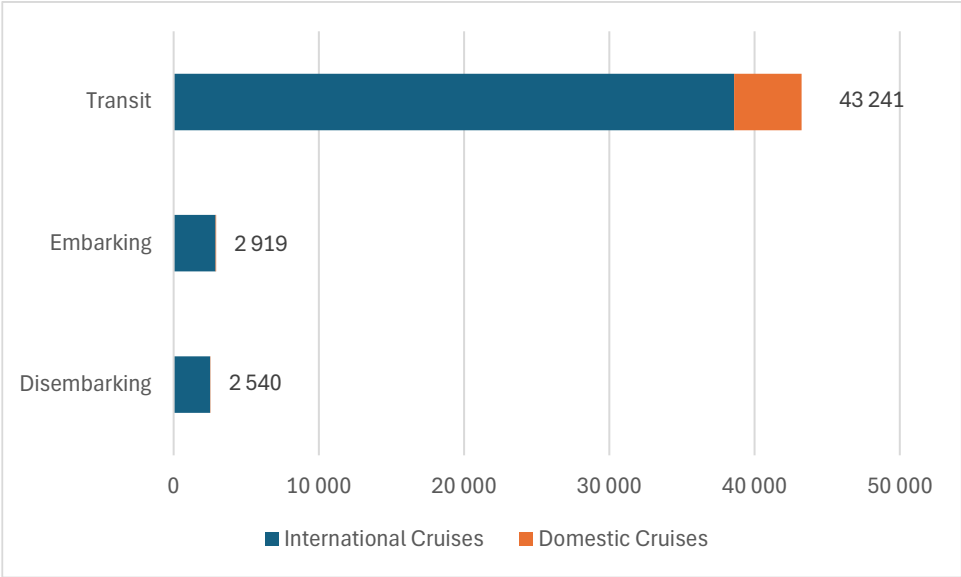
The challenge is that the proportion of Western Cape passengers is not known. So, the proportion was estimated by deduction using the following approach. MSC operates from both Cape Town and Durban. The more populated and richer parts of South Africa are closer to Durban than Cape Town. It can therefore be expected that Durban would be the port of choice for a cruise for those South Africans. This means that while the Western Cape only makes up a small part of the total population it will make up a far larger part of domestic cruise passengers. The proportion is not known and 50% was assumed.

2.4 Crew Information

The number of crew is shown in Figure 9. The bulk are in transit but there are an almost equal amount disembarking and embarking the vessels in Cape Town. This distinction is important. Many transit crew are given shore leave for the day and they are treated like tourists visiting Cape Town. The embarking and disembarking crew are usually accommodated in a hotel for two days⁴ and the analysis also treats them like international tourists.

⁴ Pers. Comm. Meeting with V&A 8 July 2024

Figure 9: Disembarking, Embarking and Transit Crew in 2024/25



Also as important is to differentiate between the crew numbers on the different types of vessels and their origin. There were 4 700 crew visits on domestic and 44 000 on international vessels giving a total of 48 700. Crew manifests for international vessels showed that 1.5% were South African. It could not be determined how many South Africans crewed domestic vessels and a 25% proportion was assumed.

2.5 Direct Expenditure

There are three types of expenditure. First is passenger onshore spending. Second is onshore crew expenditure. Third is expenditure by the cruise vessels.

2.5.1 Passenger Expenditure

Passenger expenditure is a function of length of stay and onshore spending. These were modelled on the typical behaviour of domestic and international tourists. These data sources are given in Table 3. Western Cape residents were excluded because of displacement effects.

Table 3: Length of Stay and Expenditure Data Sources

Passenger Expenditure Data Source	
International passengers	SA Tourism (2025): Tourism Performance Annual Report Jan - Dec 2024
International transit passengers (per day)	SA Tourism (2025): Tourism Performance Annual Report Jan - Dec 2024
South African 'out of province' passengers	SA Tourism (2025): Domestic Tourism Annual Performance Report Jan - Dec 2024
Western Cape excluded	Displacement

For international passengers it was assumed that their onshore stay would be the same as an international tourist less time on board. For example, the average European tourist visits South Africa for 14.9 days. So, this passenger would stay in the country for nine days if the voyage was 5.9 days. It is possible that some international passengers may not stay and a 25% allowance was made for this possibility.

Table 4: Passenger Length of Stay

Domestic Coastal - South African 'out of province' passengers	Half of national tourist length of stay (2 days before / after voyage)
Domestic Coastal - Western cape passenger	Displacement therefore excluded
International Coastal	Embarking & disembarking: International tourist length of stay less time on board
World Cruise and Expedition Voyages	Embarking & disembarking: International tourists for length of 'visit'
International transit passengers	Duration of vessel visit in port
International passengers	25% leave immediately after voyage

Domestic trips to the Western Cape are 3.8 days, which is marginally shorter than the average duration of the domestic turnaround voyages (South African Tourism, 2025a). 'Out of province' passengers would need to travel to and from Cape Town and would possibly spend some time in the city, as per the research of the CLIA highlighted in section 1 (CLIA, 2025, p. 58). It was assumed that these passengers would spend an extra two days in Cape Town. Western Cape residents' length of stay is immaterial because of displacement effects. These assumptions are summarised in Table 4.

Table 5: Passenger Expenditure by Origin

	Europe	North America	South America	Asia	Middle East	Oceania	Africa (Air)	South Africa
International passengers (per visit)	R24 900	R31 200	R23 400	R21 300	R28 700	R23 500	R22 633	
International transit passengers (per day)	R1 671	R2 026	R1 490	R1 275	R1 551	R1 424	R1 439	
South African 'out of province' (per visit)								R5 371

Passenger expenditure differs by place of origin and type of passenger and is given in Table 5. For example, average tourist expenditure varies between R21 300 for Asian arrivals and R31 200 for North American visitors. This expenditure was pro-rated by length of stay to convert tourist stay to passenger stay. The same pro-rata was done for transit passengers. South African tourists typically spend R5 400 on a two-day visit to the Western Cape.

Table 6: Passenger Expenditure by Type

	Shopping	Food	Accomm.	Leisure	Transport	Medical	Other
International passengers	35.0%	20.9%	12.7%	13.0%	9.9%	0.1%	8.3%
International transit passengers	40.1%	24.0%		15.0%	11.4%	0.0%	9.5%
South African 'out of province' passengers	13.9%	29.0%	14.3%	3.8%	37.3%		1.7%

The final piece of information is the distribution of expenditure for different passengers, shown in Table 6. This is important for the macroeconomic calculations. It can be expected that transit

passengers will sleep on board and have no accommodation expenditure. They will typically not have substantial medical expenditure. A South African tourist spends less on shopping and more on transport.

2.5.2 Crew

Transit crew length of stay was treated the same as transit passengers. They visit Cape Town while the vessel is in port. Some shipping agents provided the number of crew who were granted shore leave. For those that didn't it was assumed that 20% of the crew are given shore-leave at any one time⁵, which is in line with the assumption from previous years' analysis. For those crew who disembarked or embarked in Cape Town it was assumed that they spent two additional days in the city.

Table 7: Crew Composition

	Assumptions	
Domestic Coastal	25% South African	Advised by Shipping Agents
International Coastal	98.5% international crew	Based on crew manifest
World Cruises and Expeditions	98.5% international crew	Based on crew manifest

Crew composition is provided in Table 7. Shipping agents advised that a quarter of crew onboard domestic coastal vessels were South African. Crew manifests for international coastal and world cruises indicated that 98.5% of crew were international.

Table 8: Crew Expenditure

International transit crew	As per International transit passengers
International change-overs	As per International visitors but limited to two days.
South African crew	Assumed 10% of international crew (cost of a single meal ashore)

Transit crew expenditure is based on the average daily expenditure of international visitors, excluding accommodation and medical. This amounts to R1 350 per crew member per day. Spending by South African crew was not known and this was assumed to be 10% of international crew – the equivalent of a modest meal. Crew members disembarking and embarking in Cape Town were allocated the daily expenditure of international visitors of R1 548 per day for two days.

⁵ Pers. Comm – email from Wesgro dated 2023/06/06

2.5.3 Vessel Expenditure

Vessel related costs are port fees, refuelling, fresh water, sludge and recycling offloading, stores including food and beverages and passenger related services. These, for this study, were based either on known fees or international experiences as shown in Table 9.

Table 9: Vessel Expenditure

<i>Type</i>	<i>Data Source</i>
Port fees	Calculated
Liner passenger expenditure	International Data Transfers
<i>Fuel</i>	
<i>Food & Beverage</i>	Supplemented with industry information
<i>Stores</i>	Supplemented with industry information
<i>Other</i>	

Port fees were based on the Transnet National Ports Authority Tariff Handbook (TNPA, 2025). These include light dues, South African Maritime Safety Authority (SAMSA) levies, vessel traffic service (VTS) charges, pilotage services, tug assistance and attendance, berthing services, running of vessel lines, port dues, berth dues, refuse collection, the V&A Waterfront passenger levy, port passenger fees, baggage handling fees and security. Port fees were calculated for every vessel and compared to known port fees of some cruise vessels. The total value and distribution of the fees for 2024/25 is given in Table 10.

Table 10: 2024/25 Western Cape Cruise Liner Port Fees

Category	Amount	%
Light Dues	R3 238 508	5%
SAMSA	R4 469 078	7%
VTS	R2 596 578	4%
Pilotage	R1 983 027	3%
Tug Assistance	R9 532 351	14%
Berthing	R1 917 118	3%
Lines	R374 593	1%
Port Dues	R7 936 620	12%
Berth Dues	R1 209 945	2%
Refuse	R1 905 018	3%
V&A Fee	R8 244 728	13%
Passenger Fee	R10 107 367	15%
Baggage Handling Fee	R8 568 591	13%
Security	R3 795 668	6%
Total	R65 879 189	100%

The cruise liner industry generated almost R66m in port fees, which is an average of approximately R830 000 per vessel. The largest items are the passenger fees, tug assistance and port dues.

No updated information was provided for fuel costs and consequently the rates used in the previous reports were assumed but adjusted for changes in the price of fuel. This is now R149 per vessel gross ton. This has been verified though by some vessels that provided the volume of fuel taken on board. This was an average of 560 tons of fuel, for the 21 vessels that did indicate an amount. This works out to approximately 0.013 tons of fuel per vessel gross ton. At a prevailing rate of US\$615 per ton⁶ (R11 000 per ton), this is the equivalent of R142 per vessel gross ton, which corroborates the earlier figure of R149 per vessel gross ton.

Table 11: Passenger Dependent Cruise Liner Expenditure

Passenger Expenditure	F&B	Stores
Brazil	\$708	\$85
Mexico	\$204	\$32
India	\$423	\$40
Weighted Average	\$268	\$36
Rand Value	R4 896	R648

Source: (OpenAI, 2023)

Typical passenger related costs are food & beverage; fresh water, sludge offload & recycling; and other stores. These are given in Table 11 for Brazil, Mexico and India and are based on the US\$ rates developed for the 2022/23 report but updated to Rand values using the latest exchange rate.

This information for the latest season has been verified through some shipping agents⁷. Although only partial information was obtained, the key finding is that the cruise lines typically bring containers to the country with most of their food and beverage supplies and stores. It is only the perishable and some local stocks that are replaced. The shipping lines also place direct orders with the Western Cape wine farms. While it is difficult to determine the exact share of the F&B

⁶ <https://www.freightnews.co.za/article/low-sulphur-fuel-oil-prices-take-a-plunge?page=5>

⁷ E-mails from Rennies Shipping Agency dates 2025/08/20, from Freshco dated 2025/08/25, from Cape Africa Marine Suppliers dates 2025/08/28 and from Albatross Marine dated 2025/08/14 and 2025/09/05

amount in Table 11 sourced locally, it is assumed for future estimates that half this amount is supplied within the country.

These international averages were converted to the total provincial cruise season and given in Table 12. Total vessel expenditure is R732m. Spending on fuel made up 55%, followed by food and beverages at 32%, port fees 9% and stores 5%.

Table 12: Total Vessel Expenditure

	Port Fees	Fuel	F&B	Stores	Total
Total Expenditure	R66m	R401m	R231m	R34m	R732m
Excluding Western Cape Pax	R66m	R401m	R208m	R31m	R706m
Excluding South African Pax	R66m	R401m	R190m	R29m	R686m

The table also takes account of Western Cape and 'out of province' displacement. Total expenditure was R732m. A provincial focus would exclude Western Cape passengers and reduce expenditure to a relevant R706m. A national focus would reduce this further to R686m.

2.6 Expenditure Summary

Total expenditure was R1.99bn with the detail given in Table 13. World cruises made up 68%, international coastal vessels 17%, expedition ships 10% and domestic coastal the remaining 5%.

Table 13: Total 2024/25 Expenditure excluding Displacement

Type of Cruise Ship	Number of Visits	International Tourist		Domestic Tourism	Crew	Port Fees	Refuelling & Stores	Total	% of Total
		Visitor	Transit						
World Cruise	42	R766m	R77m	R4m	R39m	R40m	R434m	R1 360m	68%
Expedition	16	R92m	R13m	R1m	R9m	R8m	R77m	R200m	10%
International Coastal	16	R205m	R13m	R0m	R12m	R11m	R101m	R342m	17%
Domestic Coastal	5			R28m	R0m	R7m	R54.7m	R90m	5%
Total	79	R1 063m	R102m	R33m	R60m	R66m	R666m	R1 991m	
% of Total		53%	5%	2%	3%	3%	33%		

An alternative strategic focus is the components of expenditure illustrated in Figure 10. The largest contributions were from international passengers (59%) and vessel replenishments (33%). Domestic tourism, crew expenditure and port fees make up the remaining 8%. The figure also shows whether the expenditure was from international, Western Cape or 'out of province' passengers. Most expenditure, at R1.91bn, is attributable to international passengers. Out of province South Africans contributed R43m and Western Cape passengers R36m.

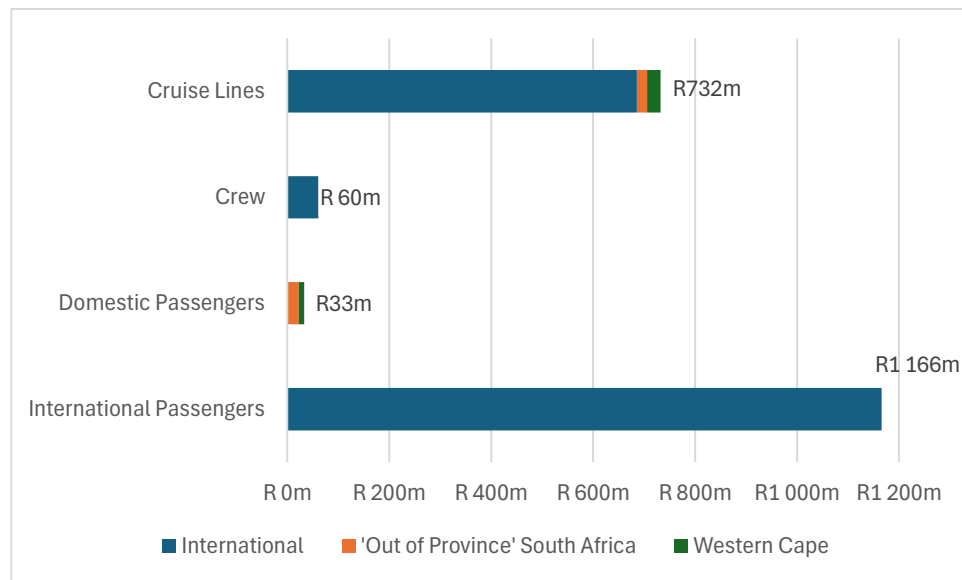
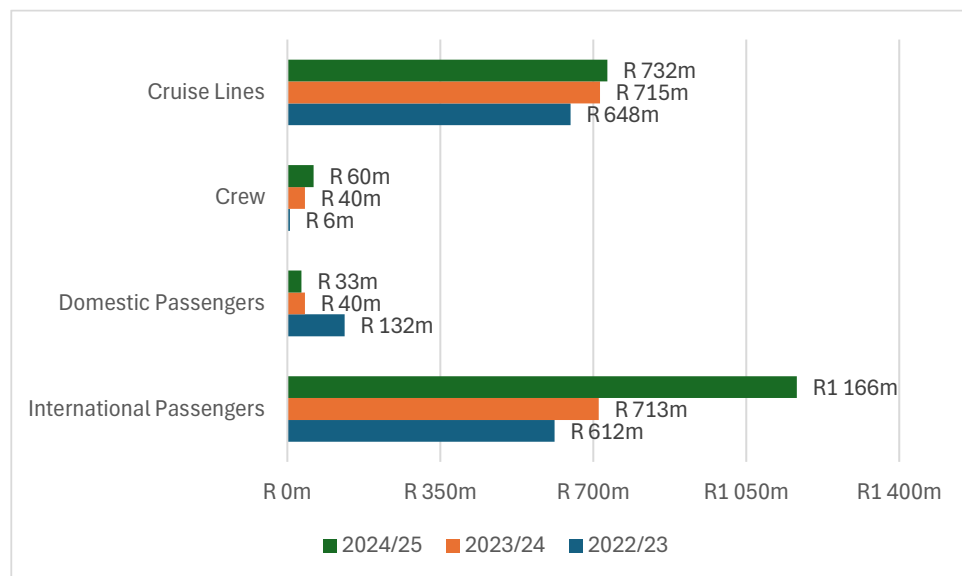
Figure 10: Composition of Total 2024/25 Expenditure Before Displacement

Figure 11 compared this season's expenditure to that of the previous two years. There has been a consistent increase in three out of the four categories. It is only domestic passenger expenditure that is down on last year. The biggest expenditure category, that by international passengers, is up substantially. Overall, expenditure reached R1.99bn, representing a substantial 32% increase from last year, driven primarily by higher international passenger spending.

Figure 11: Expenditure Comparison to Previous Seasons

The amounts shown in Figure 11 are in nominal terms. Table 14 compares both the nominal and real expenditure and shows that there has been an increase in both terms. Nominally, expenditure has increased from R1 397m to R1 991m, a 43% increase. The real expenditure increased from R1 510m to R1 991m, a 32% increase.

Table 14: Total Cruise Line Expenditure

Expenditure - Before Displacement	2022/23	2023/24	2024/25
International Passengers	R612m	R713m	R1 166m
Domestic Passengers	R132m	R40m	R33m
Crew	R6m	R40m	R60m
Cruise Lines	R648m	R715m	R732m
Total Nominal Expenditure	R1 397m	R1 509m	R1 991m
Cumulative Expenditure	R1 397m	R2 906m	R4 898m
Real Expenditure (2025 Prices)	R1 510m	R1 562m	R1 991m

The cumulative expenditure of the cruise line industry over the last three years was R4.90bn in nominal terms.

3 Economic Contribution of 2024/25 Season

This section is the culmination of the report. It brings together the contribution to incomes, jobs, foreign exchange (forex), taxes and household incomes. It also makes a distinction between the Western Cape and South Africa.

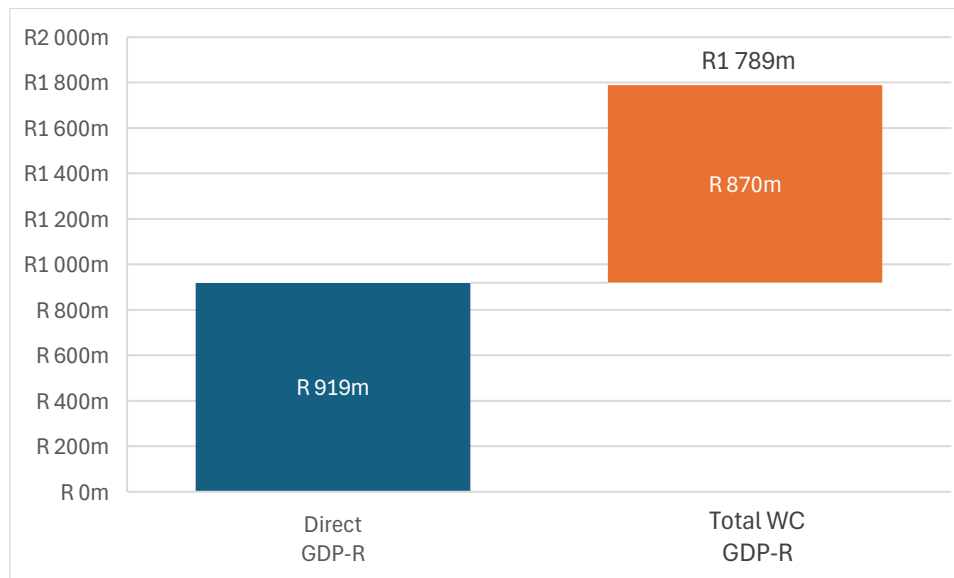
Further it was explained in Section 2.3.3 why the Western Cape cannot just be treated as a subset of South Africa in this type of analysis. In brief there are two differences. The first is that international passengers would visit other sites outside of the Western Cape. This would make the international contribution larger in South Africa than in the Western Cape. The second is that there would be a contribution to the Western Cape from 'out of province' South Africans, whereas the same would not be true for national domestic tourism because it is a total displacement effect.

3.1 Western Cape Economic Contribution

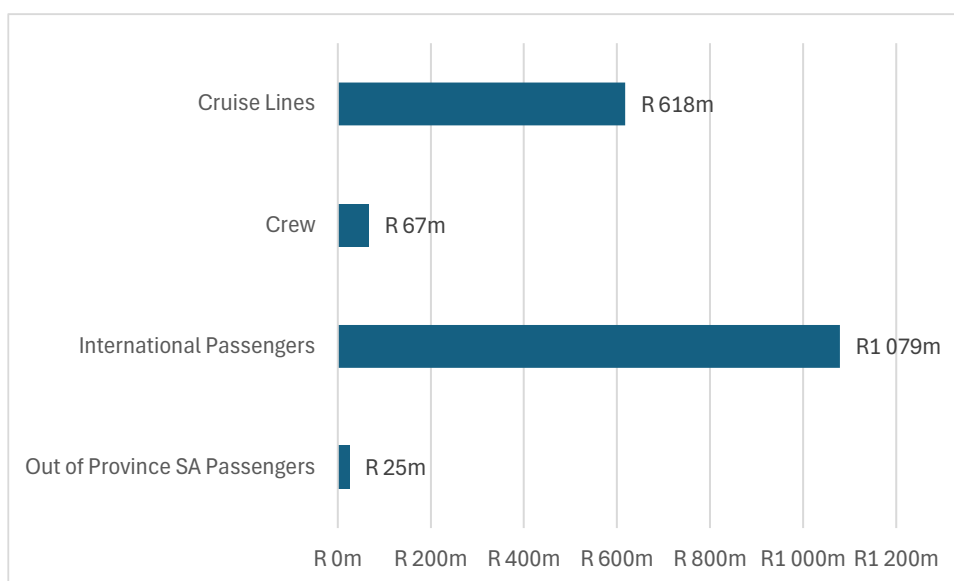
The Western Cape equivalent of GDP is GDP-R. At a provincial level this is the broadest measure of economic contribution and is the total value of all final goods and services, which is fundamental to the economic quality of life of people. The second provincial macroeconomic indicator is employment.

3.1.1 Gross Domestic Product - Regional

The 2024/25 cruise liner season contributed R1.79bn to Western Cape GDP-R, illustrated in Figure 17. This consists of a R919m direct contribution and a R870m indirect and induced contribution.

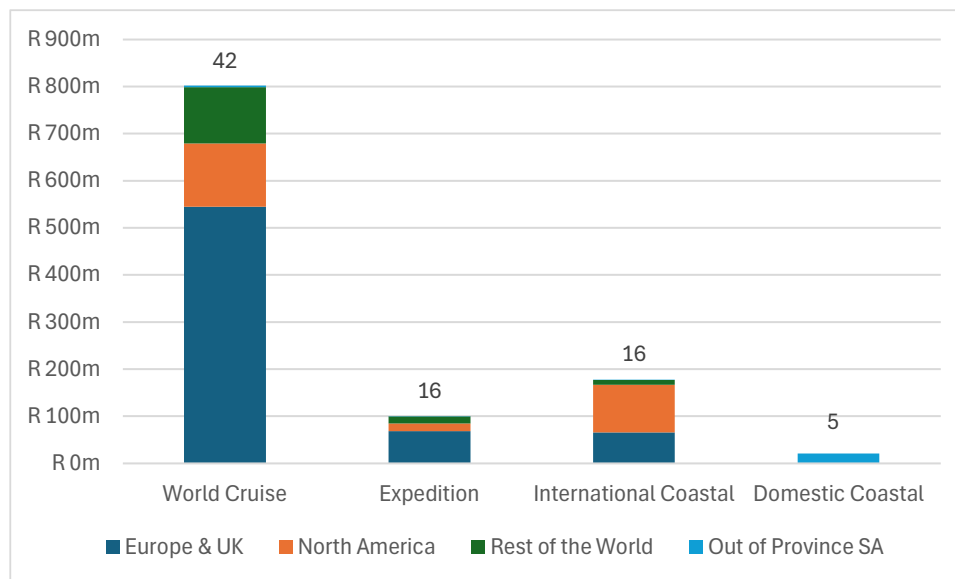
Figure 12: Western Cape GDP-R Distribution

The industry has multiple contributing stakeholders and role players. The most important are the international passengers, followed by the cruise lines themselves, crew and then 'out of province' passengers. Their respective contribution to GDP-R is illustrated in Figure 13. International passengers, at R1 079m, contributed 60%. This is followed by the cruise lines where their R618m contributed 35%. The contribution from crew was R67m (4%) and domestic passengers was R25m (1%).

Figure 13: Western Cape GDP-R Contributors

A strategic comparison of the contribution to GDP-R by passenger origin and type of cruise is provided in Figure 14. The vessel numbers for each cruise type are shown above the columns.

Figure 14: Passenger Expenditure Economic Contribution



World cruises contributed the most to the Western Cape economy, at R802m or 73% of the total passenger economic contribution. This was followed by the international coastal cruises that contributed R177m (16%) and expedition cruises with R100m (9%). The domestic coastal cruises contributed the least because it is only the out of province passengers that were included in the assessment. These five cruises contributed R21m to Western Cape GDP-R (2%).

On a per vessel basis, it is also the world cruises that have the biggest impact. Here passengers on the 42 cruises contributed R19m to the provincial economy for each vessel. The international coastal cruises each contributed R11m and the expedition vessels R6m. The domestic coastal cruises contributed R4m each. The contribution from the World Cruises has increased over that of 2024 because of the higher proportion of passengers who now embark and disembark in Cape Town.

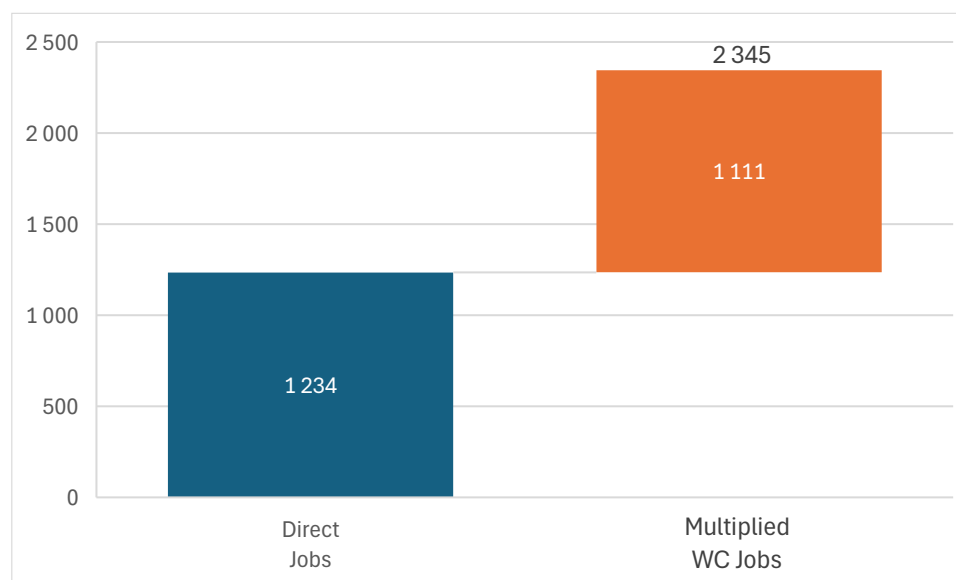
From an origin perspective it is the European and United Kingdom passengers that contributed the most, with R678m or 62% of the total passenger contribution. The North American visitors were next, contributing R252m or 23%. All other international passengers contributed R145m (13%). South African passengers on board all vessels contributed R25m, or 2% of the Western Cape economic contribution.

3.1.2 Provincial Employment

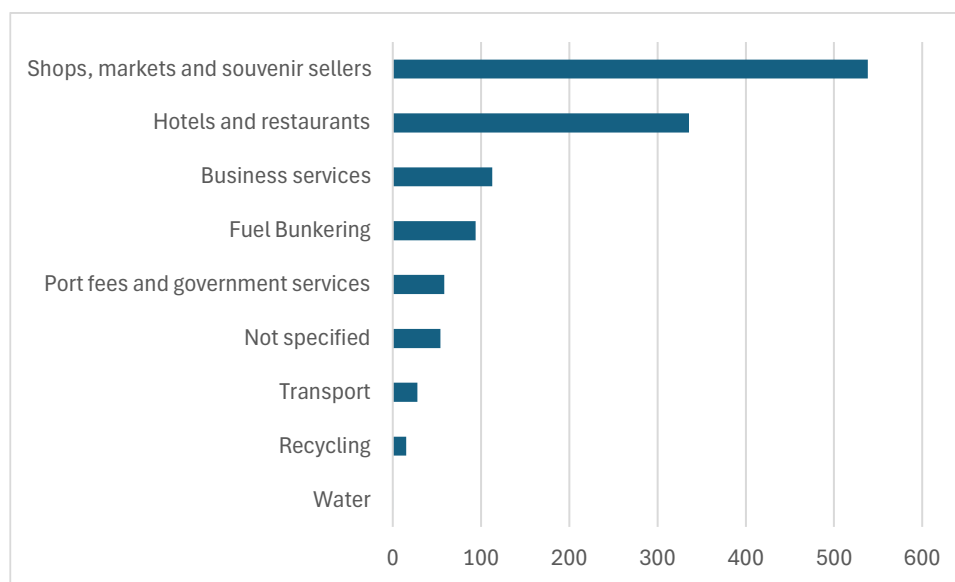
Jobs are important. This is the case both with direct jobs from the industry or indirect and induced jobs from multiplier effects. Clearly a seasonal industry cannot be expected to create permanent jobs. The convention is to report 'full-time annual job equivalents'. This means that, for example, there would be one full-year job equivalent from twelve one-month jobs.

As with economic contribution, two perspectives are reported. These are the job distribution provincially and then by sector.

Figure 15: Direct and Total Jobs



The industry created 1 234 direct jobs in the Western Cape. The multiplier effects increased this to 2 345 total (direct, indirect and induced) jobs. This is illustrated in Figure 15.

Figure 16: Western Cape Direct Employment by Sector

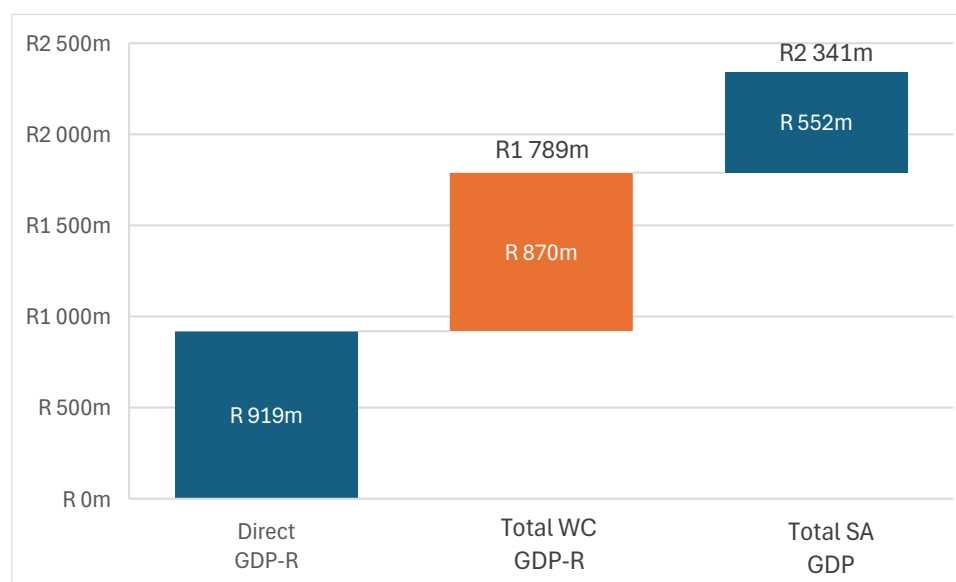
The direct job distribution is shown in Figure 16. Here 44% were at shops, markets and souvenir sellers. This was followed by hotels and restaurants with 27%. Support services had 9%, while fuel bunkering followed closely with 8%. The remaining 13% was distributed across port fees & government services, transport, etc.

3.2 South African Economic Contribution

As with the contribution to the provincial economy, this section reports the contribution to national GDP and jobs. It then goes further to report the generation and usage of foreign exchange and the contribution to taxes and household incomes.

3.2.1 Gross Domestic Product

GDP is the broadest measure of economic contribution. This is the total value of all final goods and services and is fundamental to the economic quality of life of people. The 2024/25 cruise liner season contributed R2.34bn to South African GDP. This excludes 'out of province' South African passengers but includes international tourist expenditure outside the Western Cape.

Figure 17: GDP Distribution

The detail of the contribution by source and beneficiary is summarised in Table 15.

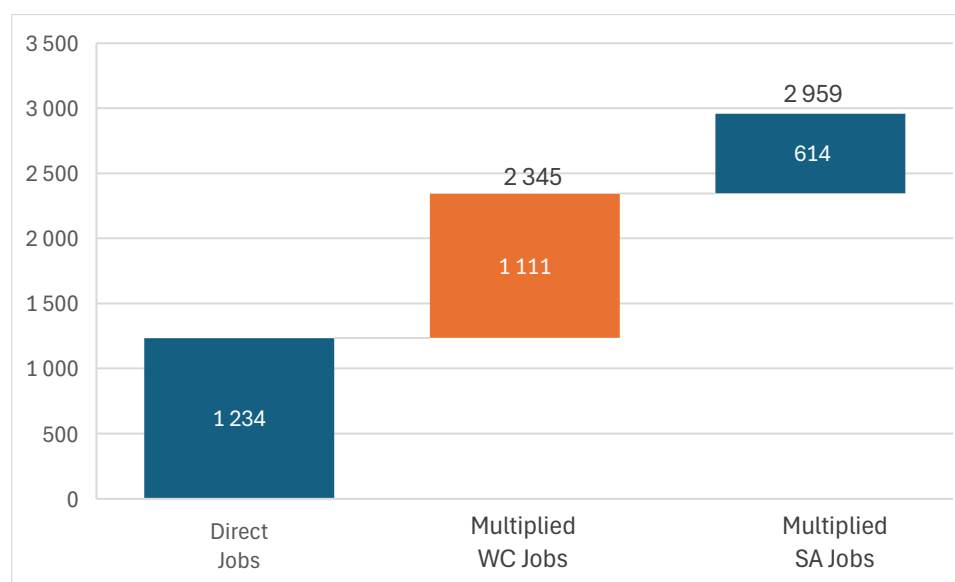
Table 15: Contribution to Gross Domestic Product

	Direct GDP-R	Total GDP	
		Western Cape	South Africa
Out of Province SA Passengers	R12m	R25m	
International Passengers	R507m	R1 079m	R1 553m
Crew	R32m	R67m	R81m
Cruise Lines	R368m	R618m	R707m
Total	R919m	R1 789m	R2 341m

International passengers, at R1.55bn, contributed 66% to national GDP. This is followed by the cruise liners where their R707m contributed 30%. The contribution from crew was R81m (3%).

3.2.2 Employment

The industry created 2 959 jobs nationally and excludes domestic tourism. This is illustrated in Figure 18 and summarised in Table 16.

Figure 18: Direct and Total Jobs

International passengers are the largest job creator. Their expenditure created 1 938 full-time jobs, 65% of the total. Spending by the cruise liners added 764, 26%. The hiring of locals as crew and crew expenditure added a further 257, 9%.

Table 16: Jobs

	Direct Jobs	Total Jobs	
		Western Cape	South Africa
Domestic Passengers	11	28	
International Passengers	666	1 385	1 938
Crew	198	242	257
Cruise Lines	360	690	764
Total	1 234	2 345	2 959

3.2.3 Foreign Exchange

South Africa has a serious current account deficit problem and any contribution to growing foreign exchange is welcome. Over the cruise season a total of R1 912m forex came into the country and R586m was used (on fuel, for example). This means that there was a net R1 326m forex inflow. In this instance international visitors accounted for 68% and the cruise liners 29%. This is reported in Table 17.

Table 17: Foreign Exchange

	Foreign Exchange		
	Earnings	Use	Net
Domestic Passengers			
International Passengers	R1 166m	R266m	R900m
Crew	R60m	R12m	R48m
Cruise Lines	R686m	R308m*	R378m
Total	R1 912m	R586m	R1 326m

* Excludes domestic passenger profit repatriation

Any profit that was remitted internationally by domestically operating liners could not be included in the estimates.

3.2.4 Taxes and Household Income

Two additional macroeconomic benefits are reported. These are taxes and household income, listed in Table 18.

Table 18: Taxes and Household Income

	Taxes	Household Income
Domestic Passengers		
International Passengers	R181m	R596m
Crew	R9m	R31m
Cruise Lines	R69m	R280m
Total	R259m	R906m

The season generated R259m for the national fiscus of which R181m, 70%, had international origins. Taxes generated by the cruise lines, R69m, made up 27% of all taxes. Included in this is R11m from port fees. Crew accounted for the remaining 4%.

The season added R906m to household incomes, again with the lion's share of R596m coming from international passengers. International passengers contributed 66% and the cruise lines a further 31%. Crew accounted for the remaining 3%.

3.3 Small Municipality Visits

Several cruise lines also call at smaller harbours along the Western Cape, including Mossel Bay, Hermanus, and Saldanha Bay. Passengers may join organised excursions or explore the local

attractions independently. In both cases, the resulting boost to the local economies is significant. The detail is given in Table 19.

Table 19: Small Municipality Expenditure

Smaller Municipality Spend	Visits	Passengers	Expenditure
Pax Days in Mossel Bay	21	31 146	R46.3m
Pax Days in Hermanus	2	109	R0.2m
Pax Days in Saldanha Bay	3	770	R1.1m
Total	26	32 024	R47.5m

It is estimated that 32 000 cruise passengers visited the smaller municipalities of the Western Cape during the season, with the majority visiting Mossel Bay. This influx of visitors translated into expenditure of approximately R47.5m into these local economies. The spending extended across a wide range of activities, including guided tours, local transport services, restaurants, retail outlets and visits to cultural and natural attractions (such as game farms). In addition to the immediate revenue for local businesses, the increased demand stimulated temporary employment opportunities and created greater exposure for these towns as future tourism destinations. The ripple effects of such expenditure therefore go beyond the initial injection, contributing to longer-term benefits such as repeat visitation and increased investment in tourism infrastructure.

3.4 Comparison to Previous Seasons

The economic contribution of this cruise season is compared to that of previous years. Figure 19 shows the contributions to Western Cape GDP-R and South African GDP and how the contributions have increased in nominal terms. It is also interesting to observe the pattern of divergence between GDP and GDP-R. In 2022/23 both indicators were similar. This is a consequence of the type of vessels that visited Cape Town in that year, when 28 out of 70 vessels (40%) were dedicated to the domestic market, whereas in 2023/24 and 2024/25 this number had fallen to only five vessels and less than 8% of all visits. There has been a cumulative contribution of R5.32bn to national GDP and R4.34bn to provincial GDP-R over the three years.

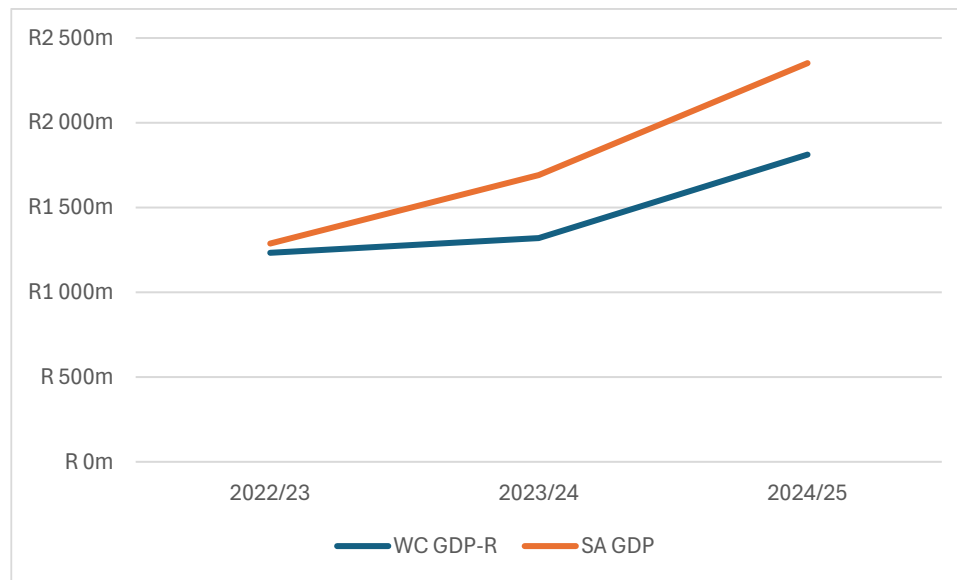
Figure 19: Western Cape GDP-R and South African GDP

Figure 20 focusses on Western Cape GDP-R and shows both the nominal (columns) and real contribution (black line). There was a marginal increase of 2% in real contribution between 2022/23 and 2023/24, but this increased to 31% between 2023/24 and 2024/25.

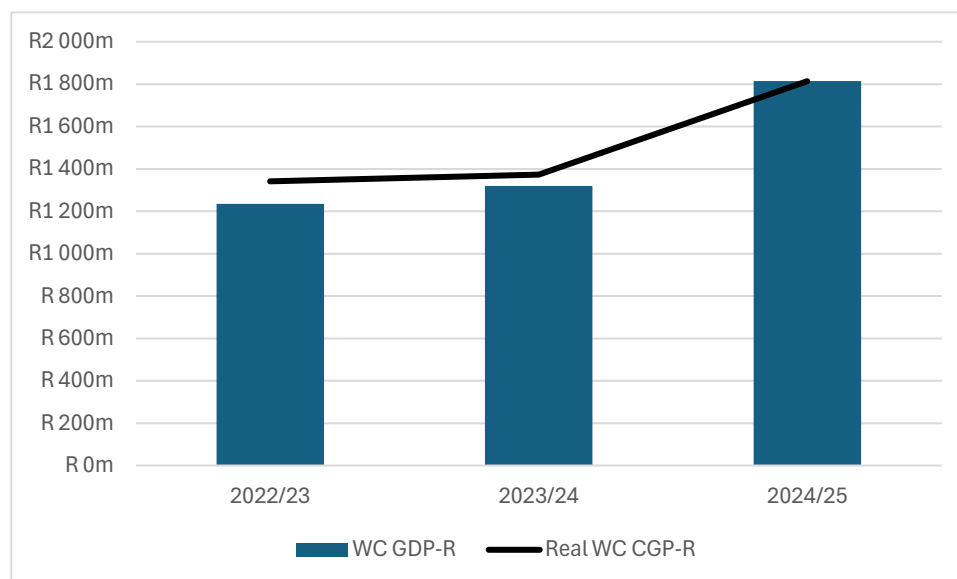
Figure 20: Real and Nominal Contribution to Western Cape GDP-R

Figure 21 illustrates the growth in employment, both provincially and nationally, over the last three years. The trend in provincial employment is similar to that of real GDP-R, with a 5% increase

between 2022/23 and 2023/24 and then an increase of 19% between 2023/24 and 2024/25. South African employment has shown an increase of 27% and 23% respectively over the three years.

Figure 21: Employment



The final set of indicators are net foreign exchange and taxes. These are given in Table 20.

Table 20: Selected Economic indicators

Macroeconomic Comparisons	2022/23	2023/24	2024/25
Net Foreign Exchange	R731m	R985m	R1 326m
Cumulative Foreign Exchange	R731m	R1 716m	R3 042m
Taxes	R144m	R188m	R259m
Cumulative Taxes	R144m	R331m	R591m

Net foreign exchange has increased from R731m in 2022/23 to R1 326m in 2024/25. This is a cumulative R3.04bn. At the same time, the contribution to taxes increased from R144m to R259m. This is a cumulative R591m.

3.5 National and Provincial Comparators

Two groups of national comparators were selected. The first gives the equivalent economic contribution to provincial and national income and jobs. The second compares this to spending by international holiday makers in the country and all visitors to the Western Cape.

Table 21: Aggregate Provincial Comparators

Western Cape	2022/23	2023/24	2024/25
WC Cruise Industry GDP-R	R1 234m	R1 320m	R1 789m
Western Cape GDP-R	R919 084m	R984 653m	R1 027 405m
%	0.13%	0.13%	0.17%
WC Cruise Industry Jobs	1 864	1 965	2 345
Western Cape Jobs	2 595 785	2 756 714	2 744 099
%	0.07%	0.07%	0.09%

The provincial comparators are given in Table 21. The recent cruise season added R1.79bn to provincial GDP-R. This is the equivalent to 0.17% of the provincial economy. It also added 2 345 provincial jobs, 0.09% of all those in the Western Cape. These proportions have been increasing steadily since 2022/23. The contribution to GDP-R has increased from 0.13% to 0.17% and jobs from 0.07% to 0.09%.

Table 22: Aggregate National Comparators

South Africa	2022/23	2023/24	2024/25
WC Cruise Industry GDP	R1 288m	R1 692m	R2 341m
National GDP	R6 666 581m	R7 037 674m	R7 352 449m
%	0.02%	0.02%	0.03%
WC Cruise Industry Jobs	1 889	2 397	2 959
South African Jobs	15 934 000	16 723 195	16 806 502
%	0.01%	0.01%	0.02%

The national comparators are given in Table 22. The trends are similar to Table 21 but the proportions smaller. The contribution of R2.34bn in 2024/25 is 0.03% of South African GDP and the 2 959 jobs are 0.02% of all those nationally. These proportions are up from the 0.02% and 0.01% respectively in 2023.

The final, and more direct comparators are against direct national spending by international holiday makers, on the one hand, and tourist spending in the Western Cape. Both were sourced directly from Tourism SA (South African Tourism, 2025a, pp. 32, 60) (South African Tourism, 2025b, p. 33). These comparisons are shown in Table 23.

Table 23: Tourist Comparators

Spending by: (2024 Prices)	Amount	Cruise Direct Spending	Relative Contribution
International Holiday Makers in South Africa	R92bn	R1.2bn	1.27%
Western Cape International and Domestic Visitors	R41bn	R1.0bn	2.41%

The first comparison is between direct onshore expenditure by international passengers and direct spending by all international holiday makers. In 2024 international holiday makers spent R92bn in the country. In the 2024/25 cruise season international passengers spent R1.2bn. This is a 1.27% equivalent.

The second comparison is to Western Cape directly. In this instance, the available data was for all visitors to the Western Cape (domestic and international) for all purposes (holidays, visiting friends and family, business, etc.). In 2024 these visitors spent R41bn. In the 2024/25 cruise season international and 'out of province' passengers spent R1.0bn. This is a 2.41% equivalent. This is an understatement because a better comparator would be only holiday makers to the Western Cape rather than all visitors. Nevertheless, the contribution compares very well to the 2.7% global norm reported by the Cruise Lines Industry Association (CLIA, 2025, p. 3).

4 Summary

The contribution of the 2024/25 Western Cape cruise industry is presented in Table 24.

Table 24: 2024/25 WC Cruise Liner Season Summary

Cruise Line Vessel Numbers	79
World Cruise	42
Expedition	16
International Coastal	16
Domestic Coastal	5
Passengers	127 178
World Cruise	68 837
Expedition	10 155
International Coastal	23 834
Domestic Coastal	24 352
Crew	48 700
International Cruises	43 973
Domestic Cruises	4 727
Total Expenditure	R1 991m
International Passengers	R1 166m
Domestic Passengers	R33m
Crew	R60m
Cruise Lines	R732m
Smaller Municipalities	R47.5m
Macroeconomic Contribution	
Western Cape GDP-R	R1 789m
South African GDP	R2 341m
Direct Jobs	1 234
Total Western Cape Jobs	2 345
Total South African Jobs	2 959
Fiscus	R259m
Household Income	R906m
Foreign Exchange	R1 326m

In summary, 79 cruise line vessels called at the Cape, carrying 127 000 passengers⁸. Approximately 79 000 were on world and expedition cruises and 23 800 on international coastal voyages. There were 24 400 passengers on domestic coastal voyages. These vessels and

⁸ These passenger numbers are not unique passengers and follow the international convention of counting embarking, disembarking and in-transit passengers. Some passengers on the coastal turnaround cruises embark and disembark in Cape Town, and their numbers need to be adjusted for the economic analysis to avoid double counting.

passengers generated R1.99bn in expenditure. The bulk was from international passengers and cruise liner operators and is an increase of 32% over the R1.56bn expenditure of the 2023/24 season.

This R1.99bn expenditure resulted in:

- A R1.79bn contribution to Western Cape GDP-R and R2.34bn to South African GDP.
- Over 1 200 people in the Western Cape owed their employment directly to the cruise industry. Multiplier effects increased this to over 2 300 in the province and almost 3 000 in the country.
- The season made a R259m contribution to the fiscus, R906m to household income and R1.3bn to foreign exchange.

Smaller municipalities also benefited from the cruise liners and in 2024/25 it is estimated that international passengers spent R47.5m in Mossel Bay, Hermanus and Saldanha Bay.

5 References

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6 Appendix A: Methodology

An economic analysis of the cruise liner industry is complex not least because of data limitations. It requires that all expenditure in and around the industry be captured. It also requires that there is no double counting. This section sets the scene by describing what data is included, how this data was sourced or, when not available, estimated and how the macroeconomic calculations were made.

6.1 Conceptual Approach

This section gives a general description of the approach and is illustrated in Figure 22. The detail is given in the rest of the section. A macroeconomic analysis is done using expenditure relating to a project. There are three expenditure categories. The first is onshore passenger expenditure. The second is crew onshore expenditure and the third is expenditure on resupplying vessels.

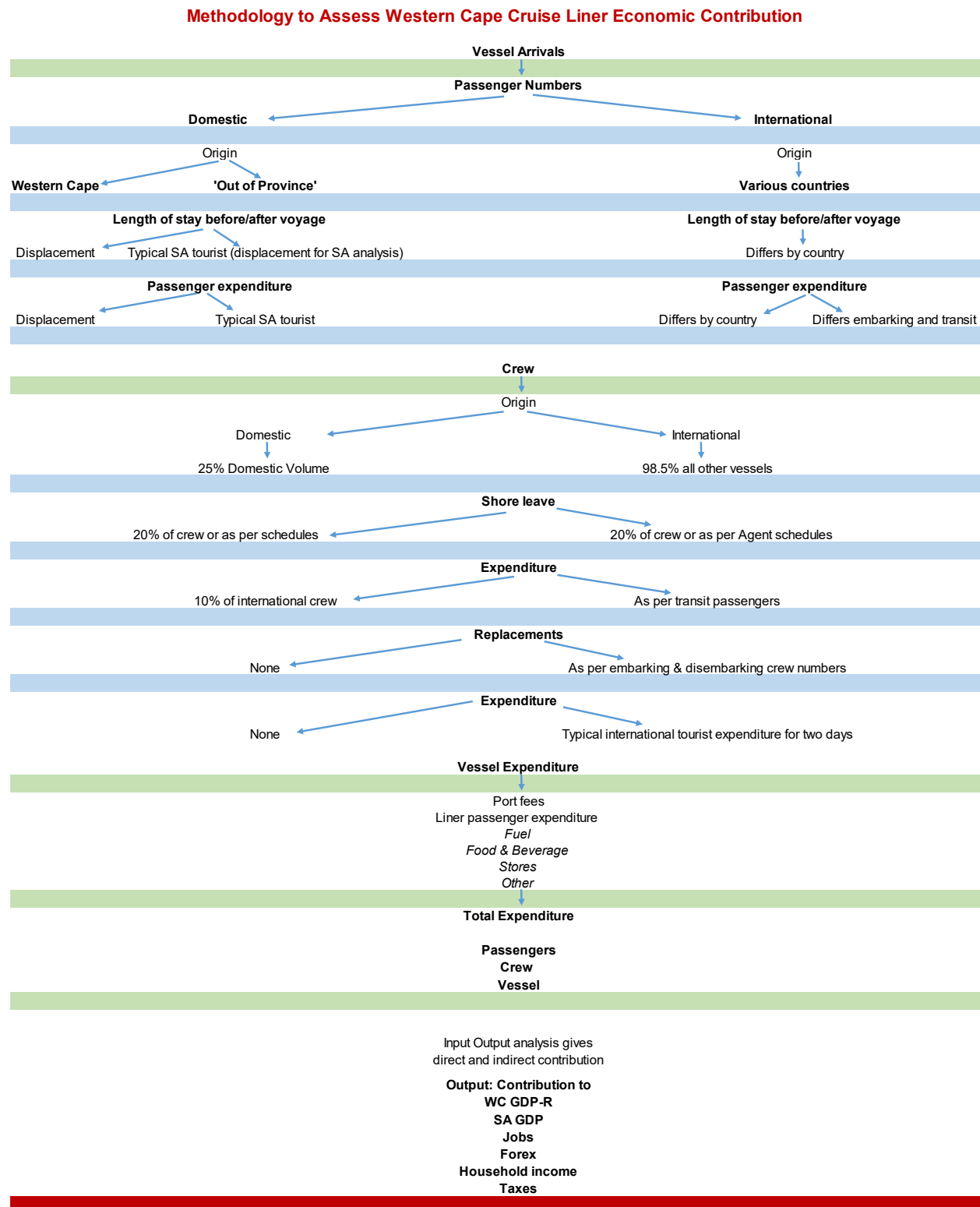
Several distinctions must be made between different passengers. The first is between domestic and international passengers because they have different spending patterns and stay for different periods before or after the voyage.

Two additional distinctions are necessary between international passengers. First by country of origin. Second between disembarking passengers and those in transit. These differences are important because of the different spending patterns and lengths of stay.

A distinction is needed between Western Cape and 'out of province' national passengers. It can be expected that any expenditure made by someone from the Western Cape would be at the expense of some other expenditure. Most typically tourist expenditure in Cape Town would simply displace a similar type of expenditure elsewhere in the province. Hence expenditure by people from the Western Cape is excluded. 'Out of province' South Africans must be treated differently. They would need to travel to Cape Town and possibly stay overnight. Their expenditure accrues to the Western Cape and is included in Western Cape income. However, at a national level their expenditure is also displacement and is excluded from South African income.

Crew also needed to be differentiated between national and international for similar reasons. They also need to be differentiated between those who remain with the vessel and those who are replaced. Replacements are typically put up in hotels for two days before or after leaving their vessel and are treated as international tourists visiting the city.

Figure 22: Conceptual Approach



Vessel related expenditure is straightforward and includes port fees, fuel, food & beverages and other supplies.

6.2 Macroeconomic Analysis

There are two parts to this section. The first describes the analytical process. The second explains the differences between the economic contribution to the South African economy and to the Western Cape.

6.2.1 Analytical Process

The actual task of calculating the macroeconomic impact of the season demanded a detailed and multifaceted approach not least because of the so-called multiplier effects. It is well recognised that the simple act of spending – hosting a cruise liner, for example - leads to other economic effects. Refuelling and taking on supplies can lead to increased production in those industries. Increased demand for fuel and food, in turn, leads to increased demand for processing which uses raw material, water, electricity and so on.

These are the so-called multiplier effects. While this process unfolds, each industry employs more people and pays more wages. Employees, in turn, spend their income and cause further multiplier effects through the economy. Measuring this is further complicated by the fact that different industries demand different skills. This leads to different wage structures across the various industries. People at different income levels have different spending patterns. Thus, the change in overall spending is dependent on which industries are affected.

Input-output analysis was used for the measurement of the macroeconomic impact of the cruise liner season. This meant that all expenditure in and around the season be identified, estimated and linked to the Standard Industrial Classification of all Economic Activity (SIC codes). In addition, estimates had to be made of the likely items of expenditure because of wage payments.

Measuring the economic contribution of the season was done in four stages. The first was to identify relevant expenditure. This was done in the previous section. Second was to assign an SIC code to the different expenditure types. Third was to decompose and apportion labour and profit into income categories and use this to estimate spending by income group. The final step was to bring all the SIC coded items together. The total multiplier effect is the aggregate SIC code spending on plant, material and consumption.

In a nutshell, the economic estimate includes the direct cost of the cruise season, and travel and related expenditure. The multiplier estimates include all the backward economic linkages for the season and forward economic linkages where, for example, people spend their salaries.

Direct jobs were calculated using the South African Social Accounting Matrix (SAM). The SAM gives average sector salaries and turnover. Direct jobs were calculated from these proportions given the calculated sectoral spending. Indirect jobs were calculated using the same principles as GDP calculations.

6.2.2 Differences between Western Cape and South African Contributions

The analysis made a distinction between three types of passengers – international, those from the Western Cape and those from the rest of South Africa. The macroeconomic analysis requires a distinction between Western Cape and South African passengers. This has been referred to above but is explained more fully here.

6.2.2.1 Estimating Western Cape Economic Contribution:

The spending of international passengers on the tourist offerings in the Western Cape is included in Western Cape Gross Domestic Product – Regional (GDP-R). The Western Cape economy will also benefit from the spending of 'out of province' South Africans. This therefore is also part of the Western Cape GDP-R.

It can be expected that the expenditure of people from the Western Cape will be at the expense of some other expenditure, typically leisure activities. This is a displacement effect. Therefore, Western Cape passengers are excluded from Western Cape GDP-R. This was done by excluding on board passenger related costs. This means vessel expenditure on food, water, etc.

6.2.2.2 Estimating South African Economic Contribution

The spending of international passengers on the tourist offerings in South Africa is larger than their spending in the Western Cape and is included in GDP.

The spending by South African passengers, irrespective of whether they are from the Western Cape, is excluded from South African GDP. This is because their expenditure would have been at the expense of other expenditure and is therefore a pure displacement effect. This was done by excluding domestic passenger related costs like food, water, etc.