



## ***Multinationals and Service Exports***

Lack of awareness at all levels is a major impediment to increase the exports of services. Multinationals provide an excellent illustration to services being exported by mode 3 (e.g., commercial presence abroad).

South Africa has a number of flagship companies in a variety of sectors (from mining exploration to telecoms to retail to banking and insurance), and already provide services to many countries across borders. Outside of South Africa, MTN mobile operator is present in 16 African countries, Standard Bank in 17, and Shoprite operates 129 outlets employing over 9'000 people in 16 African countries. South African companies are the largest long-term investors in the African continent.

In 2005, the annual turnover of Shoprite outlets outside of South Africa was \$390 million US. Non South African operations had over 20% annual sales growth compared to a previous year. Shoprite alone contributed with over \$22 million to South Africa's balance of payments account from its sale of services.

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