

MINISTRY OF TOURISM REPUBLIC OF SOUTH AFRICA

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JOINT STATEMENT BY THE OFFICES OF THE MINISTER OF TOURISM, MR MARTHINUS VAN SCHALKWYK, AND THE DEPUTY MINISTER OF SPORT AND RECREATION, MR GERT OOSTHUIZEN

The UN World Tourism organisation and South Africa hosted an inaugural Summit on Tourism, Sport and Mega Events in Johannesburg from 24 to 26 February 2010. The Summit was attended by some 450 delegates, ranging from Tourism Ministers to business leaders, industry experts and top academics from 35 countries.

At the conclusion of the UNWTO/South Africa Tourism, Sports and Mega-events Summit the Deputy Minister Gert Oosthuizen, speaking on behalf of the South African government, expressed his satisfaction that the Summit had produced a number of concrete outcomes that will amongst others inform the new tourism sector strategy that we have been compiling in close cooperation with industry role-players and stakeholders as well as the sport tourism strategy that is currently being finalised. Deputy Minister Oosthuizen said that "these proceedings will also underpin the important sports tourism strategy currently being finalised between the National Departments of Sport and Tourism, with the support of SA Tourism".

"The valuable best practice and knowledge shared at this Summit will feed directly into the sport tourism strategy and the. It will be the first ever comprehensive sport tourism strategy and it will serve as the roadmap guiding us to new heights in the next few years," Deputy Minister Oosthuizen said.

The Summit was aimed at amongst others intensifying the emphasis on the role of tourism and travel in fast-tracking economic growth and job creation and boosting trade, development and investment.

Participants at the summit specifically explored the potential of tourism, sports and megaevents in terms of attracting more visitors to a country, helping it to utilise tourism infrastructure to its fullest potential, diversifying the tourism mix and enhancing skills development and the pursuit of excellence in the tourism industry.

Minister van Schalkwyk described the summit not as an end in itself, but as a milestone for South Africa and the international community. "Sports, mega-events and business tourism are the sleeping giants of our tourism market which hold huge potential and which we will exploit further to grow our industry.

"We know we have to gain a better understanding of how to turn more sports and business tourists into leisure tourists who prolong their stay in order to explore the leisure facets of a destination and who also return repeatedly. The timing of the Summit was also particularly significant in the context of the fact that the World Cup is a mere 102 days away.

"While we are all working non-stop to put the finishing touches on what I believe will be the best World Cup ever, we have also never seen the Cup as the be-all and end-all. We know we must capitalise on the boost our industry has received in terms of infrastructure, training, skills and worldwide word of mouth advertising in the form of satisfied visitors.

"We have planned ahead and will implement further strategies after the World Cup to ensure the sustainability of our tourism industry beyond 2010. South Africa has already secured 95 meetings and conferences between 2010 and 2016 in the three major conference centra of Johannesburg, Durban and Cape Town. In addition to this, we have already also put in bids for an additional 45 meetings and conferences from 2011 to 2020," Minister van Schalkwyk said.

Deputy Minister Oosthuizen said the National Department of Tourism would compile a technical project report that collates all the source materials and expert contributions at the Summit into one volume, and by way of a summary, lift out the key themes and issues to be addressed.

A further outcome of the Summit entails that the United Nations World Tourism Organisation will intensify its focus on sport, tourism and mega-events as a tool for development. The participants at the Summit suggested that various proposals be considered as part of a work stream that could include greening guidelines for mega events, a knowledge repository on the management of mega-sporting events, and a rethinking of the way the costs and benefits of these events are evaluated.

In addition, the team of academics led by Professors Leo Jago and Daneel van Lill will complete a detailed report, sponsored by Visa and commissioned by the South African Government and the UNWTO. It is aimed at making a significant contribution to the basis of a framework towards maximising the benefits of mega-events.

Deputy Minister Oosthuizen expressed his gratitude about the fact that the Summit facilitated the formation of new and stronger networks and friendships between industry players, academics, governments and international organisations.

"To us in South Africa – and I think I can safely speak for government, business and academia –- this summit opened up new networks between new friends. I believe the wider perspective that this brings us, in addition to enhanced access to this knowledge network, will assist us to do what we do in a smarter way to the benefit of more of our people," Deputy Minister Oosthuizen said.

Ends

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TOURISM, SPORT & MEGA EVENTS INTERNATIONAL SUMMIT Delivered 26 February 2010 Sandton Convention Centre, Johannesburg Mr. Gert C Oosthuizen MP Deputy Minister of Sport and Recreation SA

Chairperson, Distinguished guests Ladies and gentlemen

Yesterday morning I had the privilege to welcome you to the first International Summit on tourism, sport and mega events, co-hosted by the United Nations World Tourism Organisation and the Government of South Africa.

Today I have the honour to share with you some thoughts on sports tourism from a South African perspective as part of the closing session.

Listening to the papers presented and the debates taking place the last two days I realised that we were correct in our prediction during the welcoming address, namely that this summit will be the beginning of a new international drive to utilise the potential of tourism, sport and mega events to the benefit of countries and mankind world-wide.

Valuable information was shared that will assist delegates to explore the vast potential of mega events from a tourism perspective, that to the advantage of their countries. In this regard sport has and will always be a major catalyst - on that we are all in agreement.

Sport has always been an important part of society, but with the global emergence of sports tourism it has also become an increasingly important part of the economy.

Consequently, the measurement and evaluation of benefits and costs of sporting events to host destinations and communities has become a focus of increasing interest to a number of groups, especially policy makers and sporting officials. Based on the proven economic benefits and impact that sport has delivered to a number of countries, our observation is that governments worldwide have become increasingly supportive of further investment in sport as an industry.

Sports tourism has become a multi-billion dollar business and one of the most intriguing of the modern-day service industries. The growth of sports tourism has been driven by increased global interest in sporting events that on the back of the massive expansion in satellite and digital television coverage over the past 10 years. For example, the 2006 FIFA World Cup stands as one of the most-watched events in television history. The final match attracted an estimated audience of 715 million people.

The cumulative television audience for the 2010 FIFA World Cup in South Africa is estimated at 26 billion people for the duration of the tournament! Fact is: With more leisure time, more disposable income and cheaper travel, sport is no longer just an add-on for travellers – in many instances it is the sole reason for travelling in the first place.

The intriguing nature of the business of sport and tourism emanates from the fact that it knows no barriers of language or culture, spans every sport imaginable, every age group and includes both those who travel to play and those who travel to watch their sport of choice.

Sports tourists are generally passionate, high-spending people who enjoy new sporting experiences. Very often they also stimulate other tourism categories. The direct benefit to a destination is cash – the indirect benefit can be years of return visits as tourists.

Sports tourism is a tool for achieving many things – to make money, create thousands of new jobs and even help change cultural perceptions; for instance in the Middle East; South Africa and, more recently, in Germany where it created a new German identity during the 2006 FIFA World Cup. We all saw how East and West Germany came together - that through the medium of sport.

In South Africa tourism is one of the fastest growing sectors of the country's economy. South Africa's scenic beauty, magnificent outdoors, sunny climate, cultural diversity and reputation for delivering value for money all contributed to make it one of the world's fastest growing travel destinations.

The outlook for the industry looks extremely positive, particularly with the exposure that South Africa will receive during the 2010 FIFA World Cup - let alone the accompanying massive upgrades to infrastructure; not to mention the sports infrastructure.

Sports tourism is estimated to contribute more than 6 billion rand to the South African tourism industry. More than 10% of foreign tourists come to South Africa to watch or participate in sports events, with spectators accounting for 60% to 80% of these arrivals.

There are numerous world-class sporting events on South Africa's calendar every year, and the country has proved that it can successfully pull off the really big events. To name a few:

The Indian Premier League (IPL) was successfully hosted in South Africa last year at very short notice. The event was relocated to South Africa in April 2009 due to the Indian national election which was taking place at the same time as the tournament. Within 21 days South Africa had organised this mega sports event in the midst of our own 4th democratic elections in April 2009. The event was hosted successfully with no negative incidents reported. I had the privilege to be part of the opening ceremony with former President Kgalema Motlanthe and at the closing ceremony I accompanied the newly elected President, Mr Jacob Zuma.

This tournament brought many benefits for South Africa across the board. More than 800 000 people watched the 59 games at the eight stadia throughout South Africa that hosted the matches, with 40% of this audience watching cricket for the first time. The TV ratings were 11% higher than the inaugural tournament in India last year. The IPL brought a total spend in South Africa of about R1.5 billion. It was a boost for tourism during the international down-turn, bringing in 25 000 hotel room nights and 6 000 flights over the 40-day tournament.

The hosting of the tournament in South Africa further cemented sporting, trade and political ties between South Africa and India. The 2009 British and Irish Lions tour was also a success story. According to a study commissioned by SA Rugby, the arrival of 37 000 overseas visitors generated 1.47 billion rand in direct and indirect value to the travel and tourism industry.

The 2009 FIFA Confederations Cup hosted by South Africa was hailed as successful by all major role-players. The tournament took place from 14 to 28 June, with eight teams competing. The four stadia, namely Ellis Park, Loftus Versfeld, Mangaung and Royal Bafokeng were completed well on time and the host cities of the tournament benefited from a financial, marketing and tourism perspective.

Other major sports events hosted successfully by South Africa include:

The 1995 Rugby World Cup, the 1996 Africa Cup of Nations, the 2003 Cricket World Cup, the Women's World Cup of Golf since 2005; the annual Million Dollar Golf tournament at Sun City; the inaugural World 20/20 Cricket Championships in 2007; the Supreme Council for Sport in Africa Zone VI Youth Games in December 2008; the FINA Swimming World Cup in 2009; the Tri-nations and Super 14 Rugby tournaments (and do I need to remind our delegates from Australia and new Zealand that we are the reigning champions?); and so I can go on and on reporting on our successful hosting of major sports events.

Now, in 2010 the country is gearing up for the biggest of them all: the <u>2010 FIFA World Cup</u>. The South African Government has realised the potential of sports tourism for the country. To position South Africa as a sports tourism destination beyond the 2010 FIFA World Cup a partnership agreement between Sport and Recreation South Africa and the Department of Tourism was officially signed by the two relevant Ministers a month ago.

The partnership is aimed at forging closer working relationships between the tourism and sports industries within South Africa with the aim to maximise the tourism value for major sports events. Identified areas of cooperation include among others:

- Sports tourism research to the mutual benefit of the Republic of South Africa;
- Strategy and policy development to inform the framework that will underpin the cooperation between the Parties, as well as to provide national guidance with regard to sports tourism.
- Bidding and hosting initiatives and guidelines.
- The development and updating of an international events register (approved as well as proposed events).
- An audit of bi-lateral and multi-lateral international sports agreements that could have an impact on sports tourism.
- Organising of workshops, seminars, and conferences on sports tourism. And
- The marketing of South Africa as a sports tourism destiny of choice.

Looking at some of the challenges that we are facing, I am of the opinion that there are mainly two challenges that are not limited to South Africa only:

- Firstly the absence of a clear understanding of the impact of sports tourism on global and national economies. There is a need to formulate a methodological framework to assess the impact of sports tourism. And secondly,
- Sports tourism in many countries is not prioritised as an economic priority that can contribute to the economic development of the country. There is a need for the sport and tourism industries to collaborate to ensure that sport is used to stimulate economic development.

I trust that as part of the process emanating from this summit, we can and will define strategies to address these challenges and to identify initiatives to further explore the potential of sports tourism. I know that governments and tourism experts have started to integrate their approach to tourism and to include sports tourism increasingly.

This is a move which I welcome having been a proponent of sports tourism for a number of years. Succeed we must, but not in a silo approach. The need for the use of sports tourism for a better environment also demands attention.

As Deputy Minister of Sport and Recreation I will fail my duty if I do not advocate for South Africa as a tourist destiny of choice. We have sport and adventure activities and destinations in South Africa that will ensure a lifetime experience for every participant.

Over and above the hosting of major sports events that I have referred to earlier, we have the annual Cape Argus cycle race which caters for 35 000 people riding and pushing their bikes over a 109 kilometre course.

For the water lovers we have the Midmar Mile in Kwazulu-Natal in which 18 000 swimmers participate annually. We have hiking trails (some with directions in Braille to accommodate those with a disability), white water rafting and, abseiling off Table Mountain, all 112m of it making it the world's highest commercial abseil. For those who have a death wish, we have bungi jumping off the Gouritz River Bridge at 65m and another off the Bloukrans Bridge at 216m. We have diving to see the marine life and the sharks in Hermanus – but you are safe in a protected shark cage!

We have the Comrades Marathon and a host of other activities and attractions. Just come and enjoy it in this beautiful country!

Chair, at the conclusion of this Summit we have to ask: What have we achieved, and what comes next?

This summit was not an end in itself, but a milestone for South Africa and for the international community. All the high quality inputs that we received, the presentations, the papers submitted, and the discussions on the floor will now inform a number of concrete outcomes. These concrete 'next steps' include, amongst others, the following:

One: The National Department of Tourism will compile a technical project report that collates all these source materials and expert contributions into one volume, and by way of a summary, lifts out the key themes and issues to be addressed.

Two: The valuable best practice and knowledge shared will feed directly into the 5 Year Strategic Framework for the tourism sector that the Minister of Tourism will be publishing in a few weeks.

Three: These proceedings will also underpin the important sports tourism strategy currently being finalised by the National Departments of Sport and Tourism, with the support of SA Tourism.

Four: The UNWTO will intensify its focus on sport, tourism and mega-events as a tool for development, and we would suggest that they consider various proposals as part of a work stream that could include greening guidelines for mega events, a knowledge repository on the management of mega-sporting events, and a rethink on the ways we evaluate the costs and benefits of these events.

Five: The team of academics led by Professors Leo Jago and Daneel van Lill will complete a detailed report, sponsored by Visa and commissioned by the South African Government and the UNWTO that will, in our humble opinion, contribute the basis of a framework towards maximising the benefits of mega-events.

We also have witnessed new networks and friendships forged between industry players, academics, governments and international organisations. To us in South Africa – and I think I can safely speak for government, business and academia, this summit opened up new networks between new friends. The wider perspective that this brings, combined with the new access to this knowledge network, will assist us *to do what we do* in a *smarter way*.

In conclusion I wish to convey my appreciation to Mr Taleb Rifai, Secretary General of the United Nations World Tourism Organisation, for co-hosting this prestigious inaugural summit in partnership with the Government of South Africa.

The impact of this event will be experienced globally for many years to come. In my view, the generations to come will look upon the groundbreaking work we have done in appreciation.

Allow me to thank all the delegates for your presence and valuable contributions. I trust that you have experienced and enjoyed the hospitality of the Rainbow Nation. I wish you a save journey back to your destination. Hopefully we will see you again on 11 June 2010 with the kick-off of the 2010 FIFA World Cup - in case you will not be here, switch on the TV and enjoy the Opening Ceremony which will take place at our 94 800 seater - the Calabash at Soccer City!

Ke Nako, let us Celebrate Africa's Humanity!

Thank you.