

Speech delivered by Minister Marthinus van Schalkwyk at the opening of the annual SAACI conference 2012.

30 July 2012

Thank you for inviting me to this milestone event as the Southern African Association of the Conference Industry (SAACI) marks its 25th anniversary at its 21st annual congress.

All of you are the lifeblood of South Africa's business events industry, which is a formidable and globally competitive sector critical to our tourism industry. It has been 25 years of collective determination to build South Africa's conference sector; of encouragement and mentorship, of fostering healthy competition, and of cementing partnerships.

As Government continues to focus on tourism as one of the key job creating sectors, we recognise business events tourism as an area with significant growth potential. That is why we announced the formation of the first South African National Convention Bureau (SANCB).

The SANCB is tasked with co-ordinating national bidding, undertaking research and collaborating with City and Provincial Convention Bureaus and the business events industry to present a united front for destination South Africa.

We remain in the top 15 'long-haul' business event destinations in the world and we are the premier business events destination in Africa, but our ambition is to compete with the biggest and best business events destinations in the world.

For the next five years South Africa has already secured over 200 international conferences, that are estimated to attract 300 000 delegates and provide an economic boost of more than R1.6 billion for the economy. In 2011, according to our departure survey, we had 392 000 business travellers, of which 140 000 were pure Meetings Incentive Conference and Events (MICE) delegates. According to international trends 35-40% of business travellers to any destination are pure MICE delegates - and this is a figure we are aggressively looking to grow.

So, while we have identified the business events industry as a critical component in helping us reach our National Tourism Sector Strategy's (NTSS) target of 15 million international arrivals by 2020, we know that we still have considerable room for growth and improvement in this sector.

The global potential is immense. In 2011, 10 000 Association meetings rotated worldwide, 6500 of those were regional (European, American, Asian and African Associations) meetings and 3500 International Associations. Africa hosted only 304 meetings, mostly International Association meetings and South Africa hosted only 86, still ranking us at number 37 globally.

We are committed to build a competitive destination to grow our global market share.

The SANCB is targeting 81 500 Convention delegates and 130 Association meetings by 2020, which represents a 5.3% annual growth rate.

To achieve our objectives we have set three strategic goals for the Convention Bureau:

- I. Increase the size of South Africa's business events industry by 57%
- II. Double the contribution of business events to tourism yield and improved geographic distribution
- III. Enhance the role of the business events industry as major driver of job creation, skills development and transformation

Aligned with these goals, are the Conventions Bureau's more specific targets which are to:

- Support at least 30 bids this year for international meetings, with a potential of 18 000 delegates, which will contribute R162 million in direct economic spend to the economy, and
- Grow the average number of delegates attending international conventions in South Africa from an estimated 54 000 in 2012 to 78 000 by 2017 and the average number of delegates attending business events in South Africa from 145 600 in 2012 to 210 000 by 2017.

These are targets we can reach. But to do so will demand deepening our partnership.

Through confidently staging major events like the 2010 FIFA World Cup and the United Nations' COP 17 Climate Change Conference, South Africa has proven its credentials to host events of any magnitude and is well-placed to play host to any local or international Meetings, Incentive, Conference and Exhibition (MICE) event, with world-class business and conference facilities complemented by excellent leisure tourism attractions and hospitable, welcoming, skilled and competent people.

And we have clear plans on how we will go about growing our business events industry as a collective. Part of the NCB's strategy, which is critical to all of you in the industry, is achieving coordination and cooperation amongst city and provincial convention bureaus to combine resources for the marketing of South Africa as a premier business events destination.

We are also identifying key industries and sectors that can help us to win more meetings and will work closely with local industry associations.

So, with this in mind we will strengthen our business events capacity accordingly and support bids specifically for international meetings in provinces which are best suited - and have the capacity - to host them.

Furthermore, government is also concentrating on creating the conditions that will help bids to succeed, such as building and enhancing our public infrastructure,

enhancing airlift, especially from Africa; streamlining visas; growing our telecommunications capacity and continuing our global leadership in meeting greening requirements that is fast becoming a license to operate if you want to host mega-events, conferences and conventions. Globally, the MICE Industry is gearing to become more 'environmentally and socially conscious'.

If the conducive framework conditions exist it will surely assist in growing businesses, and in turn increase our chances to bid successfully for other mega events. I would like to briefly highlight four important aspects, amongst other, where government is making great progress in this regard: Airlift, Visa, Infrastructure and Skills development:

Visas: The NDT and Department of Home Affairs have entered into an MOU to strengthen and prioritize the issuance of visas by the DHA in favour of tourism markets as identified in the South African Market Portfolio. To give effect to this cooperation, the departments agreed on the following: To conduct an impact review to assess the benefits of the interventions with regards to visa issuance improvements; To continue to engage with each other with regards to transit visa including the review of the impact thereof and to cooperate on the country's position with regards to SADC UNIVISA,

Airlift: It is important to unlock the benefits of aviation on our continent, create space for the new-model low-cost airlines, advance competition in the skies, and establish Johannesburg as one of the hubs on the continent as well as the South-South corridor. Government's review of the Airlift Strategy is another critical building block. The Review process has made immense headway and is drawing to an end. A number of government departments are also currently busy with the drafting of our first ever Africa Aviation Strategy.

Infrastructure: South African government is investing billions of rands to expand and revive its infrastructure as a continuation of the 2010 FIFA World Cup sustainable infrastructure development commitments. Four key sectors have been identified as central to the envisaged infrastructure development: **transport, water and sanitation, energy and telecommunication.**

Skills Development: The Department of Tourism provides support with tourism infrastructure development, and further supports the tourism skills base. We must ensure that our people share in the benefits of MICE tourism growth, and understand that we must create special skill sets to deliver service excellence and the capacity of SMME's to share in its benefits.

Conclusion

To achieve our goals we need to work closely together and I know many of you here today were signatories to the '**Win as One**' pledge unveiled by the SANCB last night – publicly affirming your support to our joint efforts.

We all have a part to play in our future successes: convention bureaus, provincial tourism authorities, professional conference organisers, destination management companies, hoteliers, convention centres and all business event suppliers. It is up to all of us to pool our significant resources; our experience; our depth of knowledge; and our creativity to collectively market our destination to become an exceptionally lucrative global business tourism market.

I wish you all a successful and productive conference.

I thank you.

Ends.

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Issued by the Ministry of Tourism