



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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NATIONAL ASSEMBLY:

QUESTION FOR WRITTEN REPLY:

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Mr J Vos (DA) to ask the Minister of Tourism:

Has he commissioned a review of the SA Tourism Indaba; if not, (a) why not and (b) when will this review take place; if so, what are the relevant details?

NW2300E

REPLY:

Yes, I commissioned a rapid review of the Tourism Indaba during 2014/15 Financial Year.

Part (a) of the question is therefore not applicable.

- (b) I commissioned a rapid review of the Tourism Indaba with the aim to determine the most appropriate policy choices for the future growth and sustainability of this travel trade show.

Without doubt, Indaba has evolved into the largest Pan–Africa travel trade show, with a growing brand strength. However, it could even be more competitive.

The panel has recommended that a partnership should be considered for the future of Indaba. They also recommended that the partnership should be based on the ability of the partner to bring in the following: existing network of buyers, technological transfer, capital investment, risk sharing arrangements and global brand strength.

They further emphasised that in considering the recommendations, the following should also be taken into account:

- The extent to which destination issues that the trade show should address for destination SA and/or destination Africa are not compatible with the profit motive that an independent operator would pursue.
- The extent to which specialised skills, experience, technology, networks and brand strength exist in such partnering specialised companies (which should already be in the business of organising multiple annual tourism trade shows and therefore able to achieve economies of scale from existing infrastructure) and cannot easily or cost-effectively be developed in an entity such as SA Tourism with multiple other roles and responsibilities and very few shows to operate (in the main Indaba and meetings Africa).
- The extent to which it will be more cost effective to have the show operated by an outside entity in a strategic partnership or as a purely private operation.

I have duly considered the recommendations and have accepted the proposed partnership model with an independent private operator subject to the following conditions:

- The strategic partner should exclusively operate and manage the show for a specified period;
- The partner must provide equity investment, share risk and profits;
- Indaba to retain the use of current brand name, whilst leveraging from co-branding opportunity for maximum exposure e.g. managed by “Strategic Partner’s name”;
- The strategic operating partner should already be in the business of organising multiple annual tourism trade shows and therefore able to bring economies of scale from existing infrastructure;
- They should also have a good understanding and/or experience in the South African/African environment;
- SA Tourism to retain the ownership of the brand Indaba;
- The partnership must result in reduced management costs for SA Tourism; and
- Indaba must remain a pan-African travel trade show.

These are the broader policy principles that will guide the choice of such a strategic partner. The process to recruit a strategic partner will commence during the current financial year, with the view to implement the recommended future Indaba starting in 2017.