



**tourism**

Department:  
Tourism  
REPUBLIC OF SOUTH AFRICA

**Address by Mr Fish Mahlalela, Deputy Minister of Tourism at Africa's Travel Indaba (BONDay) In Durban on 8<sup>th</sup> May 2023**

Programme Director

Minister of Tourism, Ms. Patricia de Lille

Ministers of Tourism in our midst today

MEC's of Tourism

Director General of the Department of Tourism, Mr. Victor Tharage

Officials from the Department of Tourism

CEOs of Provincial Tourism Authorities

Exhibitors from the continent

Buyers present

Members of the media

Distinguished guests

Ladies and gentlemen

Allow me to welcome everyone to Durban, a city that pulsates with life, energy and infectious love for Africa and to be precise welcome you all to Africa's Travel Indaba in 2023.

We are indeed honoured to have you joining us at Africa's Travel Indaba, and are looking forward to sharing the beauty of the city of Durban and the magic of Africa with you.

As we gather here under the warm Durban sun, let us renew our commitment to using tourism as a powerful tool for building bridges between people and cultures. Let us immerse ourselves in new languages, savour the flavours of diverse cuisines, and be enchanted by the captivating narratives that emerge from every corner of Africa.

Let us forge new connections, deepen existing relationships, and build a brighter future for all through the power of travel.

There's no better platform than Africa's Travel Indaba, the largest tourism trade show on the African continent, bringing together travel industry professionals, exhibitors, and media from around the world to showcase the best of Africa's tourism offerings.

The event provides a platform for African countries to promote their destinations, products, and services while offering networking opportunities, educational seminars, and insights into the latest trends in the travel industry.

It is a must-attend event for anyone involved in the African tourism sector and an important opportunity to build relationships and drive growth in this dynamic industry.

Programme director, the value of the tourism sector is great and it speaks for itself. It is therefore important that we invest in this sector, to ensure it continues to enrich the lives of the people on the continent.

I am pleased to announce that the Department of Tourism plans to spend almost R300-million in the next financial year on developing enterprises and transforming the tourism sector.

We understand the importance of SMMEs and their role in our economy's growth and development.

Therefore, we will be focusing on improving our expenditure towards these businesses.

Additionally, we are planning to train 250 Small, Medium, and Micro Enterprises (SMMEs) on norms and standards and will spend almost R50-million on enterprise development and transformation.

Our Tourism Incentive Programme has also set aside almost R250-million to stimulate growth and development in the tourism sector by providing financial assistance to privately owned tourism enterprises.

As part of our transformation agenda, we have set a target of spending 40% of our budget on procuring goods and services from SMMEs, including women-owned businesses.

We are committed to empowering our people and accelerating our transformation efforts and to also remain true to President Ramaphosa's line of march 'leave no one behind'

We also recognize the importance of youth in the tourism sector.

We are proud to announce the launch of the Tourism Technology and Innovation Incubator, a youth-focused initiative that will incubate 20 SMMEs nationwide.

This initiative aims to support young entrepreneurs and innovators in the tourism sector and create job opportunities for young people.

However, we also acknowledge that transformation in the tourism sector is not taking place at a snail pace and there has been a decline in applications for the Tourism Transformation Fund.

We commit to addressing this issue and will work to understand the reasons behind this decline to accelerate our transformation efforts.

Programme director, South Africa has long been a popular destination for tourists from all over the world.

We have a lot to offer visitors with its diverse landscape, rich culture, and friendly people.

However, in recent years, the tourism sector in South Africa has faced several challenges, including the impact of the COVID-19 pandemic, economic downturns, and concerns about safety and security.

Despite these challenges, the government remains committed to supporting the tourism sector and ensuring its growth and development.

Tourism significantly contributes to South Africa's economy, comprising a substantial portion of the country's GDP.

According to the World Travel and Tourism Council (WTTC), the tourism sector contributed 8.7% to South Africa's GDP in 2019.

Tourism also plays a crucial role in generating foreign currency for South Africa.

In 2019 alone, the country welcomed 10.2 million international tourists, generating over R120 billion in revenue.

Tourism is also a significant job creator in South Africa, providing employment opportunities for millions of people.

According to the WTTC, the tourism sector in South Africa employed almost 1.6 million people in 2019, and the industry has the potential to create even more job opportunities, particularly in rural areas.

Tourism also significantly impacts other industries, such as hospitality, transport, and retail, and contributes to the growth and development of these industries.

As we witness the rapid recovery rate of the tourism sector, we are optimistic that we will soon surpass the pre-pandemic levels.

Our optimistic outlook is rooted in the industry's resilience and the unwavering determination of the government and tourism stakeholders to revitalize the sector.

This is so because the South African government has recognized the importance of the tourism sector and has made it a priority area of intervention in the Economic Reconstruction and Recovery Plan (ERRP).

The plan aims to support the country's economic recovery from the impact of the COVID-19 pandemic and includes several measures to support the tourism sector.

These measures include financial support for tourism businesses, the development of tourism infrastructure, and initiatives to promote tourism in South Africa.

One of the government's key initiatives to support the tourism sector is the Tourism Incentive Programme.

The programme provides financial assistance to privately owned tourism enterprises to stimulate growth and development in the sector.

In addition, as I said earlier, the government has set a target of spending 40% of its budget on procuring goods and services from SMMEs, including women-owned businesses, to support the growth and development of these businesses.

The government is also focusing on developing tourism infrastructure to attract more visitors to South Africa.

This includes the development of new tourist attractions, such as the planned Durban Iconic Tower, the tallest building in Africa.

We are also investing in developing new tourism routes and improving existing ones to make it easier for visitors to explore the country.

Another key initiative of the government is the development of tourism in rural areas.

Rural tourism has the potential to create job opportunities and support economic growth in rural communities.

We are working to develop tourism infrastructure in rural areas, such as establishing tourism hubs, to support the sector's growth in these areas.

This includes initiatives to support the development of skills and training for workers in the sector and the development of entrepreneurship in the tourism sector.

We are also committed to promoting South Africa as a tourism destination globally.

We believe that our country has a lot to offer wonder seekers, from its beautiful beaches and wildlife parks to its rich culture and history.

As articulated in the government policy loadstar, the National Development Plan (NDP), our ambition is to achieve 21 million arrivals and a 10 per cent GDP contribution to the economy by 2030.

We are working to promote these attractions to visitors worldwide and are investing in marketing campaigns to promote South Africa as a tourism destination.

Despite our best efforts to support the tourism sector, the industry still faces challenges ranging from dire impact of COVID 19 pandemic and safety and security of tourists which is receiving government's undivided attention working in collaboration with our police to address.

This includes increasing police presence in tourist's attraction spots, improving lighting and CCTV coverage, and working with the tourism industry to implement safety and security protocols.

Finally, the government is working to ensure that the benefits of tourism are spread evenly across the country.

We are working to ensure that rural communities and other disadvantaged areas also benefit from the growth of the sector.

In conclusion, Tourism is a crucial industry in South Africa, contributing significantly to the economy and creating job opportunities.

We are steadfast in our dedication to showcasing South Africa as a top-tier tourism destination while ensuring that the rewards of this thriving industry are spread equitably.

Thus, we urge investors from all corners of the globe, including our home country, the rest of Africa, and the diaspora, to consider investing in this dynamic sector.

With a triple return on investment, including benefits to the country, job creation, foreign currency inflows, and social cohesion, there has never been a better time to be part of the growth-enhancing tourism industry.

Let me wish you all a successful trade show.

I thank you.