



DEPUTY MINISTER
TOURISM
REPUBLIC OF SOUTH AFRICA

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Deputy Minister Fish Mahlalela's address on the occasion of the visit to OR Tambo District Municipality in the Eastern Cape Province for stakeholder engagement on rural tourism development activation and to encourage domestic travel, at Mayfair Hotel Conference Centre

23 October 2020

Programme Director, Cllr. Thokozile Sokanyile
Ms. Nokuzola Capa: Deputy Minister of Small Business Development
Mr. Mlungisi Mvoko: MEC for Finance, Economic Development, Environment and tourism
Representatives from the OR Tambo Region House of Traditional Leaders
Cllr Goodman Nelani; Executive Mayor of KSD Local Municipality
Mayors of the Local Municipality present here today
Speakers and Chief Whips of various Municipal Councils
Councilors
Traditional leaders
Mr. Makhaya Zokoza: Senior Manager in Tourism; Finance, Economic Development, Environment and tourism,
Acting Municipal Manager of the District and all the Municipal Managers from the Local Municipalities
Managers and officials from Municipalities
Representative from the office of the Deputy Minister for Small Business Development
Officials from the National Department of Tourism
Representatives from SMMEs
Members of the various media houses
Ladies and Gentlemen

Good morning

Programme Director, the welcoming remarks by the Executive Mayor of the KSD Local Municipality and that of the remarks by the MEC paint a clear picture that we need to work with speed in improving the lives of our people. If we don't, they will run out of patience and revolt against their own democratic government. I welcome and appreciate this re-awakening.

Ladies and gentlemen, political and traditional leaders gathered here today, allow me to enter this stakeholder engagement platform by borrowing from the great leader of our movement, Oliver Reginald Tambo, after whom this District Municipality has been named, when he spoke at Solomon Mahlangu Freedom College, 02 May 1984, Mazimbu, Tanzania, and said:

"The fight for freedom must go on until it is won; until our country is free and happy and peaceful as part of the community of man, we cannot rest."

I am asking myself whether we have won the fight for freedom. OR says a free and happy and peaceful country will be a determinant of a freedom that is won.

Are we happy as a country? Are we peaceful? Are we free? The answer to all these questions is no, we are not.

How can we be free when we do not own the means of production, the land? How can we be free when our women and children are abused and exploited? How can we say we have attained a peaceful state when our youth are unemployed?

These are the questions are not meant to raise anger within us but to act upon them by asking further questions.

What can make our people happy? What can make our people peaceful, and how can we be free?

Surely, we will be happy, peaceful and free when we own the resources that would sustain us, our families and our country.

We are in the Eastern Cape, a province that has a rich history of heritage that is sought after by historians all over the world.

I remember the history lessons when we learned about the series of clashes historically known as, Frontier Wars that date back to 1779. This is the time when AmaXhosa, the Boers, the Khoikhoi, the San and the British clashed intermittently for nearly a hundred years.

The reason for these clashes was largely due to colonial expansion which in turn dispossessed AmaXhosa and Khoikhoi people of their land and cattle, among other things.

The family units were eroded when the men, the head of families, were displaced and taken by force to work in mines. This left the family vulnerable and pushed women to seek ways of keeping the families intact.

This was the emergence of women in farming, women in tourism. I will come to these points later.

It pains me to see the people that originally had land to themselves, staying in 50 by 50 feet yards! How then do we expect our people to be happy and be peaceful? Generation after generation our children learn about how we our land was taken away from us? Will they be a peaceful generation?

Programme Director, let me pause and bring in a matter that has the potential of destroying and reversing our democratic gains, the Gender Based Violence and Femicide. Our women and youth are being abused and killed by those that are supposed to be protecting them. Is it because of the anger of the past that could not be resolved?

As if that is not enough, statistics have it that since the announcement of COVID-19 lockdown by President Cyril Ramaphosa, the cases of GBVF escalated. Does this say we are no more able to tolerate on another because we have not learned to live with each other as a family? Programme Director, the manifestation of societal challenges that were brought about by apartheid policies upon our people?

The depression caused by the pressure of living under COVID-19 conditions, without resources to care for the family, has led to the escalation of suicides amongst our people. We see men and women killing themselves, on the other hand we see husbands killing their families and now of late, mothers killing their children. How do we save our society from all this pain?

The only solution to women abuse is the emancipation of women so that they are able to stand by themselves and not depend on us, men, who in turn exploit them. We have continued to perpetuate the culture of dependency amongst our youth ad women, proving the statement by Thomas Sankara true that:

“He who feeds you, controls you.”

We need to applaud our government for the proactive initiative of allocation of farm land back to the people for Agricultural. I hope majority of you have made applications.

My introduction was a way of reminding all of us that we are South Africans, and we have a past. The road we have travelled from where we come from to where we are now, to where we want to be, has not been an easy one. It has been marked by life and blood of our forefathers. Painful as it is, it has the potential of lifting us, our economy, towards recovery.

I know that majority of our elders attending this meeting are religious leaders. Let me remind you of Samson’s riddle in the Holy book. *“Out of the eater, something to eat, out of the strong, something sweet.”*

Like Samson’s riddle, we can build from pain of the past and revive our local economy using the very same incidences that the enemy thought will destroy us as a people.

A tourism route with heritage products can lift our economy. Our own children can again learn about the history of their great-grandparents. This will restore confidence in our youth. They will relate to their hero’s and rise above the challenges that this country is facing.

It is for this reason that the Department of Tourism has completed the following projects in this region:

Project name	Project description
Wild Coast Tourism Masterplan (2020-2050)	Wild coast masterplan which sets out immediate-to-longer term institutional plans for the development of the geographic areas of tourism potential. They also seek to unlock funding and investment promotion as well as ensure the creation of relevant and impactful tourism products and experiences, with a view to growing and transforming tourism as well as ensuring that the sector is inclusive. The project focuses on master plans for a short to long term development of the Port St Johns to Coffee Bay node, as part of the Coastal and Marine Tourism (CMT) programme.
Port St Johns Waterfront Technical Studies (2019/20)	Development of Geotechnical Feasibility, which included: geotechnical investigations; Site classification; Stormwater drainage recommendations; Special precautions; Development of a Flood line analysis, which included: Hydrology calculations 1: 50 and 1: 100 ear floods using Standard Design Flood (SDF) Method and Regional Maximum Flood Method; b) Hydraulic model; Modelling results

Activation of domestic tourism will lessen the stress we have been subjected to through sitting indoors and not being allowed to visit. COVID-19 lockdown has seen many product owners closing their businesses.

The businesses I this district were also affected by the lockdown.

I must pause and appreciate that the business owners within the country responded well to the call to apply for the relief fund provided by Government in order to keep the small businesses afloat.

Established as an intervention to mitigate the impact of COVID-19 on the tourism sector, the R200 million Tourism Relief Fund provides once-off capped grant assistance to Small Micro and Medium Sized Enterprises (SMMEs) to ensure sustainability during and post the implementation of government measures to curb the spread of Covid-19 in South Africa.

I must hasten and say; this amount was too little as compared to the number of SMMEs who applied for the relief fund. It is for this reason that there are those amongst us who received letters that their applications were successful but, there was no more money to pay.

This is an indication of the high number of SMMEs that we have in our country, and per region.

That was not the only assistance given to the SMMEs. In May President Ramaphosa announced that the National Empowerment Fund to the value of R200,000,000 in loans was now available for black

entrepreneurs to manufacture and supply a range of medical products, including medical masks, sanitisers, dispensers and related healthcare products to support the healthcare sector during the COVID-19 crisis.

For us to survive as small businesses, we need to think about the sustainable products that will generate income here in the rural area.

We are here as Government to get our communities out of their houses, to visit areas of attraction that are within their Municipalities and Provinces. We believe that by word of mouth and using gadgets, we can create a circle of family friends where you share information on tourist attraction. One may then ask; how do we get out of the house now that we are in Alert Level 1?

The issue of crime in our district, has to be looked into. According to the 2018 (Stats SA), the rate of unemployment has hit 42.4%. The fact that majority of the population is young and unemployed, should be a driving factor that makes us strive to resuscitate rural tourism in this region.

We need to invest in our youth as the future of this country, as Oliver Reginald Tambo once said:

“The children of any nation are its future. A country, a movement, a person that does not value its youth and children does not deserve its future.”

To save our country and our nation, we need to work with speed in identifying the challenges that could be turned into immediate opportunities to activate rural tourism. We need to further engage the youth and women of our region on what do they see as ways to economic recovery.

We do so, mindful of the broader and destination-specific challenges that have a huge impact on tourism in general, which include the following:

- Service delivery challenges around bulk infrastructure (e.g. sewerage systems, roads, etc.); accessibility to and within destination,
- Poor signage,
- Inadequate water and sewage supplies,
- limited electricity provision and power outages (services);
- The complex land claims aspects,
- Iconic attractions that are not well established and marketed,
- Lack of diversified accommodation offerings, museums need upgrading and promotion, limited tourism facilities,
- Lack of banks/ATMs, patchy mobile phone coverage, speed and cost of data,
- Lack of filling stations/vehicle repair facilities and medical facilities, local food production, local entrepreneurial culture;
- Limited skills base with inadequate training facilities; environmental degradation; poor waste management,
- Lack of project packaging capability to leverage on various investments;
- Lack of coordination and aftercare of LED and tourism aspects, infrastructure projects;
- Limited implementation of a number of completed tourism planning documents for the region,
- Thus, the region is unable to attract investors; and hence these plans may need to be reviewed for feasibility of implementation;

Tourism is the ideal service industry and has the potential to facilitate inclusive growth, create jobs and benefit local communities. However, the sector has been underperforming in this part of South Africa.

We will be lying to ourselves if we say, we have no challenges so far. The South African economy has overtime been worsened by sustained low levels of investment and growth. The economy has also experienced a series of downgrades, Therefore, remedial efforts to improve service levels and the understanding of tourism service requirements, as well as improve critical infrastructure need to be prioritised. By these remedial efforts we seek to:

- Optimize and expand agriculture, forestry, oceans economy and tourism offerings to diverse markets and segments;
- Tap into the potential for CMT on how best this can benefit local communities;
- Leverage partnerships with global and local partners for the Wild coast region;
- Build investor confidence;
- Support catalytic economic development projects that focus on job creation; and
- Build skills and enterprise capacity of SMMEs.

The South African Economic Reconstruction and Recovery Plan adopted by parliament brings hope towards building a sustainable, resilient and inclusive economy. What we have identified as challenges will now be mitigated through:

- Aggressive infrastructure investment;
- Employment orientated strategic localization, reindustrialization and export promotion;
- Energy security;
- Support for tourism recovery and growth;
- Gender equality and economic inclusion of women and youth;
- Green economy interventions;
- Mass public employment interventions;
- Strengthening food security; and
- Macro-economic interventions

In response, we have projects under planning in the region. A master plan on tourism has been developed.

As part of the Wild Coast Masterplan, four (4) Tourism Development Zones (TDZs) were identified based on existing products and potential tourism opportunities, as i) Mbizana/ Mkambati, ii) Lusikisiki/ Mbotyi, iii) Port St Johns/ Libode, and iv) Coffee Bay/ Hole in the Wall. The key interventions in these zones are summarised as follows:

- The total number of visitors in the Corridor has decreased in the past few years from 725 000 in 2008 to 476 000 in 2018 (-41%). To increase the number of tourists visiting the area the following need to happen:
 - a. Tour operators in conjunction with public sector should market the area more aggressively in the identified markets. The outcome of active marketing process is to attract 10 000 additional tourists within the next five years (2020-2025).
 - b. The Corridor boasts attractions such as adventure, nature-based, cultural and heritage destinations, but these require packaging and clustering. As a long-haul destination, both within South Africa and globally that can be accessed mainly by road, the Wild Coast Corridor needs to facilitate ease of access. The major access roads that require immediate attention are R61/ Hluleka Nature Reserve, R349 near Coffee Bay and Lusikisiki/ Mbotyi coastline and 195km portion of N2 Wild Coast Meander.
 - c. Security measures or perceptions of security should be addressed including creation of a safety plan.
 - d. A well-resourced, well-functioning, credible and inclusive new Tourism Agency or Unit is needed to bring together all the stakeholders and to drive coordinated marketing and product development initiatives.
 - e. Multiple events supported by event infrastructure and shared online resources can be hosted at regular intervals. These will support the local economy and job creation. In order to maximise the number of jobs to be created, it is important that “leakage” out of the event area is kept to a minimum.

To accomplish the identified tourism products in each TDZ by various stakeholders and partners, the following investments, growth and jobs are projected from 2020-onwards.

Tourism Development Zone	Capital investment	Provincial GDP	Revenue	Jobs (formal and informa
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	(public and private)	(economy-wide impact)	(tax and vulnerable individuals)	
Mkambati/ Mbizana	R441 million	R225 million	R129 million	3 277 jobs
Lusikisiki/ Mbotyi	R485 million	R378 million	R217 million	4 790 jobs
Port St Johns/Libode	R330 million	R292 million	R167 million	3 704 jobs
Hole-in-the Wall/ Wall/ Coffee Bay	R448 million	R285 million	R163 million	5 531 jobs
TOTAL	R1 219 billion	R1 180 billion	R676 million	17 302 jobs
The following public investment projects are due for implementation:				
Camp site development		Sites needs to be upgraded and properly maintained		
Coffee Bay Town Status		Additional beds required. Township establishment to be in place		
Academic retreat		Product development required to assess feasibility		
Document Rich history of Coffee Bay and surrounds		Information for story telling life-saving facilities		
Road improvement		Coffee Bay to Hole in the Wall		
Signage provision		Road sign improvement		
Beading training WRT products that market demand in addition to traditional artefacts		Cultural beads- product development		
Silaka Nature Reserve		Nature reserve upgrades to accommodation, viewing decks and curio shop		
Mngazi Mouth		Campsite		
PSJ Waterfront development		PSJ Waterfront including small boat launch and cultural activities		
Lighthouse redevelopment		Heritage facility		
Military base barracks upgrade		Convert facility into accommodation		
Tour operators/ guides		Training and development		
Blue flag Beach Agate Terrace		Life guards, ablutions, cleanliness		
Agate Terrace tourism precinct		Picnic facilities, parking, ablutions and signage		
Road paving		Road lead to Agate Terrace		
Upgrade of airfield		Tar runway and license annually		
Wild Coast Meander		Access from Port St Johns to Hluleka Nature Reserve and Coffee Bay		
Development of lodges and camp sites at Mbotyi and Mzintlava River Mouth		Accommodation at Ntafufu		
N2 Msikaba Bridge and visitor centre		Iconic bridge		
OR Tambo Heritage Route		Route Development link to OR Tambo Garden, Winnie Madikizela birthplace		
Cathedral Rock expeditions		Require guides and signage		
Magwa Tea Estate		Agro/ eco-tourism product development. Development of cultural precinct, tourism info centre and tea history, products		
Document rich history of Lusikisiki and surrounds and agree on key stories at Inguza massacre		Information for story telling		
Cannabis Route		Route development link to proposed cannabis college in Lusikisiki		
Rental equipment and issue fishing permit		Ability to issue fishing licence/ permit and provide equipment		
Tourism awareness campaign		Safety, security, cleanliness and hospitality		
Road Access		Pave road from Lusikisiki to Mbotyi to improve access approximately 15km		

Over and above the above initiative, the Department offers learnerships to enable our youth and women to be self-sustainable. These learnership are offered in:

- Hotel Management; Game Ranger; Outdoor activities Manager; Culinary Chef Customer Service; Marketing Manager; Travel Agent; Travel Agent Manager; Tourism Officer; Tour Management; Events Coordinator; Wild Life Guide

These learnership programs encourage unemployed, educated students to build on their experience and skills.

I believe in collaborations for the work to be done. As sphere of government, we are interrelated as per the Constitution and need to work in an environment that is conducive.

It is for this reason that, the department of Tourism in collaboration with the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), and the OR Tambo District municipality have conducted the Capacity Building workshops from 2016-19.

The workshops were conducted for the OR Tambo District together with its family of local municipalities, i.e. Ingquza Hill, Port St Johns, King Sabatha Dalityebo (KSD), Nyandeni and Mhlonhlo.

The Capacity Building workshop beneficiaries are, Tourism SMME's and product owners, Traditional leaders, civil organisations with interest in tourism, Local t and provincial government officials & councillors.

In 2016/17 financial year KSD was the host local, and the workshop took place in Coffee bay. As a case study project, Notshana Kayaking was identified. This is a water spot which use kayak (a conoe like boat) taking tourist along the Mthatha river mouth. They presented their business to the delegates, sighting amongst other things their challenges and success.

After the workshop, the province followed up on this business and assisted them to secure funding, which they did receive from LRED in 2018/19 financial year.

In 2017/18 Financial year, Nyandeni was the hosting local municipality, and the workshop was hosted in

Mthatha. As a case study project, Mthatha Dam Resort was identified. They also presented the PPP funding model which they use and also sighted their success and challenges.

After the workshop, the province ensured that this resort is properly marketed and put on the map, hence in the 2018 Tourism Month celebrations took place at this resort, with the journalist from all over in presence.

In 2018/19 Financial year, Ingquza Hill was the hosting local municipality and the workshop was hosted in Lusikisiki. As a case study project Magwa tea plantation was identified. They shared with the delegates that this plantation has been in existence since 1965, and has employed over 3000 community members when the business was doing well. In the 90's their tea received an international award as the best tea in the world.

After the workshop the RTO engaged the management of the plantation on issues of collaboration on the tourism front. They have agreed that the tea will be packed and sold to establishments and the RTO will package tours to visit the plantation.

Currently the business is under business rescue, however, the OR Tambo district and other key stakeholders are working on developing a sustainability plan for the plantation which will see to attracting private investors as well.

Programme Director, Tourism remains one economic sector that has a potential to reverse a sluggish economy, mobilize domestic investment, develop SMMEs towards the recovery of the economy.

The OR Tambo district is a home to beautiful water falls in the world. There is not much happening around these waterfalls in terms of visitor foot prints and activities. Reason to that is because they are not easily accessible. The waterfalls I am talking about are:

Tsitsa falls: These are the biggest waterfalls in the province of the 15 plus available. On a rainy day you would believe you were looking at Victoria Falls. They are situated in the municipality of Mhlontlo 45km outside Mthatha. They are next to one of the main centres of learning of our forefathers known as Shawbury. Very little has been done in the area yet it also sits with one of the small Game Parks next to the falls. It has a 146m drop as the longest in the province.

Magwa falls, within the tea plantation: This is the area where the Magwa Falls are found. The falls have a drop of 145m which is the second longest waterfall drop in the Eastern Cape. The falls are situated within the Magwa Tea Plantation. It is one of the most unspoilt areas found within the borders of South Africa. The road from the parking area of the waterfalls to the waterfalls is not good. It is rocky, slippery and not universal.

Water fall Bluff in Mbotyi: This water fall is one of two in Africa that flows into the sea. In the trail from Mzamba to Port St John's, it's one of the highlights on the trip. What makes it even more unique is the fact that underneath the waterfall is a cave that looks out to sea. At low tide the view is a special one, only enjoyed by a brave few who are willing to climb down and get into the cave.

Hole in the wall: This is magnificent world wonder. The challenge is the access road to this area. It is an unstable, slippery and rocky gravel road.

Home Stays: There are home stays around the area, with a potential to be developed.

When I looked at the profile of the District, I found that 80% of the unemployed are also poor. Majority of those that are poor and unemployed are the youth.

Due to lack of sustainable job, our youth and communities have blamed our government for talking more than acting on what they are preaching. This makes me agree with what Tata Nelson Mandela, the son of the Eastern Cape, when he said:

“Action is merely day dreaming; vision with action can encourage the world. [...] Part of being optimistic is keeping one's head pointed to the sun.”

We can therefore not give up until our vision of economic recovery through rural tourism development and domestic tourism has been realized.

As government, we are playing our role of leading tourism. We are saying, alone we cannot do it. We continue to work with the private sector as we activate rural tourism development. We believe that the community can play its part. Get out of the house and visit your areas of attraction.

One big advantage we have to tap in as we activate rural tourism in our country is that, all the tourism products are situated in the rural areas. We need to improve our infrastructure so that we benefit from the visits to these points of attraction.

Visiting clears the mind and makes one appreciate the beauty of our country so that we protect our heritage. Let me once more remind you on what you have at your disposal which can be turned to gold.

Firstly, we have our cultural heritage. These cultural aspects are of interest to the visitors and can be marketed as such, including the customs and traditions of people, their heritage, history and way of life.

Secondly, we have ecotourism, where our communities could travel responsibly to natural or near natural areas that promote conservation, like the SanParks, the wild-coast corridor, including the ocean.

Activating these products will lead to more visits which will in turn promote the SMMEs that are making business in these areas of attraction, selling products ranging from traditional gear, traditional utensils, beads work, to name a few.

No person will come from space and come and develop our SMMEs. It is our responsibility to support their work.

These are the people whose money circulate within the country. They pay for the services and send their children to schools with this money.

The establishment we are in right now is black-owned and has employed a number of our youth. Should heritage routes be developed, we are certain of a proper accommodation, including many guest houses that are within our communities.

I must pause once more and advice the guest house owners in our region to have their properties graded. Government only take business to a graded institution.

Before the world was hit by the COVID-19 pandemic, majority of the South Africans were supporting big tourism product owners, not considering the small businesses.

I am glad today that I will not be talking about the development and support of SMMEs because the Deputy Minister for Small Business Development is here to talk about this very important matter. We all know that small, micro and medium-sized enterprises owned and/or operated by the previously neglected population groups that are entering the market environment has not received attention for quite sometimes. Things are about to change, especially with the Economic Recovery Plan adopted by parliament.

Tourism as a sector, has not been encouraged and supported in our rural areas. Instead, our youth, women and all, leave the rural areas to work in well-established tourism products. Our people do not understand that such products can also be established in their rural areas and that they can make a living out of it.

In conclusion, I wish to thank you for showing interest in the recovery of our economy through tourism initiatives. We need to work together and produce the product that will change the lives of our communities. We learn from a young late former President of Former President of Burkina Faso, Thomas Sankara, who was hands-on in his approach and had this to say in one of his many inspiring speeches:

“Our revolution is not a public-speaking tournament. Our revolution is not a battle of fine phrases. Our revolution is not simply for spouting slogans that are no more than signals used by manipulators trying to use them as catchwords, as codewords, as a foil for their own display. Our revolution is, and should continue to be, the collective effort of revolutionaries to transform reality, to improve the concrete situation of the masses of our country.”

Let our engagement today lead to the improvement of the concrete situation, that of poverty, unemployment, inequality, the masses of our country find themselves facing.

I thank you

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