



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Opening address delivered by Tourism Minister Derek Hanekom at the Business Traveller Awards at the Maslow Hotel in Johannesburg on Tuesday 1 September 2015.

1 September 2015

Members of the business events industry, ladies and gentlemen,

Good morning to all of you! It's a great morning. It's the first day of spring, it's the start of Tourism Month, and today we celebrate excellence in tourism - an inspiring combination!

Spring is all about new shoots and blooms, new beginnings, and it's a season that makes us all more aware of the beauty of nature.

Tourism Month opens the door to new opportunities, and this is a good time focus more than ever before on promoting our amazing offering to domestic and international tourists.

But to grab these new opportunities we need to pause in our work and help each other see them, and to reflect on what we need to do to harvest them. We also need to take some time out to recognise the people who have brought us to where we are - who have excelled in taking care of our business travellers and other tourists

Industry awards such as these are a powerful endorsement, for the winners and for our country.

All the nominees have added to the value chain of the business events industry in some way. The clients you have impressed will talk about their experience to others when they get back home. If their experiences are extraordinary, if they get real value for their money, and if they get exceptional service, they will spread the word and tell others to visit South Africa. And that's what we want.

Ultimately, your company's brand and your reputation is tied to the brand and reputation of our industry and our country. Thank you, for flying our flag high, with pride and distinction!

South Africa's business events industry has enjoyed a steady rise in the last 10 years.

We are the number one business events destination in Africa and the Middle East, according to ICCA, the International Congress and Convention Association.

The key question now is: how do we grow the industry into the next 10 years? What opportunities do we need to capitalise on, and what challenges do we need to resolve?

In conjunction with the South Africa National Convention Bureau, and our industry partners, several key growth opportunities have been identified.

These include defending our share of the international market and growing our share of the African meetings industry. And then, we need to maximise the conversion opportunities arising from hosting international delegates in South Africa.

And we want to create more opportunities for the local industry within the corporate market at Meetings Africa, our continent's premier business events exhibition.

Meetings Africa will take place between the 22nd and 24th of February 2016 at the Sandton Convention Centre. I would like to encourage you to sign up, and to showcase your products and services to the international, African and local corporate buyers.

Last year South Africa hosted 124 conferences of international associations, which attracted 70 000 professionals to our country. Of these 124 conferences, 81% were events that rotate internationally every year, and only 9% were African regional events.

The Convention Bureau aims to grow the number of events and delegate numbers by 5.3% over the next five years.

We have already secured 163 events for the next four years, which will attract about 151 000 delegates to South Africa and generate R 3.2 billion in economic impact.

When you analyse the key success factors of many of the top convention destinations around the world, one consistent factor stands out. All successful destinations put a lot of effort into securing regional meetings and conventions.

There are good growth opportunities for South Africa within the African market.

There are about 770 registered associations on the African continent. Of these, 178 are based in South Africa, and 592 on the rest of the continent.

South Africa hosted 63 events of these associations in the past five years, which is about 10% of the total, and this shows us the opportunities for growth that the African continent offers the business events industry.

There will always be a market for business travel, even with technology like video conferencing and Skype, because there is really no substitute for warm, person-to-person contact, and the strong relationships that come out of this. Conference delegates present with a captive audience and there is ample opportunity to convert event goers into future leisure tourists.

Recent research tells us that conference delegates spend around nine days in our country. On average, five of these days are spent at the event they have come to attend, and four days on pre-tour or post-tour activities.

South African Tourism has identified opportunities to market South Africa to these captive audiences through targeted campaigns. Delegates will be encouraged to extend their stays, and to return with their families.

Our value proposition is critical for the success for this strategy. When we combine all our tourism resources, we are very well positioned to capitalise on the opportunity that this presents.

One of our immediate challenges is to overcome some of the barriers to growth. For this we need a collective effort. The Department of Tourism is committed to helping the industry to address the challenges that confront us.

I am aware that the new visa regulations are high on your list of challenges, and that you will be discussing this in detail today. I don't want to pre-empt the outcome of the discussions that have now started between Ministers, convened by the Deputy President, save to say that I am hopeful that this process will yield a positive outcome, and that it will be announced soon.

In 2014, and even flowing into 2015, the Ebola outbreak also negatively impacted on tourism growth. As a country, we did all the right things, and consequently we did not have a single case of Ebola in our country. Furthermore, we did the right thing by offering assistance to our West African friends to fight this killer virus. Thankfully, all indications point to the epidemic coming to an end.

There will always be challenges. The onus is on us to stand together and overcome these challenges. The encouraging fact is that South Africa remains the main hub for business travel on the continent, thanks to our world class airports, freeways, hotels and other infrastructure.

But we cannot afford to become complacent. Other hubs, in cities like Nairobi and Lagos, are getting stronger by the day. As I said earlier, there is huge opportunity in Africa, but there is also stiff competition from some very entrepreneurial markets on the continent.

The good news is that tourism to the African continent is on the increase. Not as much as it should be, but it is growing. Consequently, business opportunities will also increase. And this is good news for the business events travel trade.

In fact, there has never been a better time for Africans to advance the growth and progress of Africa together, through business, through tourism, and through partnerships that cut across our borders.

Industry and government must work together to provide a viable environment for business travel and tourism. We must make it easy for people to come here, to attend events, to do business here, and to enjoy a holiday.

With your combined efforts, South Africa will be able to take advantage of the opportunities that present themselves, and to reach the goal of making tourism a strong force for economic and social development, in our country and on our continent.

To all the nominees for awards, good luck! Whether you win today or not, we are proud of the contribution you make to tourism, and to our country.

Thank you.