



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Keynote address by Deputy Minister of Tourism Elizabeth Thabethe at the Hotel Show in Johannesburg

25 June 2017

Thank you, Programme Director.

I have already met many of you this morning, but let me first greet all those whom I have not met.

Allow me to acknowledge the leadership present here including the, the CEO of South African Tourism as well as the High Commissioners of Sri Lanka and Mauritius respectively.

To the industry leaders, investors and developers, product managers, owners, we applaud you for coming together and putting on such a wonderful show.

To the South African National Convention Bureau organisers of this show - congratulations on bringing this event to Africa for the first time.

To our guests from faraway places all over the world - welcome to South Africa, where you will find all the best the world has to offer in one place.

To the hoteliers and tourism operators who have attended this show in Dubai for the past 17 years – I am delighted that you can now experience all that South Africa has to offer. You will experience for yourselves why we are such a competitive destination for both business events and leisure activities.

The Hotel Show has supported the success of the hospitality sector in the Middle East, and we are confident that this event will promote the growth and development of tourism in South Africa and in Africa. I am told that this is the largest international showcase of products and services available to hotel industry: what a boost for Africa!

The latest United Nations World Tourism Organization report indicates that Africa is steadily developing into one of the world's greatest regions for travel. This is evident in the 2016 arrival results. Data collected for Africa points to an 8% increase in international arrivals, adding 4 million arrivals to reach 58 million.

When it comes to business events, African destinations are fast earning their rightful place as host destinations.

Rwanda is a prime example of this. Having emerged from a brutal genocide, this East African country has in recent years reinvented itself to become a highly regarded business destination. Rwanda now ranks 3rd in the 2016 continental rankings for Africa by ICCA, the International Congress and Convention Association.

Other countries from the continent who made this list include South Africa, Ghana, Nigeria, Morocco, Egypt and Ethiopia.

African destinations offer the world exceptional, unfiltered, life-inspiring authentic experiences. From our history and heritage to the wildlife and natural beauty - Africa never fails to create a lasting impression on travellers from across the globe.

For example, in 2010, South Africa proved naysayers wrong and earned its stripes and successfully hosted the World Cup which was a first for the African continent. The great experiences that the soccer fans and visitors had during that time have converted them to regular tourists to our country.

We must make every effort to continue hosting shows like this in South Africa. These forums create a meeting place to showcase the latest products and brands. They also highlight the many opportunities in tourism in our country, and demonstrate our experience as capable and functioning destination to the world.

Ladies and gentlemen, the hotel industry in South Africa is poised for growth. The 2016 hospitality report by Price Waterhouse Coopers stated that the number of available hotel rooms will rise at a 0.8% compound annual rate to 63 700 in 2020, from 61 100 in 2015. The report projects that bed-night stays will increase at a 1.9% compound annual rate to 14.6 million in 2020, from 13.3 million in 2015.

Overall hotel room revenue is expected to expand at a 7.8% compound annual rate to R20.6 billion in 2020, from R14.2 billion in 2015.

In South Africa we now have 118 869 star graded rooms across approximately 5354 accommodation establishments, including hotels, lodges and B&Bs.

The growth in overseas arrivals, the increase in the number of star graded establishments, and the range of accommodation options on offer indicates that our destination is perfectly suited to meet the needs and budgets of our visitors.

We are confident that there is potential for even further growth in tourism in our country.

To fulfil this potential, tourism operators must keep abreast of tourists needs, especially as their needs change in the rapidly developing technology space. And we must continue to attract investment by major brands in our products.

We have to make sure that we provide guests with exceptional products and excellent service.

The Department of Tourism is training and upskilling the people in our industry to deliver on this promise, across all touch points of the consumer journey.

The Tourism Grading Council of South Africa dedicates much time and resources to making this happen. Our star graded establishments afford consumers the comfort of knowing what to expect at the establishments they visit.

Ladies and gentlemen, there is a strong link between the information and insights that emerge from shows like this and the development of policies and the strategies that move the tourism industry forward.

Recent policy developments at the Department of Tourism include a review of the National Tourism Sector Strategy, which is now more aligned to the National Development Plan and to promoting inclusive, transformative growth.

Government and industry must continue to work together to make the tourism sector a leading example of radical economic transformation.

The Tourism BBEEE Charter Council has made good progress in formulating a plan to transform tourism.

Further transformation depends squarely on consensus and collaboration between the public and private sector

Ultimately, it is the private sector that has to implement government policy. One cannot walk without the other. And we don't just want to walk, our people are asking for more. We must now run together and accelerate the pace, scope and breadth of transformation of the tourism economy, so that it contributes to the transformation of the overall economy.

Tourism contributes about 9% to our national GDP. If we want to maintain and grow this contribution, collaboration between government and industry is essential.

Ladies and gentlemen, we welcome this opportunity to present our country as an outstanding investment opportunity. We are always eager to engage directly with investors and to explore the many opportunities that are emerging in tourism.

We are also grateful for the opportunity to present the work of the Department of Tourism to delegates.

The tourism industry has significant potential to create more jobs, and speed up inclusive economic growth and reduce poverty, in South Africa and in the rest of Africa.

This is Africa's time: it is our time to expand our share of the global tourism industry, and it is time for the proceeds of tourism to be deployed to develop our economies and uplift all our people.

I thank you.