



**MINISTRY OF TOURISM
OFFICE OF THE DEPUTY MINISTER (ODM)
REPUBLIC OF SOUTH AFRICA**

**Private Bag X424, Pretoria 0001, Tourism House, 17 Trevenna Street, Sunnyside, Pretoria
Tel. (+27 12) 444 6763, Fax (+27 12) 444 7029, Cellphone: +27 83 236 7899**

E-Mail: lmohlala@tourism.gov.za, www.tourism.gov.za

Opening remarks by the Deputy Minister of Tourism, Mr AF Mahlalela to the SMMEs webinar on the Impact of the COVID-19 virus on the tourism sector

TOPIC: WHAT DO TOURISM SMMEs NEED TO SURVIVE THE ADVERSE IMPACTS OF COVID-19 – FROM HEADACHE TO HOPE AND RE-START

24 August 2020

Greetings to the Moderator: Mr. Sibusiso Nkosi

The panelists

All the those that have connected to this webinar

Good afternoon

On the 23 March 2020 President Cyril Ramaphosa announced that South-Africa will enforce a twenty-one-day lockdown over coronavirus. "*The action we are taking now will have lasting economic costs,*" are the exact words of the President. He went on to assure us that, "*But we are sure that the cost of not acting now will be far greater.*"

We are gathered on this virtual platform today because of the 'lasting economic costs' as said by the President.

The situation we find ourselves in calls for an extraordinary response; *there can be no half measures*, reiterating the words by the President of the Country.

We all need to understand that the road to recovery will not be easy. It will take nothing less than a rebirth, which is a product of our resilience, guts and partnership by all stakeholders.

As we strive towards the recovery of the sector, we have to work together.

The engagement today must further indicate that we are not an island, as the Tourism sector.

We will only succeed if we struck the right cord in bringing all the stakeholders together, not leaving our communities behind.

Your small businesses have been ordered to shut down, employees have been forced to work from home, supply chains have been disrupted, and orders have dried up. Many of your clients are concerned as to whether or not these small businesses will get through this pandemic since no one knows how long this economic situation will last.

Indeed, no one knows how long this economic situation will last.

For the Tourism SMMEs, the situation has not changed since the country moved to level 2 on the 17 August 2020. To revive the sector, resources are needed. Except the resources, there is infrastructure that need to be rehabilitated in order to allow a restart.

To you, like all the business sectors in South Africa and the World at large, your world has drastically changed, because of COVID-19 induced Lockdown.

As Small, Medium and Micro Enterprises, you are regarded as job creators. But COVID-19 has eroded all this. You have been forced to lay down employees and to shut down your businesses because of lack of capital.

There is no sector in the whole world that had envisaged this set back. Big businesses have been seriously affected, and how much more the small businesses?

How do we then survive the adverse impacts of COVID-19?

Our topic today is: **What do Tourism SMMEs need to survive the adverse impacts of COVID-19 – From Headache to Hope and Restart.**

The Headache, amongst others, is caused by the uncertainty of when are things going to return to normal. It is unfortunate that we will never return to how things were in the past but, a new normal has been ushered in.

As you all know, the COVID-19 pandemic negatively impacted the South African economy, which was already struggling to support the needs of the citizens.

It is for this reason that we need to engage and talk about the impact of the pandemic to our sector and never generalized. By doing this engagement, we believe that we will come up with new ways of looking at interventions that are needed for this sector to re-start.

Ours is a participatory democracy where we need to involve all those who are affected and stand to benefit from the recovery of the sector, as we pave the way to the hope brought by the relaxation of the lockdown.

As the Department of Tourism, we have developed a recovery plan for the sector with three Strategic themes. The first two strategic themes of Protecting and rejuvenating Supply, and Re-ignite demand, speak to the phase we find ourselves as a sector.

Amongst the strategic recommendations of the first strategic theme, we are saying we need to conclude a comprehensive industry/government recovery partnership to collaborate on all aspects of tourism recovery.

Who else can we partner with except you, the Tourism Business owners?

We further recommended that in order to re-ignite demand, we need to catalyze demand through the phases of economic re-opening with informative and inspirational messaging that encourages safe tourism and domestic vocation experiences.

The new normal dictate that we talk amongst ourselves on the roles that each stakeholder needs to play in the recovery of our sector.

This platform is not for us to lament but, to come up with ways in which we can resuscitate our businesses during the pandemic. It seems we have to learn to live with the pandemic as there is no indication of whether it is going anytime soon.

We have lined up experienced panelists who will work with all of us in ensuring that our conversation today respond to our expectations.

Nelson Mandela once said, *“Everyone can rise above their circumstances and achieve success if they are dedicated to and passionate about what they do.”*

I agree with him, especially when he put it this way, *“A good head and a good heart are always a formidable combination.”*

I declare today’s conversation officially open.

I thank you.