

## DEPUTY MINISTRY OF TOURISM REPUBLIC OF SOUTH AFRICA

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Speech by the Deputy Minister of Tourism, Fish Mahlalela, during the sitting of National House of Traditional Leaders in Pretoria

## 12 December 2019

Chairperson and Deputy Chairperson of the National House of Traditional Leaders Chairpersons and members of the Provincial Houses of Traditional Leaders, Your Majesties and Royal Highnesses, Traditional Leaders present here Minister of Cooperative Governance and Traditional Affairs, Hon Dlamini Zuma Deputy Minister of Social Development, Hon Bogopane Zulu Ladies and gentlemen,

It is an honour and privilege to be part of this important sitting of the National House of Traditional Leaders. The institution of traditional leadership occupies a unique and important place in South Africa, as it is a critical player in reconstruction and development of the country. This is so because it is our responsibility to work together with you to improve the lives of all South Africans especially those living in rural areas.

Tourism is a catalyst for social change and economic growth. During his State of the Nation address, President Ramaphosa announced that part of our plans in growing the economy is to double the number of tourists visiting South Africa to 21 million by 2030. Growth in tourism means opportunities for our entrepreneurs and innovators in our communities.

As you know, poverty and unemployment remains one of the pressing key challenges facing our society. The National Development Plan recognises tourism as one of the main drivers of the country's economy and employment. It is now one of the largest contributors to Gross Domestic Product at 8.6%, and has contributed over 1.5 million jobs in total.

We believe that travel and tourism remain South Africa's future greatest resource and the country's strategy for inclusive growth, which prioritises regional integration, environmental sustainability and putting communities at heart of decision-making.

As custodians of communal land you play a huge role in local economic development and it is important that we work together to bring about change and improve the lives of our communities.

The Rural Tourism and Domestic Tourism Strategies puts emphasis on product diversification, development of authentic products, activation of niche markets and use of local events to address seasonality and geographic spread. Through these initiatives, we can grow tourism with the hope of leaving a legacy for our future generation.

The role of Traditional Leadership is critically important in supporting tourism development on Traditional Land, particularly in rural areas of South Africa. Without the support or buy-in from Traditional Leaders in

these areas, tourism development will never succeed. We therefore seek to work closely with our traditional leaders in the management and protection of our tourism products

The role of your leadership in tourism development includes among others assisting with a coordinated approach to integrated land use planning and development; facilitating access to communal land for tourism purposes; the development of authentic cultural and heritage tourism products and the development of rural tourism precincts or nodes.

Traditional Leaders are the custodian of communal land with land ownership being a critical component for economic transformation. This asset provides communities with a strategic advantage for economic development in particular tourism development.

It is imperative that integrated land use planning takes place once Security of Tenure has been resolved in the case of restituted or redistributed land. This should be followed by the training for "new" owners in partnership with communities and Traditional Leaders. Tourism should also be seen as one of the possible land use options that can complement rather than compete with more traditional land uses like agriculture and cattle farming.

Most of the communal land is adjacent to game farms. With proper Public-Private-Partnerships, these depressed areas can be resuscitated and communities can benefit meaningfully from mixed use of the land.

Your Majesties, Your Highnesses, our traditional leaders,

Tourism can provide a source of income in locations with few alternative economic opportunities. Some of the opportunities relate to the value chain in the tourism sector as tourism depends on other goods and services beyond just providing accommodation and transport.

Communities and local entrepreneurs should be encouraged and supported to develop supply chain opportunities among others in food production, such as vegetables; growing of flowers for hotels and lodges; establishing laundry services; developing culturally specific and unique crafts for retail market and development of community based tourism experiences which can be linked to a local tourism route; and training as tour guides and wonderful story tellers.

Opportunities also exist to develop rural community tourism destination or hubs, which provide visitors with an established gateway to the various unique community experiences. A key tourism trend is providing authentic tourism experience.

Many tourists request opportunities where they can become part of the daily routine of a community through homestay visits and interacting with the local culture through engagement with the community and even enjoyment of our traditional food. These are low hanging fruit and does not require any additional infrastructure or skills.

The Department remains committed to working with local government and Traditional Leadership to ensure the benefits from our tourism growth reach every corner of our country.

Currently, the Department has two projects namely the Local Government Tourism Induction Programme, Community Based Tourism, UN Women in Tourism Empowerment which will be a pilot in the Elim area in Limpopo Province, and the Working for Tourism Programme in place which were designed to benefit local governments and their communities.

The first programme aims to provide an integrated approach for capacity building. It creates a platform for stakeholder engagement and information sharing for the public sector, private sector and communities focusing on rural municipalities.

The project prioritises spatial nodes that have a potential to stimulate tourism growth in rural areas. The approach utilised is in the form of workshops and site visits to projects that can be used as case studies for lessons learnt and improvement.

The beneficiaries of this programme are municipal officials in Local Economic Development and Tourism units. SMMEs, local community representatives, traditional leaders as well as Political leadership within the selected communities are also part of the developments.

Our other programme, the Working for Tourism Programme assists with community based tourism development. The Department of Tourism is funding and managing the implementation of tourism infrastructure, skills development and destination enhancement projects through the Working for Tourism Programme.

The programme is aligned to and funded as part of the Expanded Public Works Programme with the objective to create jobs through the provision of a range of tourism services and infrastructure. Most of the beneficiaries are women and youth.

It is more about development and maintenance of infrastructure such as benches, pathway development, attractions interpretive signage, access roads into attractions and parking and sidewalk infrastructure.

Great work has been done on community projects over the years, but it was not without challenges. The majority of the tourism facilities funded through this programme are in the rural provinces. However, there is often a lack of enabling infrastructure in these areas, which severely limits the long term sustainability of the projects.

The assets created through the projects were handed over to either a municipality, provincial government department, provincial tourism authority or a beneficiary. However, there is limited technical and management expertise of community based agencies and to some extent local municipalities to commercially run the tourism projects and ensure that they are sustainable over time.

Challenges were also experienced with ownership conflicts; governance and community benefit challenges; and lack of start-up capital and operational funding.

Great lessons were also learnt which we will factor into future planning. The majority of community-based organisations do not have the capacity to operate and manage the accommodation establishments. So going forward, pre and post construction support, training and mentoring will need to be considered. This will be part of the requirements for funding community owned projects.

Mechanisms for sustainability must also be established prior to the commencement of projects and where applicable the future strategic or operating partner must be involved from the conceptual stage of the project.

Furthermore, joint planning with all parties involved and mobilisation of resources across all spheres of government are another critical success factors. An integrated approach is also required which takes into account economic and technical aspects of interventions.

Going forward, before any project is funded; it will have to prove to be technically, commercially and financially viable before funding is granted. Viability will take into account land availability/ownership and use rights; identified access roads; bulk services such as water and electricity; identified beneficiaries; type or nature of facility and the required grading; blending with surrounding environment and surrounding attractions and amenities.

The department through the Working for Tourism Programme has had success stories of partnerships with community projects under traditional leadership. I would like to share two projects with you today, which are currently being managed by Transfrontier Park Destinations (TFPD) in collaboration with the Traditional Leaders of the communities of Mamaila Kolobetona and Batlokoa. The two communities entered into a partnership with TPFD in order that their facilities are commercially managed.

The first project is the Nahakwe Mountain Lodge which is owned by the Mamaila Kolobetona Traditional Authority in Limpopo. This Lodge was opened on 26 September 2015 as a showcase of a modern community-owned tourism enterprise, the Department invested R 31.5 million in the development of these facilities.

The Nahakwe Lodge offers fresh, modern event facilities and accommodation in Limpopo Province. Situated just 90 minutes north of Polokwane, it is ideally placed for meetings and events that attract

delegates from all over the country. The Lodge boasts 4-star accommodation in free-standing chalets with air-conditioning and en-suites. A welcome swimming pool adds to the guest comfort. Nahakwe Lodge is ideally situated for all travellers who want to explore Limpopo Province. The Limpopo Tourism Authority helps in promoting the facility as it adds the much needed tourism beds and infrastructure in the province. It well situated to be linked to number of travel routes in the area.

Let me share with you another success story, that of the Witsieshoek Mountain Lodge which is owned by the Batlokoa Traditional Council, Qwa in the Free State. The story of this site goes back to the 1950s when Former Batlokoa chief Wessels Mota built a stone hut for backpackers.

In the 1970s, the facility was upgraded and in the mid 1990s the lodge was gradually given over to the current King of the local Batlokoa community, Morena Mota (son of Wessels Mota).

The Department of Tourism recently invested just under R 28 million in the total upgrade of Witsieshoek Hotel which included and upgraded sewer treatment plant, demolishing of old buildings, upgrading of four medium sized chalets, the construction of a manager's house and service workshop, installation of a central heating system, upgrading of two sentinel buildings, the gate house and staff accommodation as well as fixing the electrical wiring inside the buildings.

With their focus on the development of a viable and sustainable tourism industry that balances the needs of the local community with those of nature, Transfrontier Park Destinations now manages Witsieshoek and the surrounding land and tourism activities on behalf of the Batlokoa community. The Batlokoa people still own the lodge and the bulk of its revenue remains within the community; the Batlokoa people are also the majority of employees at the lodge. King Mota and his council are responsible for decisions regarding all proposals for the future development of the lodge and its finances. Much of the artwork and woven items in the lodge is also made within the local Batlokoa community and Qwa region.

Both the Nahakwe and Witsieshoek Mountain Lodges demonstrate the success of partnerships between government, traditional leadership and communities built on mutual respect, collective wisdom and a shared vision and goal for successful tourism development that achieves social and economic transformation.

The Department of Tourism, through different programs has been having partnerships with SANParks and implementing different programs such as the maintenance program. As part of enhancing the impact of the work done in the parks, the Domestic Tourism Scheme will also be implemented.

The identified parks are Addo Elephant Park in the Eastern Cape; Golden Gates National Park in Free State; Kgalagadi National Park in Northern Cape; Kruger National Park in Mpumalanga and Marakele National Park in the Limpopo Province. Added to this in the same parks, the department will drive a maintenance project where communities will supply services in terms of renovations of the infrastructure found within these parks.

In 2015 National Department of Tourism developed a Framework for Community Based Tourism through a consultative process. Discussions with stakeholders on the framework recommended the development of guidelines to support the development and management of community—based tourism.

The guidelines were developed and published in 2016 as the Operational Guidelines for Community-Based Tourism in South Africa. The department developed five new community based enterprises to supply goods and services to the tourism value chain. Feasibility studies were done for the following communities, namely, Khayakhulu in the NW, Phuthaditshaba in FS, St Lucia and Bergvile in eMazizini in KZN and Elim LP. The projects identified range from a bakery to production of vegetables. Collaboration with other sister departments is key. Agriculture, Small Business. Rural Development and Environment Forestry and Fisheries just to name a few.

To unlock opportunities for our community entrepreneurs, the department has introduced funding and market access opportunities that our communities can take advantage of. Through the National Empowerment Fund, SMMEs are able to enter the labour market and help create the much-needed jobs. I urge you to contact the department to get more information on these initiatives and many others.

As the department together with the industry, we are expected to bring over 21 million tourists by 2030. This target cannot be achieved by the sector alone but needs the support of traditional leaders to help

communities understand that for every tourist that comes into the country jobs are created, revenue is increased.

Currently we have a scourge of tourist attacks and service delivery protest, which add to this problem. We would like our Traditional Leaders to help in this regard in terms of creating awareness that at this point tourism is the priority sector that can easily deal with the unemployment and poverty we experience in our respective communities.

The department together with the industry, has come up with a strategy to deal with Tourist Safety, and also have signed a Memorandum of Understanding with SAPS to deal with this problem and the support of traditional leaders will be crucial as most of our tourist attractions are found in rural areas.

Your Majesties, Your Highnesses, our traditional leaders,

Two years ago, our local sphere of government convened a Conference that included all municipalities in the country. The conference focused on the state of tourism at local government level; cooperative governance; planning tools for local government and capacity building

The Local Government Tourism Conference highlighted that the key success factors for tourism at a local government or community level are:

- Understanding of the local environment and value chain when developing local plans, assists in localising the benefits
- Capacitating decision makers at local level to ensure that they prioritise tourism in their planning
- Understanding key pillars of sustainable tourism (visitors, industry, community and environment) to ensure local economic development
- Local businesses ought to subscribe to a local tourism associations and collaborate whilst paying attention to issues of service excellence and community integration. This will assist local authorities on coordination and efficiency.

Once government and its social partners such as Traditional Leadership achieves these kinds of commitments, it would be in a better position to fundamentally change the structure, systems, institutions and patterns of ownership, management and control of the economy in favour of all South Africans, particularly the poor, the majority of whom are black.

In closing, we hope our traditional leaders will respond to the call by the President to actively participate in the tourism sector, because the institution of traditional leadership occupies a strategic position in our society to provide the necessary leadership in the tourism sector. This is so because most of the tourist attractions are located in the rural areas not in the cities.

TOGETHER WE CAN DO MORE!

I thank you.