

Private Bag X424, Pretoria, 0001, South Africa. Tel. (+27 12) 444 6780, Fax (+27 12) 444 7027 Private Bag X9154, Cape Town, 8000, South Africa. Tel. (+27 21) 469 5800, Fax: (+27 21) 465 3216

11 April 2025

SPEECH BY DEPUTY MINISTER OF TOURISM, HONOURABLE MAGGIE SOTYU (MP), AT THE STAKEHOLDER ENGAGEMENT AT FEZILE DABI DISTRICT MUNICIPALITY IN FREE STATE ON 11 APRIL 2025

Deputy Ministers, MEC, Executive Mayors, DG, MMs, MMC's and Senior Managers Executive Mayor of Fezile Dabi District Municipality Chief Whip of the Portfolio Committee on Tourism Chairperson of the Portfolio Committee on Tourism SMME Representatives and Esteemed stakeholders Community Members at large Members of the Media Honourable guests,

Thank you, Programme Director. It is an honour to be here today, as we gather to discuss a crucial pillar of our tourism industry - the sustainability and development of Small, Medium and Micro Enterprises (SMMEs).

This event is essential for fostering collaboration, understanding and shared ownership of key initiatives.

That is why I would like to thank you all again for making time to attend. I hope this gathering will provide a platform for diverse voices to exchange ideas and contribute to shaping outcomes that reflect the needs and priorities of the Fezile Dabi District Municipality.

As we are all aware, this is the month which South Africa celebrates its Freedom Month and Freedom Day on 27 April.

The month marks a pivotal moment in the nation's history, as the first democratic elections was held on 27 April, 1994. This milestone symbolises the triumph over oppression and the beginning of a new era of economic and social transformation.

We must recognise that true liberation extends beyond political rights and economic empowerment. Sustainable SMMEs are key drivers of inclusive growth and poverty alleviation.

By supporting and nurturing SMMEs, we honour the legacy of Freedom Month by ensuring that economic opportunities reach all South Africans, particularly those who were historically marginalised.

A thriving SMME sector not only strengthens the economy, but it also upholds the values of resilience, self-reliance and shared prosperity that define the spirit of freedom.

Ladies and gentlemen, on the 26 to 27 February, this year I attended the Sustainable Tourism Conference. It is at that conference that we determined that a platform of this kind is necessary.

By engaging stakeholders and communities in meaningful dialogue, we build trust, establish transparency, and encourage active participation. At the same time, it gives us a chance to ensure that all perspectives are considered as we move forward.

Tourism in South Africa is not just about destinations; it is about people. It is about the small business owners of Zamdela offering authentic township experiences, guesthouse operators in Sharpeville welcoming travellers with warm hospitality, and tourist guides in Batho sharing hidden gems of our rich country and those around Mangaung.

These types of enterprises are the lifeblood of our tourism sector, and their success is our nation's success.

SMMEs are very important in the tourism industry. It contributes significantly to employment, economic transformation, and community upliftment. They bring innovation, diversity, and authenticity to our tourism offerings, making South Africa a worldwide competitive and unique destination.

But, Ladies and Gentlemen, Programme Director, despite their enormous potential, it is a fact that many SMMEs face challenges that threaten their survival and growth.

Such threats include - limited access to funding and financial support, skills gap in business management and digital transformation, market access and lack of exposure to international tourists.

Not to mention the impact external shocks, such as Covid-19 and global shifts have on these enterprises.

As the Government, our role is to enable and empower SMMEs to overcome these barriers and it is our duty to maximise every opportunity to empower these enterprises.

Programme Director, as much as the conversation is about preserving the environment, it is also about building long-term economic opportunities to ensure inclusive growth and to position black-owned businesses at the forefront of a thriving and responsible tourism sector.

As we all know, tourism is indeed a powerful driver of economic growth and job creation, but if not managed responsibly it can have a negative impact on our natural resources, displace communities and leave more harm than good.

Embracing sustainable tourism by black-owned enterprises is not just about being part of a global trend, but is a necessity for resilience, competitiveness and profitability.

Speaking of opportunities, the Department of Tourism is dedicated to creating an inclusive, sustainable, and resilient tourism economy. Allow me to put the spotlight on our departmental programmes.

We have a variety of programmes with the specific aim of promoting tourism, alleviating poverty and creating jobs.

Our Market Access Support Programme offers financial support to small tourism enterprises to exhibit at tourism platforms. I want to urge you to visit the Department of Tourism website at <u>www.tourism.gov.za</u> and look at this Market Access Support Incentive Programme.

This week we are assisting 49 tourism SMMEs to promote their services at the World Travel Market Africa in Cape Town. Sadly, only three of the 49, are from the Free State. I really hope to see a larger number of you at the Africa's Travel Indaba in May.

We also want to encourage you to apply for our Green Tourism Incentive Programme which offers a win-win solution to tourism establishments and our greening objectives.

This programme is a resource efficiency programme which aims to support tourism enterprises to reduce the cost of investing in energy and water efficient solutions. This incentive can greatly assist a tourism establishment to reduce their electricity and water bills in the long term.

The Department also established a Tourism Transformation Fund and Tourism Equity Fund to support the transformation efforts in the sector.

The Transformation Fund offers a combination of debt finance and grant funding for new and expansion tourism development projects with majority black shareholding.

For tourist guides, the Department has a number of programmes including language training. We recently advertised for youth to apply for tourist guide training in Vredefort Dome and we are currently conducting tourist guide training in Golden Gate National Park.

For youth in tourism, the Department offers annually a bursary programme and learnership programmes, focusing on professional cooking, wine appreciation and hospitality, targeting youth with a specific interest in tourism.

I urge all young people here to visit the departmental website and social media pages regularly for these opportunities.

Please familiarise yourselves with all the projects that are offered by the Department to assist in promoting tourism.

Ladies and gentlemen, this year holds great significance as South Africa chairs the Group of 20 (G20) Presidency. In November 2025, Johannesburg will host the globe's most influential leaders for the Presidential G20 Summit.

Tourism's economic significance will take centre stage as around 135 G20 meetings will be held throughout the country in 2025. The G20 Presidency presents an opportunity to highlight the nation's unparalleled hospitality, world-class infrastructure, quality-assured accommodation and experiences, and ability to host global events.

During the year, G20 delegates can engage with and experience South Africa's diverse tourism experiences in all nine provinces; its rich heritage and cultures through its vibrant cities, "dorpies" and townships as well as its arts and crafts allowing G20 delegates to leave with a lasting memory while contributing to the South African economy.

Programme Director, as government we acknowledge we have a big role to play and we recognise that SMMEs need support to transition towards sustainability. But while government plays a crucial role, we cannot do this alone.

Collaboration with industry stakeholders, large businesses, financial institutions, community organisations and international partners is essential.

Big industry players, please commit to supplier diversity, and ensure that SMMEs are integrated into the tourism value chain.

Financial institutions should design accessible and affordable funding mechanism for small businesses. Most important, Local communities must empower themselves and become active participants in the tourism economy.

SMMEs must embrace innovation, adaptability and collaboration to remain competitive in the industry.

Ladies and gentlemen, we remain committed to strengthening the competitiveness of tourism SMMEs through ongoing entrepreneurial development, skills training, advisory support, mentorship, information sharing, and market exposure programmes.

To all tourism entrepreneurs, SMMEs here today, I want to say: the future of tourism is sustainability. Your businesses have the power to redefine African tourism. Let us embrace sustainability and not see it as a challenge.

This workshop is not about talk; it is all about action. Let us commit to building a tourism sector where small businesses do not just survive but thrive.

To our SMMEs, your success is South Africa's success. The government stands with you, and we are dedicated to ensuring that your businesses grow, create jobs, and contribute to the transformation of our tourism economy.

Let us work together to shape a sustainable, inclusive, and prosperous future for our tourism industry.

I Thank you All.

ENDS Ms. Tasneem Carrim Departmental Spokesperson Cell: +27 (0) 82 467 9227 Email: TCarrim@tourism.gov.za