



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Speech by Minister of Tourism Tokozile Xasa at the 2017 Southern Africa Association for the Conference Industry (SAACI) Congress at the CSIR Convention Centre, Tshwane

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Good afternoon. It gives me great pleasure to address the SAACI Congress on the 30th anniversary of this valuable body's inception. Congratulations on achieving this milestone.

The occasion also coincides with the fifth anniversary of the South Africa National Convention Bureau. This business unit of South African Tourism was set up specifically to market the country as a premier business events destination.

In fact, the National Convention Bureau was launched at the SAACI Congress in 2012 with the signing of a pledge confirming its commitment to the industry. This pledge still holds firm, and has gained traction thanks to several initiatives and positive developments, which I will touch on later.

Ladies and gentlemen, all of us gathered here know how critical the conference and meetings industry is to our tourism economy – but I suspect that many who are not immersed in this field do not fully appreciate its impact.

The Business Events Research Study conducted over a period of 3 years proved what we always suspected - that the business events industry contributes significantly to our tourism industry. South Africa hosts about one million business delegates every year, the average business traveller spends seven days in South Africa, of which five days are spent attending a business event, and about a third of all business travellers will travel around South Africa before or after their event.

The events industry sustains more than 250 000 jobs every year. The National Convention Bureau's latest research reveals the full extent that the business events industry contributes to our GDP, and this confirms its value and importance to our country and economy.

This, in turn, will help foster inclusive growth in our country. Hosting more major international business conferences will also help develop our intellectual capital and position us as a world-leading knowledge economy.

We are pleased that, thanks to the efforts of industry bodies such as SAACI, industry stakeholders and the various convention bureaus, last year South Africa improved its ICCA ranking from 38th to 34th in the world.

Congratulations to everyone who is involved in this achievement. Let's continue to set our sights higher and higher every year.

The International Congress and Convention Association continues to rank us as the top business events destination in Africa and the Middle East – a great achievement indeed. We are also one of the world's top 10 long-haul destinations for hosting international meetings and conferences.

In 2016 we hosted 17 more international and regional association conferences than we did in 2015, bringing the total to 125 ICCA recognised conferences. These conferences generate a direct economic benefit for our country, which includes what delegates spend on hotel accommodation, food and beverages, and souvenirs.

There is an indirect benefit as well - the business event delegates that we host annually return home to sell our country to others by word of mouth, and indeed, many will return here on holiday, and some may consider investing in South Africa.

Return visits are of course, dependent on us providing quality services and products to tourists.

It's clear that our position as a magnet for business events is certainly strong, but it is a position that we need to vigorously defend and improve on.

How will we accomplish this? There are several focus areas that will help sustain, enhance and expand our industry. One of these is to concentrate on securing more African regional meetings and conferences for South Africa. This will help us to grow the African events market in general. The establishment of the African Society of Association Executives at Meetings Africa 2016 is a positive step towards making the continent a global business events powerhouse.

We would also like to see more of South Africa's smaller towns and cities bidding for smaller meetings where they can meet the hosting requirements. This will help to improve the geographic distribution of tourism beyond the major centres, and spread the wealth generated by these events more equitably.

In 2016 International and Regional Association meetings were held in Rustenburg, Ladysmith, Mbombela, Phalaborwa, Skukuza, Bloemfontein, Somerset West and Stellenbosch.

Our challenge is to shift more and more of our national and international business events to our smaller towns, so that we spread the benefits geographically across all regions of our country. To further localise the benefits of these events, it is essential that event organisers procure the goods and services that they require from local communities. There are also opportunities to use events in smaller towns as a training ground for local people, who should be employed in the event set-up processes, where they can gain valuable training and experience.

Ladies and gentlemen, as government we are firmly committed to growing South Africa's business events industry and we fully acknowledge its importance in our broader tourism strategy of attracting five million additional tourists within the next five years.

Equally, we are committed to nurturing the tourism economy in such a way that promotes inclusive growth and industry transformation, so that previously disadvantaged players are empowered and brought into the mix in a meaningful manner. As such, we are constantly striving to find creative ways to support sustainable tourism jobs by offering training programs for chefs, sommeliers and many other entry level careers in the hospitality sector.

Another case in point is our Tourism Incentive Programme, or TIP, which is primarily targeted at small businesses in the tourism value chain. The programme helps these SMEs gain access to tourism buyers and potential guests, while encouraging compliance with quality standards and grading criteria.

We recently saw fantastic success with this programme at Africa's Travel Indaba in Durban last month. At this trade show, 90 "Hidden Gems" from all nine provinces were given professional training and a platform to promote their tourism products and services by presenting them to potential buyers. This was part of a pioneering government partnership with the industry.

The operators of these products cannot afford to market themselves as widely as they would like to, and this limits their prospects for growth and expansion. But the incentives which we have put in place are exposing these product owners to national and international markets, and their prospects for growth are now significantly enhanced.

The National Convention Bureau in partnership with the Department's Tourism Incentive Programme subsidised more than 35 SMEs to exhibit at international trade shows over the past 2 years. In 2017, we also for the first time supported 10 SMEs to participate at Meetings Africa.

The work we do through the Tourism Incentive Programme is a small but meaningful step towards integrating authentic South African experiences and SMEs into the broader tourism landscape. It has also helped us gain valuable insights into the stumbling blocks that tourism SMEs encounter when trying to access and penetrate the market.

We have also established two small business incubators and are providing support to SMMEs in busy tourism nodes, so that they can grow within the tourism value chain. We are determined to make our sector more inclusive, and we will be implementing a transformation plan to achieve this.

Ladies and gentlemen, you may also recall that we also unveiled a new Bidding Fund at Meetings Africa in February 2017.

This equates to an important vote of confidence in the business events industry by our government, and we are confident this ground-breaking fund will pay dividends by delivering a powerful boost to the local business events industry.

The Bidding Fund will see more than R90 million allocated over the next three years to help us aggressively bid for international association conferences, meetings, incentives and exhibitions. It means that our National Convention Bureau, and our provincial and city convention bureaus will continue to provide support across the bidding process. From 2018 to 2022, we have already secured 53 International and Regional meetings for South Africa, that will generate 241 conference days and contribute directly to the national economy.

The industry has immense potential to grow the broader tourism economy and the many sectors that feed into it, both upstream and downstream. We will work with all strategic partners to give confidence to the tourism markets that we are a **MUST** visit meetings destination.

This brings me to re-emphasising how you, as the industry, hold a valuable stake in our future success as both a business events and leisure tourism destination, as the two are closely linked. One of the ways in which you can buy into our vision to make South Africa **THE** go-to business events destination is through our new *I Do Tourism* movement, it is more than a campaign.

The aim of “I Do Tourism” is simple: to encourage each and every South African, from a check-in attendant at an airport to a conference centre manager, to become an ambassador for tourism.

I Do Tourism is our new rallying call to all our people to show them that we all have a role to play in growing tourism. If we grow tourism, we will be creating jobs and bringing about inclusive and transformative growth.

As industry representatives and professionals, you are intimately acquainted with how important it is to truly “live and breathe” your brand – to fulfil your brand promise, to deliver quality service and facilities, to strive to exceed rather than just meet expectations.

We want our country to do the same. We want South Africans, and the world, to see that we are a hospitable nation of welcoming smiles and friendly conversations. We are courteous and kind. In essence, every South African has a part to play in creating a conducive environment in which domestic and international travel, be it for business or leisure, can flourish. And that includes you.

So, I would like to leave you all with an invitation this afternoon – an invitation to “do tourism” in your every encounter and interaction, whether it’s with a paying client or a passer-by on the street. Do everything with tourism’s transformative potential top of mind.

Tourism is a catalyst that can change lives – and our vibrant business events industry has a vital role to play in our country’s future health and prosperity.

I thank you.