



MINISTRY: TOURISM

REPUBLIC OF SOUTH AFRICA

SPEAKING NOTES FOR DEPUTY MINISTER FISH MAHLELELA ON THE OCCASION OF THE OUTREACH PROGRAMME TO DIPLOMATIC COMMUNITY

DATE: 25 AUGUST 2022

Your Excellencies, Ambassadors and High Commissioners

**Mr. Tshifhiwa Tshivhengwa Chief Executive Officer of the Tourism Business
Council of South Africa**

Mr. Victor Tharage Director-General

Mr. Tony Nkadimeng Representative from South African Tourism;

Senior Government Officials

Members of the Diplomatic Community;

Ladies and gentlemen

Programme Director, it is my singular honour to welcome you all and thank you for taking your precious time to participate in this special milestone event since 2020 after the advent of Covid-19 pandemic.

We are very grateful with the courageous response from our Missions from the West and Central African regions. We started these engagements with the Diplomatic Community last year and have already covered the Southern African Development Community (SADC), North Africa and Middle East, Asia, Europe and Americas.

Your Excellencies, most countries of the world, including developed and developing countries promote and support the development of tourism to transform and diversify their economies from mainly traditional agricultural economies to the services sector.

In this regard, tourism has the potential to play a very important role to enhance macro-economic goals by contributing to economic growth, creation of employment opportunities, and supporting sustainable livelihoods.

Tourism is largely seen as an export industry owing to its ability to generate foreign exchange earnings. Furthermore, income from tourism indirectly increases the demand factors of production and consequently its contribution to the Gross Domestic Product (GDP).

Accordingly;

- Most of the top ten overseas key markets for South Africa during 2020 were in the top 50 list of countries with regards to the number of COVID-19 cases (August 2021 WHO data).
- Passenger movement (Arrivals and Departures) went down during the period January – July 2021 compared to the same period in 2020.
- Income from accommodation is down by -20,8% during the period January to June 2021 compared to the same period in 2020.
- Slight improvement in occupancy rates for accommodation establishments during Jan-June 2021 (23,7%) compared to Jan-June 2020 (20,1%).
- Food and beverages industry recorded a decline in income of 41,6% during the period Jan-June 2021 compared to the same period in 2020.
- Employment in tourism industries decreased by -9,8% during Jan-Mar 2021 compared to the same period last year.

There is no doubt, the COVID-19 pandemic and consequent border restrictions announced by governments worldwide resulted in significant disruption of the business events industry (meetings, incentives, conferences and exhibitions).

For us in South Africa, Covid 19 impacted severely our economy and tourism in particular with unprecedented declines of international arrivals which ultimately brought the sector to a standstill.

Over time, governments in various countries eased regulations as we all started learning more about the COVID-19 virus. In the case of South Africa, the entry requirement options presented for international travellers by our President in early April this year, are in line with other top global tourist destinations, and have certainly contributed to easing entry into South Africa.

Of course, this provided great relief for the South African business events sector.

Furthermore, tourism has been identified as one of the priority areas of intervention in the Economic Recovery and Reconstruction Plan, as it can contribute on the following **priorities** of the ERRP:

- Infrastructure
- Mass public employment
- Green economy interventions;
- Gender equality and the inclusion of women and youth; and
- Skills development
- The TSRP anchored on three strategic themes namely: Re-Igniting Demand, Rejuvenating Supply and Strengthening Enabling Capability;
- It has seven strategic interventions with specific actions, timeframes and accountabilities.
- In addition, key enablers were identified to ensure that recovery is supported.

Our Department as custodian of tourism policy-making, developed the Tourism Recovery Plan to speedily facilitate recovery and set our Country back on sustainable path to tourism growth and development.

The Tourism and Recovery Plan is a precious product of collaboration of government, private sector and other social partners with the sole purpose to reposition our Country as a destination of choice after covid and beyond.

Outlining the Tourism and Recovery Plan to the Diplomatic community, we seek to dispel all damaging narrative about South Africa, share critical information on tourism recovery also attain insights from the Diplomatic community regarding particular tourism markets.

Our recovery plan is also aligned to the Global PR and Communication Tourism Advocacy which is our communication and marketing tool to the world.

Clearly Programme Director Africa's potential both human and technical resources have to be harnessed to secure a brighter future for all its people. It is true that Africa has always enthralled her own people and travellers alike for centuries. We believe as one of the finest African great thinkers, former President Mbeki alluded to when he said Africa shall prosper despite every setbacks of the moment.

Informed by research done by our Analytics and Insights team at South African Tourism, we know that the African business events industry went from 13,6 billion US dollars in 2019 and contracted to 3.1 billion US dollars in 2020. Looking ahead, the region is anticipated to reach pre-pandemic figures by 2024.

Looking at South Africa specifically, during the pandemic, industry value dropped from 6.9 billion US dollars in 2019 to 1.6 billion US dollars in 2020 and then in 2021 it went to 2.6 billion US dollars in 2021.

Projections show a considerable uptake with figures set to surpass 2019 pre-pandemic values by 2024 at an impressive 7.4 billion US dollars to ultimately reach 10.2 billion US dollars by 2028.

The mandate of the Department of International Relations and Cooperation (DIRCO) is to work for the realisation of SA's foreign policy objectives through coordinating and aligning SA's international relations abroad; In line with the Economic Diplomacy Strategic Framework (EDSF) which also identifies the role of Diplomatic Missions and their to support SA's business sector in exploring new market opportunities

South African Diplomatic Missions are critical players in marketing and branding our country, in order to reinvigorate the South African brand for investment attraction, export marketing and tourism promotion globally.

Your Excellencies, I am aware that Missions did provide the Department with information that contributed to the developed of analysis reports focusing on the economic impact per country and policy response per country, and I would like to thank you for your support.

All countries within the West and Central African regions were negatively impacted by the Covid-19 pandemic resulting in massive job losses. Tourism businesses closed their doors and some may never recover which brought unemployment drastically to high levels.

Though some countries did not have high numbers of infections, they still have suffered losses economically as they could not generate income due to restrictions by tourism source markets such as Europe, the Americas and Asia including from Africa and Middle East.

These Missions ultimately become a pillar for the Department to strengthen tourism bilateral relations between South Africa and these countries. To date the Department has signed MoUs with Gabon, Ghana, Senegal and Nigeria.

There are few countries that shows interest to enter into formal cooperation in the field of tourism with South Africa, and Missions are critical in supporting such collaborations to strengthen regional integration.

As South Africa, we view the West and Central African region markets as transit hubs and expat markets, through noting that the West African region has some strategic air hubs such as Ghana and Cote d'Ivoire.

We duly recognise that DIRCO and the Missions play a critical role in charting a course to overcome the challenges arising from conflicts in the region to support efforts by SA Tourism to market to all travellers.

The Diplomatic support is required in providing an organized seamless service and specific effort to align our products and experiences in such a way that it is easily accessible to the West and Central African market, it is made possible because our country has the majority of products and experiences appealing to the travellers in Africa.

The top six countries from West Africa that have tourist arrivals to South Africa are: Nigeria, Ghana, Senegal, Cote d'Ivoire Guinea and Gabon (which is in the Central African region).

So, the future for our African continent and specifically our country, South Africa is really bright.

Today we simply want to convey this message that YOU are part of this future. We are willing to remind you that South African borders have been open and many South Africans stand ready to welcome all our visitors to our country as they come to host their events.

We are talking to all of you now, to remind you that South Africa is indeed an ideal business events destination with infrastructure capability.

Our country is ready to showcase that we have established new tourism products meaning the diversity of products available on offer for any business event.

We here to share information with you knowing very well that you can always have an opportunity to meet with highly targeted international hosted buyers that will certainly have interest and no doubt find value in South Africa.

Of course, we are here not only to obtain market intelligence but to also share some insights about South Africa that you may not know, and this we have been doing through our destination presentation sessions.

Today, I stand here beaming with pride when I think of what our South African business events sector has gone through in the last two years and what it has since achieved.

After the COVID-19 pandemic hit the world, it became very important for the African business events industry to ensure that we adapt and put in place best health and safety protocols for us to continue hosting safe events.

And we have done so. Through government we have introduced world-benchmarked norms and standards that are geared to protect both South African citizens and visitors alike.

As part of our business, South African Tourism has a business unit called the Tourism Grading Council of South Africa. Through this team, we ensure that all visitors (whether for leisure or business) get to have the best service excellence and high quality-assured products and experiences during their time in South Africa.

So what I am saying is that - South Africa guarantees COVID-safety and quality-assured events.

As the South African government, we continue our commitment to growing the business events industry to South Africa and we know that in order to do so we need to address some of the barriers that remain a challenge whether it be for Professional Conference Organisers looking to host an event in South Africa or delegates themselves who have specific concerns and considerations.

We continue with our efforts and investment in significant public infrastructure, and expanding services in retail, telecoms, transportation and finance.

We know that we have visa challenges where certain countries are concerned and we welcome the recent move by the Department of Home Affairs to introduce e-visas.

Our message this financial year is deliberately directed mainly to Western, Central and Eastern Africa regions, sharing with Heads of Missions the state of tourism, its resuscitation and empowering them with key messages to be used in promoting South Africa as a destination of choice.

It is our priority to build and reassure our stakeholders through engagements and use tourism as a tool for economic diplomacy by attracting visitors to our country.

This is after all, why partnerships and collaborations are so important for our global business events industry to grow and return to pre-2019 numbers and beyond.

As a government, we are also currently in the process of reviewing some of our tourism policies and one of these is to place safety at the centre of our policies.

South Africa is a country of beautiful landscapes, warm and welcoming people and South Africa has successfully hosted some of the world's biggest sporting events and conferences.

We will stop at nothing to facilitate South Africa's reintegration into tourism value chain and seek to remove all travel bans or advisories on South African passport holders in selected countries.

In full recognition of all our efforts to attract even more business events into our country, earlier this year we launched our business events campaign.

Through this campaign we invite everyone to host their meetings, conferences, events and exhibitions in South Africa.

Our doors are open with the trade mark smile of South Africans being ready to host.

Through the '**Open Doors**' campaign, we show that we are ready to embrace the next challenge, the next opportunity, and most importantly we show that **our doors are open to live again.**

With open hearts in all our diversity and our humanity, we cordially invite everyone to come to South Africa – **our borders are open.**

Our arms are open and we are ready to host you at our various capable venues.

I know that South Africa is an avenue of many possibilities.

Today I invite you to explore all these avenues that exist in our beautiful land.

Your Excellencies, as I conclude this session will allow us to engage each other robustly so that we can jointly re-ignite the demand for travel and tourism positioning South Africa as the destination of choice within the region through your support.

The Chief Executive Officer: TBCSA and South African Tourism will in their presentations focus on the specific recovery mechanisms, programmes and plans as well as sharing the challenges that the tourism industry has gone through and what the way forward is now.

Let me thank you all