



REMARKS BY MR FISH MAHLALELA, DEPUTY MINISTER OF TOURISM AT TOURISM INVESTMENT FORUM AFRICA (TIFA) AT WTM AFRICA 2024, CAPE TOWN

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Programme Director

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Company Executives Investors and Project Owners Ladies and Gentlemen

Let me express my profound appreciation for the great opportunity accorded to me to address this august event for travel trade, which is the TIFA 2024 at WTM Africa.

We meet here in the Mother City after the great devastation by the mother nature – the raging storms and the accompanying gusty winds that befell our people with untold loss in massive scale, we remain resolute though that our government, private sector and civil society will join hands together in dealing with this massive setback.

This year, our country celebrates three decades of freedom and democracy which provides a great opportunity of reflection and our tourism landscape has undergone an immense transformation since the 1994 breakthrough. Our transformation has only not spearheaded by government through deliberate policy and programmatic interventions but opened up new vistas for the sector thereby ensuring that the sector is opened up and truly reflects the demographics of South Africa.

Moreover, this year our people will be heading to the polls next month to elect freely and fairly those that will continue to carry their transformation aspirations on their shoulders as testimony to our maturing democracy.

Programme Director, there is an interesting developing trend when platforms that were used to focus solely on demand are now including the supply element like TIFA, which makes this a holistic event, through ensuring that demand interacts with supply.

It becomes a missed opportunity as there is no better platform to bring investors than in a platform where tourism businesses trade amongst themselves. It is encouraging that the gap is increasingly narrowed.

This conference is a historic moment in our interaction with the private sector regarding the challenge of reconstruction, development and economic growth confronting the nation.

It is only through linking our collective resources, and through maximizing the synergy of our combined actions, that we will be able to effect the socio-economic changes our society requires.

Inequality, unemployment and poverty will destroy the political gains we have made thus far unless they are addressed urgently.

They are scourges that blight the enjoyment of freedom for a large majority of our people. This underlines the urgency of our discussions here today, and the importance of the decisions we will reach.

Last year during the Inaugural TIFA event held in Northern Cape, which was very innovative and in line with the government strategic objective of driving the MICE industry to secondary cities such as Upington, Tzaneen, Port Edward, Krugersdorp, Mthatha, Saldahna Bay, Dullstroom, Vryburg and Parys.

This is to ensure regional spread of tourism benefits to all other areas as it is envisaged by the National Tourism Strategy.

According to our President Cyril Ramaphosa, tourism is another area which provides our country with incredible opportunities as it sustains massive direct jobs and is performing better than most other growth sectors and there is no reason why it cannot double in size.

The President made this declaration about the potential of the tourism sector to double its size, two years before the onset of the Covid-19 pandemic that devastated our sector as well as other sectors of the economy.

In 2019, the number of people directly employed in the tourism sector grew by 10 percent, which was about 77 000 additional jobs.

In 2022, one in 21 employed individuals worked in the tourism sector. By 2023, the sector had fully recovered from the pandemic, which brings us back to the challenge set by the President in 2018, this is, when he said, I quote again, there is no reason why the sector cannot double its size.

The doubling of the size of the tourism sector will have a positive effect on other sectors of the economy as the 1996 Tourism White Paper stated that "Tourism provides enormous potential to create linkages with other sectors and dynamize other sectors of the economy – agriculture, manufacturing and services."

The Tourism White Paper further stated that "Tourism generates demand and production in other sectors of the South African economy." This means when the tourism sector grows and we attract more tourists, we will need more cars, more linen, more vegetables, more fruits, more furniture, more wine, more eggs, and more of almost everything.

Programme Director, this Tourism Investment Forum Africa should be seen as an introduction to the ecosystem because governments often put more emphasis on the demand side interventions such as the travel trade shows with less emphasis on platforms focussing on supply.

Some tour operators have already informed us that they will not invest in a market where they are not able to ascertain whether the supply will be able to keep up with the anticipated demand.

Many private sector stakeholders have indicated that they would invest more resources if some of the regulatory, financial and infrastructure barriers were addressed – these are issues such as long-term leases on state-owned land, which will unlock funding from the development finance institutions and commercial banks.

The security of tenure is non-negotiable in accommodation establishments, airports and other amenities that are capital-intensive in nature – with return on investment taking a minimum of at least eight years.

The Department of Tourism has accordingly invested in infrastructure such as the Look Out Hill here in Khayelitsha and Wolwekloof Nature Reserve within the City of Cape Town as part of our Tourism Infrastructure Maintenance Programme, also invested resources in the Table Mountain National Park, which is one of the major attractions in the country.

Khayelitsha Lookout Hill is also located 14km from the Cape Town International Airport. It is also located a few kilometres from the following universities: University of the Western Cape (4km), University of Cape Town (27km), Stellenbosch University (26km) as well as the following university of technology, namely: Cape Peninsula University of Technology (16km).

These institutions of higher learning have students from all provinces and other African countries as well as students and academics from abroad can be a draw card for other visitors including visiting academics and students (on student exchange programmes)

Therefore, the location of townships such as Langa, Gugulethu and Khayelitsha is very strategic as tourists are looking for different experiences with local cultures found in the Cape Flats being one of those experiences they are looking for in addition to visitations to the City for conferences and other business meetings as well as for leisure. Therefore, with safety addressed and experiences packaged the possibilities are endless.

This brings me to the history of Universities as tourism attractions. I will take you through a few examples that will assist in understanding the potential that institutions of higher education hold both for themselves as well as for neighbouring communities.

The Yale University in the United States of America, Suzy Guese, in her blog says this about Yale University, I quote: “Yale University welcomes visitors to the hallowed gates of the Ivy League with all the grace expected of one of the oldest colleges in North America. Founded in 1701, Yale boasts an impressive campus that has seen major changes throughout its 300-year history. Yale’s campus embraces a plethora of architectural designs, following trends that were popular throughout its history.

The oldest building on Yale’s campus is Connecticut Hall, a Georgian-style dormitory built in 1750 that is one of the few buildings in the state from colonial times. Despite the school’s great age, much of the architecture at Yale is influenced by the Gothic revival style of the 19th century. A standout of this design is Dwight Hall, the school’s former library, which is known for its towers and lofty blocks. Modern architectural trends at Yale are represented in the David S. Ingalls Rink, the university’s hockey center. A favorite photo spot for visitors to the campus, Ingalls Rink is often referred to as “The Whale” because the design of its front façade strongly resembles a whale’s tail.” End quote.

Suzy further says this about Harvard University, I quote: You don’t have to attend Harvard to be able to enjoy a visit to the storied campus. Tourists head to Cambridge, Massachusetts, to soak up the historical significance, diverse architecture, and renowned museums at the oldest institution of higher learning in the United States.

She then continues to describe experiences in other universities such as Oxford University in England, Sorbone University in Paris (France), Trinity College in Dublin (Ireland), Kyoto University in Kyoto (Japan). Highlighting things that would be of interest to visitors and students. Muhammad Yousif Mangi and his co-authors argue that a “University is not only considered as an academic institution but it also plays a key role in the promotion of local tourism.” This resonates with the philosophy of this investment conference, this is, “a global platform for local action.”

International tour operators, have assured us that they can bring more tourists to our country, if we give them culture, nature, sporting activities such as golf as well as cross- border experiences. A tourist can land here in Cape Town, enjoy its offerings and then head to Namibia via the Northern Cape, then to Botswana and Zimbabwe. or Angola.

As we are informed that tourists do not just want to visit the major attractions such as the Table Mountain National Park but want these to be blended with other experiences such as township experiences.

The tour operators that have interacted with us say that a combination of Big 5 Safari, golf, culture, and South African wine experience is a compelling proposition for one to travel about 16 hours from United States to South Africa or 10 hours from England to South Africa or six hours from Nigeria to South Africa or 15 hours from China to South Africa.

As indicated earlier, these insights assist us in ensuring that the infrastructure such as telecommunications, roads, accommodation, hospitals, shopping centres, national parks and cultural villages cater for the needs of the tourists as well as those of local residents.

From the investment perspective, what are the investors looking for in order to invest in our municipalities and villages. I have made the case for this region as a compelling proposition for visitors – I indicated that the basics are there, however, such needs to be enhanced as you will agree with me, we have not taken full advantage of our strategic positioning and I hope my contribution today will go a long way in ensuring that we invest in areas that will ensure that when tourists decide to visit this area, they stay longer, spend more and come back.

As Government we working with our key stakeholders to make significant strides in assisting tourism businesses to respond to the needs of the visitors by capitalising the Tourism Transformation Fund (TTF), the Green Tourism Incentive Programme, the Market Access Support Programme, the Tourism Grading Support Programme as well as interventions like the Expanded Public Works Programme. To maintain sustained growth in the number of international business events attracted to South Africa, the country has recognised the importance of coordinating and support bidding for such events, thus the Bid Support Programme has been initiated.

The SANCB has been tasked with growing the country's business events industry. A significant number of bids for events between 2024 – 2032 have been submitted with an economic value of over R1,5 billion, when such bids become successful they lead to further investment in the tourism industry.

We stand firmly behind the Southern Africa Development Community (SADC) as they work on a unified visa system for the region as part of the SADC Tourism Programme 2020-2030 which bodes well for both travel and investment within the region.

We should also link these interventions to efforts aimed at protecting and rejuvenating the supply base of the tourism economy to ensure that as demand is returning to the pre-pandemic levels, the supply side such as airports, roads, accommodation and amenities such as broadband and health infrastructure are able to keep up with the anticipated demand in line with the objectives of the Economic Reconstruction and Recovery Plan as well as the Tourism Sector Recovery Plan.

Let's work together in ensuring that this region generates wealth for future generations by ensuring that we capture the value brought about by our visitors. Together we can definitely do more.

Tourism is not an end in itself but a means to a prosperous and sustainable future.

On behalf of the South African Government, I would like to once again wish you all fruitful deliberations throughout the course of this event.

I thank you.