

SPEAKING NOTES FOR MR FISH MAHLALELA, DEPUTY MINISTER OF TOURISM – MONTDOR ORPEN LAUNCH IN THE BUSHBUCKRIDGE LOCAL MUNICIPALITY, THURSDAY, 10 NOVEMBER 2022

Mayor of the Bushbuckridge Local Municipality, Cllr Sylvia Nxumalo

Chief of the Mnisi Tribal Authority

Chairperson of the Mutlhwarheni Local Municipality, Robert Machavi

MontDor Orpen Director, Marnus Coetzee

Director and Head of Operations at Indalo Inclusive South Africa, Rest Kanju

Industrial Development Corporation representative, Stephen Nel

Officials from the Department and Municipality

Esteemed Guests

Ladies and Gentlemen

It has been a great pleasure for me to be part of this watershed moment in our quest to make tourism an enterprise for everyone in our country especially in this Local Municipality as it houses one of the underdeveloped gates of the Kruger National Park. I am really proud to be part of the launch of the Orpen Kruger Lodge which is the product of partnership designed to empower a community group in the ownership of a key asset that is located at a prime corner and spot that immediately borders both the Kruger National Park and the Manyeleti Game Reserve.

We believe that the launch of the MontDor Orpen will go a long way in ensuring that the Orpen Gate becomes one of the most vibrant gates of the Kruger National Park that open opportunities for broader community benefit.

Reigniting demand for domestic tourism is important to robust domestic tourism growth. In order to stimulate domestic demand, and give expression to the Tourism Sector Recovery Plan, we will continue to implement the Domestic Tourism Campaign through collaboration with hosting communities, tourism products, tourism agencies, provincial and local government and local tourism associations.

This project has been in gestation for almost two decades and we are glad to see it finally coming to fruition. We hope this is the beginning of a prosperous period as we recover from the Covid-19 pandemic that had devastated the tourism sector.

From the access point of view, this project will benefit from the recently refurbished Eastgate Airport, which feeds into the Orpen Gate as the closest gate to the Kruger National Park with the Bushbuckridge Local Municipality here in Mpumalanga and the Maruleng Local Municipality being the main beneficiaries of the Eastgate (or Hoedspruit Airport).

As government, we have embarked on an extensive Infrastructure Maintenance Programme in state-owned attractions, which includes the Kruger National Park in order to protect and rejuvenate the tourism supply that was devastated by the Covid-19 pandemic, especially when demand almost ground to a halt due to measures that were aimed at containing the spread of the virus. We have, therefore, put measures in place to protect and rejuvenate the supply base of the economy to ensure that when demand returns to the pre-pandemic numbers, the supply side such as airports, roads, accommodation, amenities (such as broadband, health infrastructure, etc.) are able to keep up with that anticipated demand in line with the objectives of the Economic Reconstruction and Recovery Plan and the Tourism Sector Recovery Plan.

We are pleased to note that the private sector has come to the party in this regard with the operators of the Eastgate Airport have invested significant resources in modernising the airport during one of the most challenging times when the movement of people has been largely restricted and even when we opened our border, some of our key source markets put us on a red list further devastating our sector and the economy at large.

In our engagement with stakeholders in March this year in Hoedspruit we acknowledged the private sector investment into the tourism sector in the following projects that complement the interventions currently being made by the Department of Tourism in ensuring that the major attractions are protected in order to support further tourism development, which will support the broader economy.

We indicated that the private sector supply side interventions at the Eastgate Airport in Limpopo, through the Orpen Road to the Kruger National Park, to Skukuza both inside and outside the park amount to about R200 million [these are: Eastgate Airport, Sleepover Motels (both at Orpen Gate and Kruger Gate), the Kruger Shalati – the Train on the Bridge Hotel, the MontDor Orpen Lodge located at the Gate of Kruger National Park and Manyeleti Gate Reserve, which is being launched today

Some of our private sector stakeholders have informed us 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 development finance institutions and commercial banks.

Security of tenure, we are told is a non-negotiable in accommodation establishments, airports and other amenities that are capital-intensive investment – with return on investment taking a minimum of eight years.

In supporting the major state-owned attractions such as the Kruger National Park (KNP), it is also important that the work happening inside these parks is also supported by work outside the parks by the relevant municipalities as well as the private sector.

This therefore means the following supply issues need our attention, namely: access (e.g. roads, airports, etc.), accommodation (from budget to 5-star hotels), amenities (hospitals, malls, broadband, etc.) as well as awareness (locals need to appreciate the role tourism plays in the economy and their lives).

As indicated earlier, private sector interventions such as those at Eastgate Airport, new accommodation establishments in Hoedspruit and along the Orpen Road to Kruger National Park, play a critical role in ensuring that supply is able to handle the anticipated demand stimulated by destination marketing efforts of SA Tourism, provincial tourism promotion agencies and municipal tourism promotion activities/interventions.

In conclusion, the Tourism White Paper (1996) recognised the critical role played by the tourism sector in the broader economy, when it stated boldly that "Tourism provides enormous potential to create linkages with other sectors and dynamize other sectors of the economy – agriculture, manufacturing and services. Tourism generates demand and production in other sectors of the South African economy.

This private sector and public sector interventions highlighted above have a direct bearing on the demand for agricultural products (such as eggs, vegetables, fruits, etc.), manufactured goods (toilet papers, soft drinks, linen, furniture, etc.) and services (such as transport, demand for faster internet, laundry services, etc.).

The airports and other strategic projects will tell us about the increased number of employees, they had to employ after the upgrades with new accommodation establishment having created jobs during construction and now in operation.

Tourism stakeholders need to work closely with municipalities in ensuring that zoning serves the long-term interest of the tourism sector and local communities. Hence, we need to acknowledge the role played by the Bushbuckridge Local Municipality, the Mnisi Tribal Authority, the Industrial Development Corporation, the Cooperative, and last but not least, the private partner in insuring that this strategic project is launched today.

It is through such partnerships that we can grow our economy. Indeed, the whole is definitely greater than the sum of its parts.

We further wish to encourage the private sector to bring to the attention of the Department, the province as well as relevant municipalities whatever challenges they may have encountered which might have a negative impact on increasing airlift capacity and budget accommodation.

We also urge both business and civil society to participate actively in the integrated development plans of the municipalities consultations in order to ensure that your most critical issues are attended to. We are aware that projects that are not included in the IDPs cannot benefit from infrastructure incentives such as the Municipal Infrastructure Grants.

We also need to know which projects, if any, have been delayed or cancelled due to regulatory approvals such as disputes on land ownership or non-approval of long-term leases. So that as the Government we can look at addressing those, especially issues that hinder economic growth, employment creation and development.

Once again, congratulations on achieving this significant milestone and thank you for the invitation. I wish you all the best in meeting the needs of our visitors. The Team from the Department is available to provide investment support and facilitation – we look forward to continued partnerships.

I thank you.