

Keynote address by KwaZulu-Natal MEC for Economic Development & Tourism, Mr Michael Mabuyakhulu during the Tourism Indaba breakfast on 10th May 2014

“A Lasting Legacy into the Future”

Programme Director;
Honourable Deputy Minister of Tourism, Ms Tokozile Xasa;
Honourable Ministers of Tourism of Mozambique,
Honourable Minister of Tourism from the Seychelles,
Honourable Minister of Tourism from Swaziland,
The Chairperson of the Board of Tourism KwaZulu-Natal, Mr Sadha Naidoo;
Members of the Board of Tourism KwaZulu-Natal;
The CEO of Tourism KwaZulu-Natal, Mr Ndabo Khoza;
Esteemed members of the national and international tourism trade;
Members of the media;
Ladies and gentlemen;

We are indeed honoured that, again this year, many of you - our valued partners, friends and stakeholders, have once again honoured our invitation as the host province of KwaZulu-Natal to break bread with us and share in the developments and challenges pertaining to the tourism sector on the African continent.

We meet at an exciting time in the life of our fledgling democracy. As you are all aware, on Wednesday this past week, we held our fourth democratic general elections. So it is with a sense of pride that we meet with you this morning having gone through this exercise of elections, which is a cornerstone of our democracy, with very few incidents. While it was a taxing and exciting exercise, it was also a highly-rewarding one because it tells us that the freedom we fought for is indeed intact.

At this stage, we would to congratulate the African National Congress (ANC), the party of former President Nelson Mandela which liberated this country, for the decisive victory that it secured both at the national level as well as in our province of KwaZulu-Natal.

We also want to congratulate all the other parties who participated in the elections, parties who will continue to participate in various platforms in leading both our country and our provinces.

Most importantly, we want to commend the people of South Africa as well as our province of KwaZulu-Natal for the exemplary manner in which they carried themselves during the elections. We have not the slightest doubt that democratic rule is on a firm footing in our country and our province.

Programme director, because they impact on the composition of administrations, elections bring with them both a sense of excitement and uncertainty.

We want to take this opportunity and dispel any hesitancy that our partners and stakeholders in the tourism sector might have about the future of tourism programmes; initiatives and agreements that may be in the pipeline or already in existence with the possible changes in administration.

The Republic of South Africa is stable.

The province of KwaZulu-Natal is stable. Therefore, there should be no fear about the future of tourism, or any other ventures for that matter because of the new administration.

All we are called upon to do as stakeholders and role players in the tourism sector, is to embrace the new administration and give it the same kind of support that you had given the outgoing administration to take tourism in our province to the next level.

An added advantage in this regard is that the administration of both our country and our province will be led by the same political party that led the past administration. Further, the policies and frameworks for future development are already in place and, as such, we do not foresee drastic alterations to government's approach to tourism as a sector.

Programme director, one has been in government for a number of years.

As the country celebrates twenty years of freedom this year, one was reminded that of the

fact that one has been serving in the provincial legislature for an equal number of years. In that time, I have attended many events, conferences and exhibitions in my official capacity.

One forum, however, that stands head and shoulders above the rest for me, is the Tourism Indaba. As we all know, Indaba has been around for 35 years, during which time KwaZulu-Natal has hosted it successively for over two decades. Each year, as we prepare for that year's instalment of Indaba, we reference the one from the previous year to reflect on all of the milestones we have achieved; projects we have launched and plan to launch, battles we have lost (and these are very few and far between) and victories we have celebrated along the way and, of course, challenges we have faced and continue to face.

Indaba has, thus, become more than just an industry event for us; it is in a very real sense a living benchmark – a work in progress that captures the year that was, the year that is and, ultimately, the year that will be.

Then, of course, there's our 20 years of freedom celebrations which are rolling-out across South Africa as we speak. Here again, it becomes about milestones, projects, victories and challenges as we take stock of how far we, as a nation, have come since the advent of democracy in 1994.

Our address this morning is entitled, "A Lasting Legacy into the Future," but given what we have just said, we think the best way to approach any discussion about the future is to begin by examining the past. In this regard, we beg your indulgence as I take you on a journey through some of the highlights of the past few years.

If we were ever asked which project or initiative stands out among the rest, we would be at pains to pick just one. Between 1999, when I formally joined the KwaZulu-Natal Cabinet and now there have been so many that have had a huge impact on economic development, poverty alleviation, employment creation and, of course, tourism.

Looking back over just the past five years, though, one of our bigger projects was the launch of King Shaka International Airport.

Located within Dube Trade Port, which is a state-of-the-art facility in itself, the airport was and remains part of a 60-year Master Plan – one which will eventually see it become a pivot on which an airport city would balance. Dube TradePort then would continue its role as a multi-modal logistics hub linking the Province's world-class land and sea infrastructure with air travel, offices, retail and leisure. As Dube TradePort achieves its own milestones in the years ahead, its reach will expand and so too will its services and products.

The story though didn't start in 2010, but rather much earlier, in 1973, when work began at the current La Mercy site. This was halted in 1982 due to a number of factors. For all intents and purposes, the project was put to bed that year, but as we looked towards the future of inter-continental travel and its impact on tourism in the early 2000s, we realised that this Province needed a more modern facility; a facility capable of competing with the very best in the world.

I was part of the team that pitched the idea of a logistics hub to the National Cabinet and construction began in 2007. King Shaka International Airport operated its first commercial flight in May 2010 and last year, as it handled more than five million passengers and Dube TradePort Corporation's Dube Cargo Terminal boasted a zero percent cargo loss in its cargo handling operations, it was named the "best airport in the world" by Skytrax.

The implications of an airport city that incorporates an environment conducive to working, playing and living, and one that connects individuals, families, companies, products and services globally through land, sea or air has massive implications for the tourism sector. So, we are certain you can understand our passion for the project every single time we speak about it.

Approximately a year after beginning the task of bolstering our air travel connectivity and capability, we turned our attention to road travel and, in this regard, a strategy to link KwaZulu-Natal with its northern neighbours was conceived. Apart from our excellent sea and air capacities, we have exceptional road infrastructure in this part of the world and it made sense for us to leverage off it by creating a road-based tourism product. We called it the

“East3Route” which was conceived as an economic and tourism initiative linking this Province with Mozambique and Swaziland to provide travellers and investors alike with an opportunity to explore offerings within the eastern seaboard of Southern Africa.

The key objectives of the East3Route product were:

- To increase tourism arrivals and co-ordination between the three countries and create greater awareness of the destinations;
- To boost tourism investment from and within each of the countries, especially from private sector investors; and
- To promote various elements of heritage and to celebrate the commonalities which make us who we are; thereby bringing people together.

Like most good tourism products, organic growth is inevitable and such was the case with the East3Route. Since its launch in 2011, there have been many developments and the latest was the Seychelles joining the alliance, giving us all the opportunity to a formerly road-based tourism and investment opportunity to sea, via the increasingly important cruise tourism channel.

Apart from our macro focus on infrastructure and product development during the past five years, we were also intent on developing smaller, more focused programmes, initiatives and projects which had the capacity to generate exponential growth. In this regard, one of the programmes of which we are especially proud was known as “Tourism Buddies”.

It began right here in the Zulu Kingdom and its mandate was clear from its inception - to provide front-line workers in restaurants, garages and hotels with care skills to complement our top-down strategic approach with bottom-up developmental efforts.

As the key body within Provincial Government that drives tourism growth and development in KwaZulu-Natal, we understood that tourism is not just about an attraction or a destination, but also about the experience. In other words, investment in all three legs is critical to unlocking the tourist value proposition, which has the knock-on effect of tourists returning home and promoting the destination via word-of-mouth.

Word-of-mouth is probably the most effective and cost-efficient form of advertising but for it to work, it cannot only be about policy and mandate, or product and destination, but more about the on-the-ground experience of tourists as they interact with garage attendants at filling stations, concierges and receptionists at hotels and guest houses and, of course, waiters and managers in restaurants.

To date, our 'Tourism Buddies' programme has been a resounding success and was recently adopted as a national initiative.

Meetings, conferences and exhibitions, especially ones with international delegates, were another key focus over the past few years. We've always understood that meetings, conferences and exhibitions are not simply about us – this Province – providing a world-class facility, with accommodation to match, but about the opportunity to talk to a dedicated audience in ways that social media and traditional advertising campaigns cannot.

It's once again about word-of-mouth and about leveraging off our world-class facilities to generate experiential marketing opportunities, so that delegates take home a value-added experience; one that has a built-in self-generating tourist capability.

To make this work, though, it comes down to the meetings, conferences and exhibitions themselves. We needed to create capacity that would drive intelligence in this area, generate policy on how the issues should best be handled and, of course, provide leadership on all research-related matters. To this end, we created a KZN Convention Bureau which has now become the foundation on which we've built both capacity and capability. It is our pleasure to report that since 2010, the Convention Bureau has attracted more than forty business events including meetings and conferences with an estimated economic impact of R2 billion. Obviously this is a very modest estimate but informs us that we are on the right track in positioning our province as the meetings, exhibitions and conferences destination.

Programme director, while meetings, conventions and exhibitions remains a key focus area for us, so too does eventing, especially those events that transcend their own boundaries.

In other words, if one looks at the Comrades Marathon for example, it is one of the world's leading ultra marathon events, comprising thousands and thousands of runners and it happens each year right here in the Zulu Kingdom. Yes, it is ultimately a race but, more than that, it is also attended by runners' seconds, their families, sponsors, team members, television crews and advertisers, among many other groups. The tourist linkages are obvious and we, thus, leverage off the event to activate the Province by showcasing its attractions and directing traffic to its sub-destinations.

Like the Comrades Marathon, this Province boasts other unique events that unlock tourist value. These include the annual Sardine Festival on the South Coast, the Reed Dance on the North Coast, the re-enactment of the Battle of Isandlwana on the battlefields, rustic retail in the Midlands and other high profile events, such as the KwaZulu-Natal Top Gear Festival, the uGu Jazz Festival, the three-day Duzi Canoe Marathon between Pietermaritzburg and Durban, leading open water swimming event, the Midmar Mile, the Durban Vodacom July horseracing event, and - of course, the Tourism Indaba.

The key to eventing, from a tourism strategy perspective, is to drive events that cater for a wide range of tastes and interests. More than that, though, these events should address the issue of seasonality, thus ensuring an equitable pipeline of tourist arrivals into the Province. In this regard, we have ensured that our eventing calendar is driven annually by people interested in music, writing, athletics, whiskey and wine, food, decorating, theatre, mountain biking, cycling, film-making, fashion, health & wellness, military history, culture, religion, angling, motor cars, horse racing, swimming, canoeing, dance and comedy. As such, major events like the Top Gear Festival; the MTV Africa Music Awards and many others have been strategically brought into our province to address this demand.

Programme director, Africa has been another key focus of ours and activating the continent as a single, massive source market has always been our vision. It is been a vision primarily because we understand that we're not dealing with a homogenous market, but with a series of markets, each with their own interests, desires and investment possibilities.

Our strategy here has, thus, been to target the so-called low-hanging fruit, where possible and, to this end, the East3Route has been a critical intervention. Other interventions include an air-lift collaboration with SA Express, which has resulted in regular, direct flights into King Shaka International Airport from Zimbabwe and Zambia, as well as the Tourism Indaba itself. We have plans to grow connectivity so that we can further implement our strategy of establishing links with as many African destinations as possible.

Programme director, this year the theme of Indaba is “Plug into Africa’s Growth” and we are proud to be hosting, for the first time, a number of exhibitors from outside the SADC region, including Nigeria, Egypt, Rwanda, Uganda, Burundi, Ghana, Sudan, Ethiopia and Tunisia.

With the undeniable growth in African tourism, we will of course be taking full advantage of this opportunity to engage with participating African buyers in particular. KwaZulu-Natal has seen steady tourism growth from the Africa continent in recent years. Our research shows that tourists to KwaZulu-Natal from African countries has grown year-on-year from half a million in 2010, to more than 600,000 just two years later in 2012. This will naturally increase further with those direct flights and increased access into the continent.

Together with our partners in the provincial tourism industry, our Public Entity, Tourism KwaZulu-Natal, we are busy engaging this market and we have extended focused marketing initiatives into several target African countries in order to ensure that we maximise the potential growth out of Africa.

Back home, we are focusing on driving our Provincial Marketing Strategy in order to penetrate domestic and regional markets. Among a range of initiatives, we are looking at exciting synergies that have the potential to unlock substantial value for all concerned. In the past, we have collaborated with a number of service providers and event organisers to activate such undertakings, and our most recent project is no different.

This time, though, we have chosen television as our primary medium and partnered with SABC 1 for their upcoming dating game show, “Take Me Out . . . South Africa”.

Set right here in the Zulu Kingdom, this Australian-based reality show concept has enjoyed huge successes elsewhere in the world and follows the journey of a single man as he tries his best to impress 30 ladies looking to find love. SABC 1 will be the first broadcaster to launch an African version of the concept and the Zulu Kingdom will be the first “live stage” on the continent.

The show airs later this year and I invite you to join me as we watch tourism, reality television and entertainment work their ‘synergistic’ magic.

Staying with home-grown efforts, another of our initiatives which has been especially close to my heart was the development of a hot spring approximately two hour’s drive out of Durban, called Lilani Hot Springs.

Mentioned earlier, the springs themselves have been used by the local community for many years in the belief that the waters have healing properties for a variety of ailments. A hotel was built there in the 1950s and the spring itself was favourably compared with the finest hot springs in Europe. When the hotel closed down in the late sixties, the springs fell into disrepair.

Lilani is located in a rural area just outside the town of Greytown and was adopted as a poverty alleviation project in the late 1990s by the then KwaZulu-Natal Tourism Authority.

During my watch, further investment into the project was made and Lilani Hot Springs has now grown into an amazing, “must-see” tourist attraction.

While we’re on the subject of tourist attractions, one of our current initiatives is to create a memorial to the great Zulu King, Shaka, by way of erecting a statute in his honour. This project has been put in the list of our flagship investment projects that are being handled at the level of the Office of the Head of Department. In the near future we shall make a formal announcement on the progress of this project.

In conclusion, ladies and gentlemen, it would be remiss of me if I didn't mention the Provincial Government's support of the Tourism Indaba during past years. As I mentioned earlier, it's been hosted in this Province successively for 23 years and it has always been guaranteed a presence on the Provincial tourism agenda.

We have seen it grow from an exhibition with a few hundred participants, to a key Africa tourism trade forum that is now supported and subscribed to by thousands.

Both our department and the provincial government regard Tourism Indaba as a major feature of the province's tourism offerings and we would want to thank each and everyone of you for making this world-class tourism event the success it has grown to become.

Lastly, I would like to take this opportunity to thank the various organisations and partner organisations which you represent, for playing such a vital role in the Zulu Kingdom tourism story.

I invite you now to join us as we journey toward the next 20 years, beginning today.

On behalf of my team in Provincial Government, as well as the team that drives Tourism KwaZulu-Natal, I would like to wish you all an invigorating, engaging and productive Tourism Indaba 2014.

Thank you.

Mr Michael Mabuyakhulu, MPP
KwaZulu-Natal MEC for Economic Development & Tourism