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It is an honour for me to be able to participate in this important conference and thereby to support the “Peace through Tourism” initiative.

Excellent work has already been done since this effort was commenced in Amman in November 2000 – less than 5 years ago. This progress was reflected in the final report of the Mpumalanga Conference held in Mpumalanga, South Africa, in March 2002.

1. INTER-DEPENDENCE OF PEACE AND TOURISM

Despite the hard work behind us, I think it is wise for us to briefly remind ourselves of the nature of the interdependent relationship between peace and tourism and the particular relevance of this relationship in Africa.

Governance, rule of law, and security are also pre-requisites for peace, as is stable socio-economic development. Many mechanisms have been used in attempts to bring nations together, but one pathway that has not adequately been recognized in Africa for its strength as a unifying force, is tourism. Tourism can help create awareness of national, regional and international issues, contribute to social-economic development and reduce poverty. Tourism can play a major role in facilitating an atmosphere of reconciliation and peace on the continent. Through its inherent message of goodwill, hospitality, trust, service without servility, tolerance, interaction and personal communication, tourism is an effective mechanism for fostering trans-national cultural exchange, dialogue and understanding among people. The establishment of Trans-frontier Conservation Areas, also known as Trans border Peace Parks, has been but one such significant step towards bringing nations together. So the point that I am making is that the linkage between peace and tourism which is central to our endeavours must under no circumstances be broken.

In the 2002 Mpumalanga conference report, the inter-dependence of peace and tourism was strongly emphasized and rightly so. We were reminded that without peace there can be no tourism and peace and tourism are inter-related. Peace is also not just the absence of war and conflict but relates to crime, violence against women and children, corruption and domestic violence. The teaching and learning of “peace” as a way of life, contributes to the moral regeneration of society and can eventually create an environment conducive to investment and development. It also requires that we remain vigilant in the protection and advancement of those rights and values that form the foundation of peace – rights that can be equated with individual freedom, democracy and the rule of law.

Because tourism requires peace to thrive, it encourages the development of the necessary conditions to sustain peace – this is why tourism and peace are allies. Tourism establishes contact between visitor and host, between different cultures, between peoples and places. To travel, cross boundaries, visit new places and encounter different cultures is a learning process that leaves the visitor wiser and more tolerant. By breaking down the divisions between people, tourism contributes to a better understanding among the peoples of the world and between Africa and the rest of the world. It opens the eyes of people so that we can see one another as we are – equal human beings, each person with his or her OWN unique culture, values, history traditions and customs – that we are one global family, living together in one common home – planet earth; all seeking a world in which our children are healthy, educated, and living productive lives in harmony with one another in a sustainable and flourishing community and natural environment.

2. A VISION

The theme of this session today is “A 21st century vision for African Tourism” and if I may I would like to start this part of my speech by quoting from a speech, a few years ago by President Thabo Mbeki, and I do so because in my view it is as salient and relevant as it was when it was delivered. He said and I quote: “At his inauguration in May 1994 President Nelson Mandela declared ‘we have at last achieved our political

emancipation and we pledge ourselves to liberate all our people from the continuing bondage of poverty, deprivation, suffering, gender and other discrimination.’

In Long Walk to Freedom, Pres Mandela wrote: “I have taken a moment here to rest, to steal a view of the glorious vista that surround me, to look back on the distance I have come. But I can only rest for a moment, for with freedom come responsibilities and I dare not linger, for my long walk is not yet ended”. Pres Mbeki then went on to say. “As we pause for breath and consult the map, our challenge is to find the common path ahead and we must start by agreeing on our destination. As governments and economies globalize, no national state can plan rigidly and precisely for the future. We can however ask one simple question: “Do we have a common vision to drive our actions. Proverbs 29:18 in the Old Testament warns us ‘Where there is no vision, the people perish’. In our discussions and our actions and through adopting a common vision we must do our utmost to assure our peoples future.”

Much work is already being done in respect of creating a vision for African tourism and giving content to it and the resolution on Tourism in NEPAD taken by the 39th commission for Africa meeting in Luanda, Angola in May 2003 demonstrated the unqualified acceptance of the significance of the role of tourism in Africa, specifically its role in addressing the major problems of our time, in particular those related to poverty, sustainable development and security as articulated in the Millenium Development Gaols of the United Nations. The critical role of RETOSA (the Regional Tourism Organisation of Southern Africa) in the shaping and execution of a vision for African tourism is also already very clearly spelt out and is work in progress.

3. WHAT IS NEEDED FOR THE VISION TO SUCCEED?

Firstly there needs to be specific recognition of that which distinguishes Africa from other destinations: for example:

- As a place of origin of all humanity, Africa has an unequalled role to play as a valued place for the affirmation of the common humanity of all humanity, regardless of race, colour or nationality, as confirmed inter alia by the recent scientific disclosures about the human genome.
- She has the possibility to be a place of celebration of the unique identity and sanctity of each human being, regardless of gender
- Her history, her culture, her works of art have a possibility to communicate the message that none need think that anyone of us is anything other than part of one interdependent humanity.

Secondly, there needs to be a specific approach and steps taken. For example:

- The African land and sea, flora and fauna typical of undeveloped Africa should be preserved and protected as a global resource;
- Ways and means should be found to ensure that the peoples of Africa actively contribute to the achievement of this latter objective, including the protection of the animal species to be found on the Continent
- Tourism in Africa should be treated as a critical corollary of modern scientific and technological development; and
- Steps should be taken to generate the necessary domestic and foreign capital to create the tourism infrastructure that would both preserve the resource and satisfy the necessary human need that is addressed by the availability of this resource.

In general terms, what all this implies is that tourism in Africa should be developed as permanent feature of the African economy, of benefit to Africans, the rest of the world and Africa's resources in flora and fauna.

4. **TRENDS AND CONTEXT FOR STRATEGY FORMULATION**

An understanding of the future of world tourism is essential for strategy formulation and I wish to refer briefly to trends and the global and African context in which we find ourselves.

GLOBAL TRENDS

According to the World Tourism Organisation Tourism 2020 Vision (WTO 2000), the high growth rates (10% plus) of the mass tourism of the 1960's and 1970's have long passed.

From the early nineties world tourism has settled into a 4-5% annual growth rate indicating that the sector had entered the mature stage of its lifecycle. This steady growth is forecast to carry through until 2020 but unlikely to be a straight line due to extraneous factors. Examples of these include the Asian economic crisis in 1998, 11 September 2001 World Trade Centre attacks, the Bali bombings in 2002, the Iraqi invasion 2003, serious acute respiratory syndrome (SARS) 2003 and, of course, most recently the shocking tsunami cataclysm.

By 2020 tourist arrivals world wide are expected to exceed 1,5 billion, considerably up from 670 million in 2000. However, growth rates will not be consistent across tourism regions for the kind of reasons outlined above.

Europe will still be the major destination for travelers by 2020 with a 46% market share, followed by East Asia/Pacific region at 25%, the Americas at 18%, Africa at 5%, and Middle East and South Asia at 4.4% and 1.2% respectively.

AFRICA TRENDS

Let's now look at some of the trends emerging from within Africa itself.

Besides improving its growth rate and market share relative to the rest of the world, Africa is set to increase intra-continental tourism – travel within the continent – to 50% in 2020 from 17% in 2000. This is a very positive trend and indicates the development of tourism as a standard economic activity for Africans.

Within Africa, nine out of the fifty four countries on the continent will stand out as significant destinations by 2010 – see table 1. South Africa is forecast to be the most visitor in 2010 at 33% market share, followed by Tunisia at 13% and Morocco at 12%.

It should be noted that the data for Africa is incomplete as Egypt is located within the Middle East cluster by the WTO. It would otherwise be a significant player as its current tourist arrivals exceed six million – on par with South Africa.

TABLE 1: THE MAJOR NINE AFRICAN COUNTRY DESTINATIONS TO 2010
(source WTO 2000)

COUNTRY	1995 INTERNATIONAL TOURIST ARRIVALS IN MILLIONS	1995 ESTIMATE MARKET SHARE %	2010 FORECAST INTERNATIONAL TOURIST ARRIVALS IN MILLIONS	2010 ESTIMATE MARKET SHARE %
South Africa	4.5	22	15.3	33
Tunisia	4.1	20	6.3	13
Morocco	2.6	13	5.5	12
Zimbabwe	1.5	8	2.9	6
Kenya	1.0	5	1.4	3

Botswana	0.7	4	1.6	4
Namibia	0.5	3	1.3	3
Mauritius	0.4	2	1.1	2
Tanzania	0.3	2	0.6	1
Other	4.4	21	11.0	23
Total	20	100	47	100

In addition, a further nine countries are considered by the WTO to have significant potential (WTO 2000):

- Mozambique
- Malawi
- Angola
- Uganda
- Seychelles
- Central African Republic
- Ghana
- Guinea
- Djibouti

Whilst the above growth rates and market shares bode well for tourism to Africa, the WTO indicates that if certain issues are addressed then the growth could be even higher. So, what are the major constraints to tourism that African governments urgently need to address?

The WTO suggests:

- Safety and security, particularly civil wars and crime
- Health and hygiene, includes access to emergency services, food preparation standards and prevalence of infectious diseases e.g. malaria
- Overly stringent visa requirements, immigration and customs procedures

- Lack of quality infrastructure that serves both residents and visitors
- Lack of capacity to manage environmental issues and particularly long term damage to areas of significant bio-diversity affecting nature based tourism (mountains, indigenous forests, water courses, marine and coastal areas), social upheavals affecting traditional peoples and the loss of tangible and intangible culture
- Tension between the cultures of peoples in the destinations and that of visitors, particularly in some devoutly religious areas.

Changes in tourist patterns affecting all destinations include a decline in the length of stay of visitors from the major source markets. This is largely due to changes in the work environment such as contract employment, longer working hours, shorter holidays and changing retirement provisions. In addition, poor economic trends in much of the developed world, tends to dampen visitor flows and spend. Furthermore, the average tourist is far more sophisticated nowadays resulting in a low tolerance for poor service. Due to the Internet they are able to easily communicate dissatisfaction thereby undoing millions of dollars in marketing spend. Finally, for most countries, tourism has become a significant economic generator and thus the competition for the international tourist 'spend' is intense, especially in the long haul market.

To address this, key African tourism states are embarking on:

- Public private partnerships to undertake tourism development and marketing ventures
- Intensifying the tourism product to appeal to either a broader market or cultivate high value niche markets such as nature based tourism
- Improving the transport infrastructure both to the destination as well as within it.

One of the key issues to be addressed for sustainable tourism in Africa is whether the management of the tourism system is in place and functioning effectively. This is an issue of capacity and governance, a challenge in much of the developing world. The importance of this cannot be overstated. A well-managed tourism system leads to better profitability and in turn encourages further investment. Therefore one of the essential

needs for intervention in the tourism sector in Africa would be to support the broader development of the tourism system and the management thereof.

5 ROLE OF RESPONSIBLE TOURISM AND ECONOMIC GROWTH IN AFRICA

As we all acknowledge, the tourism potential of Africa is still largely untapped, especially as it relates to achieving the developmental goals as set by The New Partnership For Africa's Development (NEPAD). As an economic sector, I believe that it can certainly contribute positively to the challenges of global competitiveness, sustainable growth, poverty eradication, job creation and empowerment. However, we must acknowledge that substantial investment in the tourism system is required for these goals to be achieved on a sustainable basis.

At this point I wish to touch on two matters. The first is a set of macro conditions that are required for stimulating investment in tourism, and secondly, an indication of the possible role, which can be played by the Development Bank of Southern Africa in assisting our clients in the public and private sectors to establish these minimum conditions for sustainable investment in tourism.

INVESTMENT CONSIDERATIONS FOR RESPONSIBLE AND SUSTAINABLE TOURISM

When making investment decisions, the private sector strives to obtain a minimum level of return on their investments. In doing so they consider the following broad risk categories:

- Country risks
- Sector risks
- Business, financial and operational risks.

One of the key roles of government is to minimize these risks. From a tourism perspective, government does this by addressing the need for:

- **General political stability and sound policies, legislation and regulations.** Investors value economic, political, social and financial stability in a country. Such stability is enhanced by sound policies, legislation and regulations applicable to the macro economy, and other areas such as environment, finance and the legal system. Even more important is the capacity to implement and enforce such policies, legislation and regulations in an efficient manner.
- **Good tourism management, governance and institutional arrangements.** The tourism system needs to be managed in an integrated way to ensure sustainability. Furthermore, good tourism destination management is required on the regional, country and destination level in both rural and urban setting. Tourism planning is an important element of such a management system. This is only possible through strong and capacitated institutions.
- **Conserving and developing attractions within destinations.** The cluster of attractions of a destination is the foundation of tourism, provide the *raison d'être* for the visit. Attractions need to be planned, developed and managed to provide the tourist with a worthwhile experience and to ensure that the resource base is not undermined.
- **Supportive services.** A number of supportive services contribute to the success of sustainable tourism. These include services such as safety and security, access to banks and retail facilities, customs and immigration, etc.
- **Traditional infrastructure.** While infrastructure cannot guarantee tourism growth, its absence is a serious liability. Tourism can help pay for infrastructure for the use of local residents thereby benefiting other users. It includes transportation (air, sea, rail and road), telecommunications, water and sanitation and energy. The maintenance of such infrastructure is just as important as the initial investment.
- **Human resource development and other support programmes.** Investing in people is perhaps the most important investment in the tourism system. Tourism is about interaction between tourists and the host population. Tourism friendly

environment, service excellence and entrepreneurship are required to ensure a memorable experience.

- **Marketing, promotion and branding.** The marketing of African destinations is an important element of managing tourism development in a sustainable manner. Tourism investment should be aligned with market demand and associated promotion and branding efforts. In this way, tourism investment should contribute to building and strengthening a unique African experience that caters for overseas, African and domestic markets.
- **Regional integration.** This is required to strengthen the indigenous African capacity to manage tourism. Collaboration is required on issues such as marketing, visas, planning, research and development, standards and grading. The implementation of Trans Frontier Conservation Areas is an example of such regional integration.

DBSA'S APPROACH TO RESPONSIBLE TOURISM INVESTMENT

DBSA takes its cue from the South African Government's tourism policy (1996 White Paper on the Development and Promotion of Tourism), which emphasizes responsible and sustainable tourism development.

As a follow on from this progressive stance the South African Government developed the Responsible Tourism Guidelines in 2001. This established a set of guiding principles for economic, social and environment responsibility based on indicators for each of the spheres of responsible tourism. We as the DBSA have wholly adopted these guidelines with emphasis on measurement and allocating responsibility. This is in addition to our standard requirements of institutional, financial and technical sustainability. Finally we strongly encourage our clients to implement these guidelines in their businesses.

As a tourism development finance institution in southern Africa, the DBSA provides the following classes of support:

Enabling environment for tourism - defined as those elements that would lead to the effective management of the tourism system. It includes frameworks, strategies, programmes and plans. Funding is usually grants to the public sector.

Primary tourism infrastructure - defined as that required to attract (attractions: nature and culture based, theme parks, events, conference centres) the tourist to an area and the transport (air, sea, road and rail) to enable the tourist to get there and travel within it. Funding is both equity and loan and most of the clients are from the public sector in the broadest sense.

Secondary tourism infrastructure - Defined as being dependent on the primary infrastructure being in place and is both a high growth and the most profitable aspect. Examples include hotels and other accommodation establishments, resorts, catering and retail facilities as part of a bigger project, and SMME support programmes. Funding is both loan and equity and clients are largely from the private sector.

As you can see, whilst the DBSA cannot possibly address all the investments constraints due to mandate and resource limitations, I have indicated that the Bank, as a responsible tourism finance institution, can provide substantial and innovative support for tourism investment and stands ready to play, to the maximum degree that it can, its role in this African continent of which we are a proud part.

6 2010 SOCCER WORLD CUP IN AFRICA

As I move to closure I cannot but refer briefly to the 2010 Soccer World Cup. The decision by FIFA to award the 2010 Soccer World Cup to South Africa sent a message echoing around the world – that our people and our country and our continent have stepped onto center-stage and that we stand ready to present every skeptic, every critic and every Afro-pessimist with a permanent red-card and proof that we have moved on from the disappointment of Cape Town’s failed Olympic bid.

Now we must ensure success in 2010, but also position our country at the cutting-edge of global competitiveness in the tourism industry beyond the World Cup. We will only succeed in this endeavour with the complete co-operation and partnership of the industry, all spheres of Government, our statutory bodies, and South Africans from every community. The direct impact of the World Cup on South Africa and our region will be beyond anything that has come before. More than 400 000 visitors. More than 40 billion viewers in 204 countries. 32 teams from Europe, North America, Latin America, Asia and Africa 128 warm-up matches and 64 competition matches played in all nine South African provinces with revenue from ticket sales and taxes in the billions of Rands.

FIFA World Cup 2010: A Truly African Event

The South African Minister of Tourism, Marthinus van Schalkwyk is on record on this issue recently when he made the following important points which bear repeating today. One of the most important challenges in preparing for 2010 is to ensure that the event is truly an African World Cup. It was on the strength of this concept that our Bid was successful, and it is crucial for the long-term development of tourism in our region.

South Africa will be the stage, but Africa will be the hosts.

The Regional Tourism Organisation of Southern Africa (RETOSA) has the potential to be the key that unlocks the benefits of the World Cup particularly for the SADC countries. International visitors who make the lengthy journey to South Africa for the event will want to combine the trip with a wider exploration of the African experience. This will require us to carefully co-ordinate the marketing not only of the World Cup itself but also of pre- and post-events and travel packages to appeal to these visitors.

We will also need to work in close partnership to ensure the quality of the tourism experience. South Africa has already been approached by our regional partners like Namibia, Botswana, Swaziland and Lesotho with an eye towards reproducing our grading system in their tourism industries. With interest also expressed by African countries as far north as Tanzania and Uganda there is important regional potential to be tapped. Using the World Cup as a catalyst we should be striving towards guaranteeing the quality

of the African tourism experience for travelers to any of our countries – ensuing that they return repeatedly to our region and our continent. On a very practical level this is an important challenge for us all.

7 CONCLUSION

As we gather here we know that tourism in many ways is a key – a key to peace, a key to self-reliance and a key to pride in ourselves and our continent. And so I wish to conclude, as I started by quoting the words of President Thabo Mbeki, my President when he spoke at the United Nations University in Japan in 1998 on the subject, “The African Renaissance, South Africa and the world”. And I quote:

“As we speak of an African renaissance, we project into both the past and the future.

I speak here of a glorious past of the emergence of Homo sapiens on the African continent.

I speak of African works of art in South Africa that are a thousand years old. I speak of the continuum in the fine arts that encompasses the varied artistic creations of the Nubians and the Egyptians, the Benin bronzes of Nigeria and the intricate sculptures of the Makonde of Tanzania and Mozambique.

I speak of the centuries-old contributions to the evolution of religious thought made by the Christians of Ethiopia and the Muslims of Nigeria.

I refer also to the architectural monuments represented by the giant sculptured stones of Aksum in Ethiopia, the Egyptian sphinxes and pyramids, the Tunisian city of Carthage and the Zimbabwe Ruins, as well as the legacy of the ancient universities of Alexandria of Egypt, Fez of Morocco and, once more, Timbuktu of Mali.

“The people of Africa entertain the legitimate expectation that the new South Africa which they helped to bring into being will not only be an expression of the African renaissance by the manner in which it conducts its affairs, but will also be an active participant with other Africans in the struggle for the victory of that renaissance throughout our continent.

Necessarily, therefore, we are engaged and will continue to be engaged in Africa’s efforts to guarantee peace for her children, to feed and clothe them, to educate them and to bring

them up as human beings as human as any other in the world. Their dignity restored and their equal worth recognized and valued throughout our universe.

We would like you to join us in the noble struggle to achieve these objectives.

The process of globalisation emphasizes the fact that no person is an island, sufficient to himself or herself. Rather, all humanity is an inter-dependent whole in which none can be truly prosperous unless none elsewhere in the world goes hungry, in which none of us can be guaranteed a good quality of life unless we act together to protect the environment.

By so saying, we are trying to convey the message that African under-development must be a matter of concern to everybody else in the world, that the victory of the African renaissance addresses not only the improvement of the conditions of life of the peoples of Africa but also the extension of the frontiers of human dignity to all humanity.

That is what we are working for every day.

An essential and necessary element of the African renaissance is that we all must take it as our task to encourage her, who carries this leaden weight, to rebel, to assert the principality of her humanity – the fact that she, in the first instance, is not a beast of burden, but a human and African being.

Africa's time has come. The new century, which we are now in, must be an African century", unquote.

I thank you.