



# STOKVELS TO TAKE PART INTO THE MAINSTREAM ECONOMY



DESTEA MEC: Makalo Mohale and Ms Busisiwe Skenjana

Image: DESTEA Communication

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In his recent budget vote, MEC for the department of Economic, Small Business Development, Tourism and Environmental Affairs, Makalo Mohale pledged the department's support to local Stokvels. The main purpose is to provide necessary support mechanisms such as acquisition of necessary licences to formalise Stokvels and ensure that their investments are best utilised to truly liberate them economically.

Currently, 40% of SA population belong to stokvel. The research has shown that there are 820 830 and 11, 4 million stokvel members in South Africa. With an estimated value of R44 billion contribution to the GDP. (Survey; African Response 2011). Most popular types of Stokvels are; savings stokvels and burial societies. Estimated value of stokvels contributions per month is R3.7 billion.

On the 27 September 2019, the MEC convened Chairperson's and Secretaries of Stokvels across the province at Willem Pretorius Resorts. This interaction between these Stokvels and the department was an important building block towards a sustainable support programme for this sector. Forty two stokvels represent more than eleven thousands members throughout the Free State attended the meeting. More than twenty five percent of the participants were burial societies mostly headed by women. The first session on the day was networking, where the stokvels were sharing experiences, challenges as well as their long term visions. This exchange of knowledge created a con-

ducive environment for constructive discussions. One of the respected experts in stokvels matters in South Africa Ms Busisiwe Skenjana addressed delegates about possible solutions to some of the challenges. Busisiwe Skenjana has a 32 years marketing experience, specializing in the niche Stokvel market segment. She currently runs the stokvel academy which provide stokvels with sustainable programmes such as Entrepreneurship, Youth Development, Financial Literacy training, Crime Prevention, after school Care and Environmental preservation.

Making a strong case for support to stokvels in the Free State, Skenjana said

***'Sokvels are the masses social currency that feeds mainstream economy which unfortunately excludes same masses. The Free State government's support is a welcome intervention which need to be applauded'.***

In his address to the members of stokvels, MEC Makalo Mohale made a commitment to ensure that the department will deliver in its promise to support the stokvels. 'Stokvels and burial societies have been the pillars and source of financial support to many families in townships and rural areas. Our programme around revitalisation of the township and rural economy will therefore not be complete without the support of stokvels' said the MEC.



Among interventions being considered for stokvels are training in stokvel administration, exposure to business and investment opportunities. One of the outcomes DesteA hope to achieve is to attract stokvels

to participate in the tourism industry, among others by owning property and or time shares. A long-term plan to support stokvels will be developed in the near future.

# FREE STATE FOOD VENDORS PUTTING THEIR CULINARY SKILLS TO TEST



Image: DESTE A Communication

Passion, dedication and a rigorous training could just be the right ingredients to propel fifty (50) food vendors in the Free State to profitability.

These survivalist enterprises will benefit from DESTE A's enterprise development programme in collaboration with Mars Food Company. The enterprises could earn a distribution contract as a micro distributor of Royco products and probably a stint on one of the Mzansi cooking programmes on television.

This Programme will be presented in 3 phases with the first phase being the 22 days training of beneficiaries starting in September 2019 focusing on the following subjects; how to develop a business plan; financial management; customer service and how to expand a business. Training will be

followed by the enterprises pitching their business plans that were developed throughout the training to a panel of judges. The final stage of the programme is the cook off planned to take place in November 2019.

This will be a grand event where beneficiaries will be expected to showcase their culinary skills. Before that, beneficiaries will be trained on how to incorporate Royco products into their cooking by Siphokazi from a well know TV Show, Cooking with Siphokazi on DSTV channel 161.

To ensure the relevant and effectiveness of planned interventions, Small Enterprise Development Agency (SEDA) will conduct business assessment of all participants. The most successful food vendor in this programme will win a mobile kitchen.

# HONOURING SERVICE EXCELLENCE IN THE TOURISM INDUSTRY



Image: DESTE A Communication

"Honouring the best of the best in South Africa" was the theme that collaborated very well with tourism products finalists and winners of the 2019 Lilizela Tourism Awards efforts of providing the best service to travellers. In its 7th year running, the premier awards ceremony that recognises service excellence in the tourism industry was held on the 26th September 2019 at a black owned lodge, Imvelo Safari just outside Bloemfontein.

Tourism is the new gold, it is a sector that is thriving and has tremendous potential for further growth, and more particularly for job creation. With programmes like Lilizela Awards, government intends to recognize and celebrate tourism businesses for tourism excellence, for their contribution to South Africa's global competitiveness, and for growing tourism's contribution towards GDP and job creation.

This year, 55 products from the province had entered for the awards and 23 winners were announced. The winners were from different categories which included lodges, guest houses, country houses, roots and culture, hotels, auction and adventure. The competitors was divided into three categories, namely The MEC's Award, Service Excellence, Entrepreneurship, and Sustainable Development. The winners include:

NAME OF ESTABLISHMENT	CATEGORY	STATUS
Dithabeng Tours	MEC Award	Winner
Gariep A Forever Resort Conference Centre	Conference centre	Winner
Mont d' Or Hotel	In-hotel conference centre	Winner
Clarens Xtreme Adventures	Action and adventure	Winner
Skydive Parys	Action and adventure	Finalist
Basotho cultural village	Roots and culture	Finalist
Gariep A Forever Resort Chalets	Self-catering shared vacation	Winner
Bethesda Exclusive Accommodation	Self-catering exclusive	Winner
Monte Bello lodge	Country house	Winner
Letsatsi game lodge	Game lodge	Winner
Allegro guest house	Guest house	Winner
Kamohelong luxury accommodation	Guest house	Winner
Two Bells guest house	Guest house	Finalist



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Castello guest house	Guest house	Finalist
Monte Bello lodge	Lodge	Winner
Lions Rest Country Estate	Lodge	Winner
Protea Hotel by Marriot Clarens	Hotel	Winner
Anta Boga Hotel	Hotel	Winner
City Lodge Bloemfontein	Hotel	Winner
Road Lodge Bloemfontein	Hotel	Winner
City Living Boutique Hotel	Hotel	Finalist

The prizes were as follows:

- A trophy and certificate
- Winners for tourist guiding received a certificate and recognition badge
- Finalists received certificates and
- MEC Award winner received R20 000.00

Congratulating and giving advice to the finalists and winners, MEC for DESTEA Makalo Mohale said “people who visit our province should experience hospitality, friendly service and professionalism, above all they should experience value for money, quality night sleep, cleanness, quality of our food, gushing rivers, singing birds and enjoy sitting around the fire, and enjoy the open sky”.

To show the seriousness of the department to develop and improve the tourism sector, MEC mentioned the interventions to ensure this which includes, setting up of Free State Tourism Council where the MEC will engage with municipalities and all role players to see what could be done to ensure that Free State improves visitor experience and achieves its mandate to be the destination of choice. Similarly, the HOD is heading the FS Tourism Forum where he is engaging with MMs, LED Managers, officials as well as other tourism practitioners.

Speaking to the emotional winner in the category of MEC’s Award Mr. Joseph Rantseke of Dithabeng Tours, he said that he has been in the tourism industry since 2002 and he has never received such an award. “I was emotional when receiving the award because in the 17 years of being a tour guide and an environmental educator, it has been nothing but dedication, passion and commitment to the work that I do, and today my work has been recognised” he explained.

With the money that he had won, Ntate Rantseke mentioned that he is going to invest back into business. His future plan is to expand his tour guiding business to Lesotho, Swaziland and Mozambique.

The winners of Lilizela will compete with other provinces during the national competition which will take place on October 2019.

# FREE STATE UPPING ITS GAME IN TOURISM



Image: DESTEA Communication

Tourism is punted as the fasted growing sector in South Africa, giving hope too many South Africans hoping to enter the sector or get employment. For this reason this sector continues to receive undivided attention from both the private and public sector.

September has been declared tourism month during which World Tourism Day (WTD) is celebrated on the 27th September globally. The purpose with this is to raise the profile of tourism as an industry and encourage South Africans to travel their own country. This year’s tourism month was launched on the 22nd August 2019 in Kwa Zulu Natal by Minister Mmamoloko Kubayi Ngubane with the theme “Tourism and Jobs – Better Future for All.

To promote the province as a tourism destination of choice and bring awareness to the challenges and opportunities in the sector, the Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTEA) together with its strategic partners will be commemorating tourism month with various activities that seek to instill a culture of travel amongst the people of the province and in return contribute positively to the economic growth of the Free State Province.

The targeted markets for this campaign are stokvels, social clubs, burial societies, schools, churches and family reunions. Despite abundance of natural attractions, historical sites and scenic beauty, Free Staters do not travel their province. The majority of the citizens of the Free State have not had the opportunity of visiting these places even where they are just a stone throw from their places of residence.

According to available statistics, South Africa had a total tourism spending of R 296 billion in 2018 and an average annual growth rate of 6.8% over the period?. In Free State province the tourism spending as a percentage of GDP in 2018 was 5.55%. Tourism spending as a percentage of GDP for 2018 was 6.06% in South Africa as a whole. Free State Province had a total tourism spending of R 13.6 billion in 2018 with an average annual growth rate of 8.4% since 2008 (R 6.06 billion).

To ensure that the Free State attracts more visitors an aggressive and targeted marketing efforts are being done. This marketing strategy will target the following consumers: spontaneous budget explorers which are young people of all races who impulsively go away for short breaks with friends and who prefer activity filled breaks over quiet weekends away. High-life enthusiasts which are successful go-getters who travel to boost their social status and seek out exceptional service and luxury experience.

Seasonal leisure travelers which are people aged about 25 to 45 years who have a travel culture, who go on holiday regularly. They understand the value of memory over commodity and travel to relax and spend time with loved ones. Well – to – do Mzantsi families, people who travel to escape the city stress and pressures of daily life. They seek new and different locations to relax in and they take advantage of special deals and offers. First time travelers are groups who do not have the culture of going on holiday and encourage people to travel their own province.



The province prides itself with natural tourism attractions with the big 5 routes, namely the Cheetah Route, here is situated the only game reserve in the middle of town with the only digital planetarium in Southern Hemisphere and the biggest bronze Nelson Mandela statue which stands at 8 meters, the Eagle Route runs from Ficksburg to Har-rismith through some of the most picturesque landscape in the country with the iconic rock formations, activity highlights include cherry picking, rock paintings, arts & craft shopping and 4X4 trips.

For those looking for everything that is typically Free State, the Lion Route situated in Fezile Dabi district has it, with activities such as cape wine tasting, gliding, hiking and the famous Deneysville – South Africa’s inland Riviera . In Le-jweleputswa district, the Flamingo Route offers a variety of sporting and leisure activities with Free State’s own Phakisa Freeway Race Track, game viewing and key historical sites. The best sun rise is viewed in the Springbok Route, which connects the Free State with the Northern

Cape, winds through the scenic farmlands and nature reserves of the Xhariep district with historical attractions that include battle sites, and San rock engravings and game farms.

This tourism month, Free State was a destination of choice with events and campaigns such as:

- The 7th Annual Provincial Lilizela Awards: 26 September 2019
- Media Familiarisation Tour, Cheetah and Springbok Routes: 19 – 22 September 2019
- Hiking Heritage Extravaganza: 20 – 22 September 2019
- #Keyalewena Short ‘Left Travel Week: 23 – 29 September 2019

Through these events the department aims to create opportunities to transform the sector and recognize industry role players to ensure that tourism is a significant economic player.

## START SAVING TODAY AND TAKE CONTROL OF YOUR FUTURE.



The myth that only the rich can save money, is and will always be a myth. Anybody can save money, whether formally or informally employed, receiving a social grant or an allowance. The key is to start at an early age and have a plan or budget and stick to your goals.

July was National Savings Month. To grow awareness on financial management and encourage better financial decision-making amongst our people, the Consumer Protection Office under the Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTE) ran a series of workshops during July month around the Free State under the theme “Tighten your saving belt”.

The expected outcomes of the campaign was to encourage consumers to tighten their saving belt by doing the following:

- Teach your children to save from an early age. They need to know about the household budget. Set them to work for their pocket money. Help them learn that making a financial decision is about weighing up the value of one thing against another and choosing which to forego in favour of the other.
- Saving is mind-set. Save water, electricity, money. Don’t waste anything of value – recycle, pass on old clothes, swap children’s toys with other parents instead of buying new ones, convert things you don’t use any longer into money by selling them.
- Live economically. Do not buy things you don’t need and don’t try to keep up with friends and neighbours. Every body’s needs are different. Live according to yours.
- Look after the things you have. Take pride in what you have worked hard for. Respect your own efforts and feel good about what you have achieved.
- Don’t make excuses about why you don’t save. Saying I’m too young or I’ll save next month or only rich people can save won’t get you anywhere.
- Start saving consistently and seriously for your retirement years from the day you get your first job. Learn the magic of compound interest. Put aside at least 15% of your income every month in a safe investment.
- Use credit card sparingly and carefully. It is cheaper and more rewarding to wait until you have saved the funds your self. It is better to spend money you have earned than to spend money you still have to make.
- If you are in debt, pay this off as fast as you can. Cut up your credit and store card if you need to. And remember cuts in interest rates should be used to settle debts first, not to take on more debt.
- Shop around before you buy. Compare prices and benefits. Question the value of each purchase as you make it... will it build my assets, is it just to show “off”, and is it cheaper elsewhere? And don’t ever be afraid to ask questions when you want to know more.
- Learn to resist those tempting media messages.

The most important element of savings is to distinguish between needs and wants. Consumer Protection Office advice consumers to spend their hard earned income wisely in order to save towards their different goals, for example, deposit for a house, school/university fees, etc.

Many consumers are under the impression that one need a lot of money to start saving, the reality is that you can start with as little as R40 a month with a Fundisa account to save towards your child’s tertiary education, and even get a bonus from government for doing so. For example, for every year’s investment, you receive a 25% bonus from government.

This is just one type of savings vehicle available to all income groups. Other savings options such as Retail Savings Bonds, Retirement Annuities, Unit Trust accounts, Stock Market (shares) are a few options. There is also the Top Up Savings bonds now offered by Department of Treasury, which is aimed at low income groups. The key is for consumers to shop around and find a savings option most suitable to them.

The workshops were conducted in partnership with the following stakeholders: GCIS, Financial Sector Conduct Authority (FSCA), Council for Debt Collectors (CFDC), National Credit Regulator of South Africa (NCR), National Energy Regulator of South Africa (NERSA), Ombudsman for Banking Services (OBSSA), The Department of Trade and Industry (the dti), Setsoto Municipality, Matjhabeng Municipality, Mangaung Metro Municipality, Bicentenary Methodist Church, St Peters Methodist Church and Barolong Traditional Council. Each stakeholder had a role that they played with regards to the topic of the day.

The communities from different towns had an opportunity to engage with the stakeholders who gave them tips and wisdom when it comes to savings. Improved savings is crucial for creating and sustaining an environment conducive to economic growth and social development. Savings, in turn, can reduce unemployment by providing much-needed sources of entrepreneurial development capital. Early childhood saving teaches children about the value of budgeting, managing their finances and avoiding unnecessary borrowing. Start saving today and take control of your future.