



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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NATIONAL ASSEMBLY:

QUESTION FOR ORAL REPLY:

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Mr K P Sithole (IFP) to ask the Minister of Tourism:

Whether her department has intervention plans to assist **small tourism businesses** that have been affected by the Covid-19 pandemic; if not, why not; if so, what are the relevant details? NO1528E

REPLY:

Yes, my department has various intervention plans to assist small tourism businesses that have been affected by the COVID-19 pandemic. There are a few interventions in this regard, namely:

(1) Tourism Relief Fund

The Tourism Relief Fund is an R200million grant aimed at supporting 4000 SMMEs capped at R50 000.00 per business. The Tourism Relief Fund is administered in line with the objectives of Economic Transformation, and our vision to ensure sustainable and inclusive tourism development. Businesses supported should be Exempted Micro Enterprises in line with the Tourism Broad Based Economic Empowerment (B-BBEE) Codes of Good Practice.

The Fund applications closed on 31 May 2020 unfortunately, it was subjected to court challenges based on its transformational characteristics, which delayed the critical disbursement of funds to distressed businesses. After the courts have clarified the legal standing of the Fund, the department is now disbursing the much-needed funds to the enterprises.

(2) Tourist Guides Relief Fund

Freelance guides are paid per tour conducted. The Tourism Relief Fund (TRF) which the Department established earlier this year did not cater for freelance guides. As a result, a R30 million budget was set aside to provide relief to freelance tourist guides. It is estimated that a total of 6 500 tourist guides would benefit from this fund over a period of three months.

Most tourist guides in South Africa are freelance workers whose livelihoods depend not only on regular work but also on tips from tourists. Currently the Department of Home Affairs, the Companies and Intellectual Properties Commission (CIPC) and the Department of Employment and Labour, are assisting to verify the databases in order to ensure that the identification details of all tourist guides on the database are valid and that only freelance guides are identified for this relief.

(3) Collaboration with the Department of Small Business Development (DSBD)

A Memorandum of Understanding (MoU) between the Department of Tourism and the Department of Small Business Development was signed in 2016. The purpose of the MoU was to provide a framework for cooperation and facilitate collaboration between the parties. The COVID-19 pandemic of 2020 has had a profound impact on the South African populace and our economy and economies across the world. As an industry that facilitates mobility and human interaction, the travel and tourism sector has been amongst the hardest hit. The two departments are in the process of signing an addendum to the MoU on cooperation in providing relief and support to SMMEs in our sector during the Risk Adjusted Strategy Level 3-1 and post COVID-19.