



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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NATIONAL ASSEMBLY:

QUESTION FOR ORAL REPLY:

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Mr Z J Peter (ANC) to ask the Minister of Tourism:

How will her department help realise the participation of black persons in the tourism sector and further ensure the development of the rural tourism industry?

NO1563E

REPLY:

The participation of the previously disadvantaged people it is a government policy imperative with the ultimate aim to ensure that there is broad participation by all in the development and the growing of the economy. The programmes of the Department at its core is about inclusivity and broad participation of all with a bias towards black persons within the country, who were previously disadvantaged.

The Department implements programmes which in their nature are biased towards transformation, both related to people and spatially. Outlined below are some programmes of the Department that support inclusive economic growth and the rural tourism industry.

1. Enterprise Development and Support Programme

The objective of the Department's Enterprise Development and Support Programme is to provide development support to SMMEs in order to improve their sustainability in the tourism sector. The Department is rolling out a business support and incubation programme located within or proximal to tourism hubs or destinations as one of the strategic ways to address the challenges within the tourism SMME sphere. SMME operators or beneficiaries have been selected in consultation with provincial departments of Tourism and Economic Development and local municipal structures. It should be noted that over 80% of incubates have their businesses in rural and/or township areas.

2. Woman in Tourism Programme (WiT)

The Department commenced with the Women in Tourism (WiT) Programme in 2013 as a platform to drive initiatives that support the development and empowerment of women in the tourism sector especially in the rural areas. The WiT platform is meant to integrate women from the different backgrounds within the sector and to ensure that they converge on a set of common goals and interests within the industry. Women within the provincial tourism industry are still to be included in most of these opportunities that exist within the industry. The WiT therefore seeks to address the inequity in terms of benefit accrual and empowerment opportunities.

3. Executive Development Programme

The Department further runs a programme on Executive Development which its main objective is to train to equip black female managers with executive management requisite management skills and qualifications for the tourism sector through a recognised South African business school, to prepare them for the executive or board positions in the tourism sector. This is a transformational initiative aimed at creating a pool of women executive skills which industry can tap from whenever they need competent women to balance their transformation gaps.

4. Tourism Incentive Programme (TIP)

All the programmes under the Tourism Incentive Programme (TIP), require applicants to submit information on their B-BBEE status in order to be eligible and the scoring criteria in most programmes have been designed to deliberately favour black-, woman-, youth-ownership through either exclusive benefit, additional benefit or preference. Preferential treatment is also afforded to small tourism enterprises located in rural areas. The following are programmes that falls under TIP which are geared towards the transformation agenda:

- **The Tourism Transformation Fund (TTF):** provides support that specifically aims to stimulate capital investment in new and expansion projects by black-owned small tourism enterprises.
- **The Green Tourism Incentive Programme (GTIP):** Its aims is to stimulate investment in energy and water efficiency of small tourism enterprises with greater or additional benefits offered to enterprises that are black-owned and have higher compliance levels with the Amended Tourism B-BBEE scorecard. While not specifically part of the scoring criteria, ownership by woman, youth, and people with disabilities and the rural location of projects further counts in a GTIP applicant's favour.
- **The Market Access Support Programme (MASP):** It facilitates improved market access to small tourism enterprises. Since the number of enterprises that can be supported at a particular international trade platform is limited due to the availability of space, scoring criteria

deliberately favours and gives preference to small tourism enterprises with greater black ownership as well as ownership by woman, youth and people with disabilities.

- **The Tourism Grading Support Programme (TGSP):** Its aims is to encourage participation in the tourism grading system through offering discounts an assessment fees to alleviate the operational cost burden of small tourism enterprises. While the TGSP does not provide specific preference or additional benefit for black owned enterprises, proof of compliance with the Amended Tourism B-BBEE Codes is mandatory in order to be eligible.
- **Tourism Equity Fund (TEF):** the department intended to introduce a this programme during the 2020/21 Financial year, which its focus was on accelerating the quantitative and qualitative increase in participation by black tourism industrialists in the tourism sector as reflected by their contribution to economic growth, investment, and employment creation. Unfortunately, due to the impact of the COVID-19 Pandemic on the tourism sector, the launch of the programme had to be postponed.

5. Expanded Public Works Programme (EPWP) - Working For Tourism (WfT)

The Working for Tourism programme endeavours to support the creation of jobs in the tourism sector through 1) upgrading and enhancement of tourist attractions and precincts for the benefit of local visitors and tourists alike 2) skills development in tourism and hospitality. The EPWP Working for Tourism Programme participant profile is at least 55% women, 55% youth, 2% persons with disabilities all of whom are poor and unemployed. Participants must be willing and able to take up the offered work and should live close to the project area (i.e. local). All participants should be recruited through a fair, transparent, community based selection process.

The EPWP is not implemented in isolation from other Government strategic initiatives. It is one of the short-term initiatives by Government aimed to create work opportunities for the marginalised especially the women, youth and people living with disabilities. The main objective of the EPWP programme is to draw a significant number of unemployed South Africans into productive work in a manner that will enable them to gain skills and increase their capacity to earn income as well as to contribute in developing their community and country.

The Working for Tourism infrastructure programme enables the participation of community based tourism products in the tourism and hospitality sector through funding of accommodation establishments and tourism supporting infrastructure e.g. access road to a tourism product. These infrastructure projects are largely implemented in rural areas and have created new tourism facilities in these areas. Where clear tourism potential exists (including in rural spaces), WfT funding can assist in establishing products and supporting infrastructure, as well as to leverage further private investment. As in all our efforts, the focus is on wider destinations/experiences, rather than individual

products. Any initiatives funded would accordingly have to pass reasonable feasibility assessment, including market-product match analysis and financial feasibility assessment. Some support infrastructure remains within the scope of local government, and would require firm commitment in this regard.

6. Training capacity building

TSHRD is by nature and law a transformative issue. Skills Development in its nature involves transforming a person from one state of capability to another which is usually of a higher and better level. The Skills Development (SD) Act No. 97 of 1998 and Employment Equity Act (EEA) 55 of 1998 in South Africa do recognise that education and training can make an immense contribution into the transformation of the society in the country hence they set transformation standards particularly with regard to learner recruitment.

- 85% of learners as Black
- 54% of learners as Women
- 56% of learners as Youth
- 4% of learners as Disabled

The capacity building programmes of the Department is biased towards rural areas and black participation in the tourism sector. Some of these are outlined below:

- Food Safety Skills Programme
- National Certificate Tourism Blue Flag Programme
- Wine Service/Sommelier training Programme
- National Youth Chefs Training Programme (NYCTP)
- Tourist Guiding Skills Development: (Mandarin Language)
- Hospitality Service Training Programme
- Resource Efficiency Training for the Youth
- Executive Development Programme for Black Women
- Induction programme for Local Government

7. Development of digital content

SA Tourism and provincial tourism authorities have initiated projects that aim to building destination content to address the geographic spread. This aim of the project is to ensure inclusion of products and experiences that are not in the mainstream of key tourist routes and will be curated for all markets and business segments, distributed primarily through digital platforms.

8. National Association Project

The National Association Project is aimed at spread association conferences and meetings to VTSD's. As part of phase 1 of the project, the SANCB is working with the Provincial Tourism Authorities to conduct inventory audits of the VTSD's. The objective of the audit is to establish what meeting infrastructure, SMME's and other service providers are available in the VTSD's.

The main objectives of the project are:

- Assisting National Associations to host their meetings and conferences in the identified areas across SA to spread the economic benefits.
- Bidding capacity building through developing a bid support programme and system for National Association meetings and conferences.
- Assist the identified areas to develop their meeting and conferencing infrastructure by bidding for National Association Meetings and Conferences.
- Promote tourism experiences (pre and post tour packages for delegates and accompany persons programme) in the identified areas that can be marketed to delegates by local SMME's, contributing to domestic tourism.
- Incentivise the procurement of conferencing goods and services from local service providers in the identified areas.