



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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NATIONAL ASSEMBLY:

QUESTION FOR WRITTEN REPLY:

Question Number: 950

Date of Publication: 22 May 2020

NA IQP Number: 17

Date of reply: 01 July 2020

Mr M S F De Freitas (DA) to ask the Minister of Tourism:

With reference to the Tourism Indaba and its support to small-, medium- and micro-sized enterprises (SMMEs) within the Tourism sector, (a) what opportunities have been provided for SMMEs (i) in the past three financial years and (ii) since 1 January 2020, (b)(i) which SMMEs have benefited and (ii) how, in each case, (c) how have the specified SMMEs been subsequently monitored and measured, (d) what are the annual statistics of the specified time period on SMME product participation in the Tourism Indaba, (e) what businesses of any description and size have participated in the Tourism Indaba (i) in the past three financial years and (ii) since 1 January 2020 and (f) which of the specified businesses were (i) local and (ii) foreign businesses? NW1239E

Reply:

(a) What opportunities have been provided for SMMEs (i) in the past three financial years and (ii) since 1 January 2020,

In an effort to extend international market access support offered under the Tourism Incentive Programme (TIP) to smaller and emerging enterprises on a domestic level, the department collaborated with SA Tourism to introduce the Hidden Gems initiative that provides a dedicated exhibition platform at the Africa's Travel Indaba (ATI) show as an important global business-to-business platform to afford enterprises business linkage opportunities and to exhibit their offerings to both local and global buyers.

Participants on the Hidden Gems platform were selected by SA Tourism and the department with additional funding support from the department's Tourism Incentive Programme (TIP) programme. It sees the department and SA Tourism partnering with industry and Provinces, to stimulate improved market access on a domestic level for small and emerging businesses in the tourism sector.

(i) Past three Financial Years	Opportunities
2017/18	<p>Department of Tourism in collaboration with SA Tourism, facilitated the market access platform for 90 SMMEs, representing nine provinces at Africa’s Travel Indaba (ATI) 2017.</p> <p>Pre-selection process and training Prior to participation at ATI, a total of 311 SMMEs registered for the pre-selection training sessions arranged in each of the nine provinces. A total of 284 of the 311 registered SMMEs from across all provinces participated in a 5-day training session on various aspects of product development, packaging, pricing, marketing, tradeshow participation, contract negotiation, etc. Due to space and budget limitations only 90 SMME could attend the ATI. The training was conducted as part of the process to select the 90 SMMEs that represent the provinces roughly equal to participate at the ATI 2017</p> <p>National and provincial stakeholders were invited to serve on the selection committee to assist in the selection of SMMEs for training and marketing platforms. Each training session was attended by them as part of the adjudication process. The top 90 SMMEs were selected following pitch presentations by each participant.</p> <p>Peer to Peer Pre-Exhibition Mentorship Workshop The selected 90 SMMEs participated in a six-week Peer-to-Peer Mentorship Programme to help prepare them further for participation at the ATI exhibition.</p> <p>Exhibition A specially designed pavilion with dedicated exhibition and meeting space was created to cater for the 90 SMMEs to showcase their offerings.</p> <p>Speed Marketing Networking event A speed networking event was hosted a day before the start of ATI. The benefit of hosting the event just before the exhibition was to ensure that relations established could be further reinforced throughout the duration of the exhibition. All 90 SMMEs were directly introduced to the 45 key trade members whereby they presented their offerings.</p>
2018/19	<p>In an effort to ensure a greater impact of the Hidden Gems support provided during 2017/18, the Minister requested that the 90 enterprises continue to be supported for an additional two years and that the group be expanded with additional small and emerging enterprises drawn from the department’s Enterprise Development initiatives (e.g. incubators and business support). An additional 45 enterprises were selected from the department’s database of enterprises already enrolled in the enterprise development initiatives to bring the number of enterprises to benefit from market access support at the ATI 2018 to 135.</p> <p>Pre-exhibition training session Since all selected enterprises already benefitted from a structured training programme in the previous year or were already enrolled in the department’s enterprise development initiatives, training prior to ATI2018 involved a one-day pre-exhibition session which focused on the effective ways of working in a trade show platform.</p> <p>The training provided key insights on the following:</p>

(i) Past three Financial Years	Opportunities
	<ul style="list-style-type: none"> • The importance of establishing business linkages with global buyers • The importance of forging partnerships with local DMCs • Opportunities on joint marketing initiatives with the industry value chain <p>Exhibition SA Tourism again provided a dedicated exhibition pavilion for the 135 SMMEs, representing all nine provinces at ATI 2018. Based on lessons learnt from the previous year, enterprises were positioned and grouped by province.</p> <p>Networking event A collaboration between SA Tourism and Tourism KwaZulu-Natal saw the facilitation of special SMMEs networking event where a number of enterprises shared their success stories. The event further provided an opportunity for SMMEs to forge relations.</p> <p>In addition to the above supported enterprises benefitted from extensive media coverage by SA Tourism and ATI media partners</p>
2019/20	<p>The same 135 SMMEs that were supported in 2018/19 were invited to participate at ATI in 2019 – This included the initial 90 that were benefitting for a third year as requested by the Minister, and the group of 45 that was added in 2018/19 that were benefitting for the second time in 2019. However, due to a change in the date of the ATI as a result of the 2019 national election, not all 135 were able to attend anymore. As a result, the 2019 ATI saw participation of 121 of the 135 selected enterprises.</p> <p>SA Tourism in collaboration with the Department of Tourism, provided a market access platform for 121 SMMEs, representing nine provinces at Africa’s Travel Indaba (ATI)2019. The platform included the following interventions:</p> <p>Pre-exhibition Social Media Training Similar to the situation in 2018, all supported enterprises already benefitted from structured training programmes and additional training was limited to a focussed one-day session prior to ATI 2019. In this regard, SA Tourism in partnership with Facebook, conducted a one-day digital marketing and social media session for the SMMEs. The main objective of the session was to equip the SMMEs with current tools to enhance their business profiles through digital platforms and further enhance their presence in social media platforms.</p> <p>Exhibition Similar to 2018, SA Tourism provided a dedicated and specially designed exhibition pavilion for the 121 enterprises from all nine provinces to showcase their offerings.</p> <p>SMMEs Trade Directory A trade directory was designed showcasing all the SMMEs that participated at Africa’s Travel Indaba. The directory was distributed to media, local and international buyers.</p>

(i) Past three Financial Years	Opportunities
	<p>Welcome Networking event Durban Tourism in collaboration with SA Tourism and Tourism KwaZulu-Natal organised an official welcome event for hosted buyers and media. The platform provided an opportunity for SMMEs to establish relations with buyers and other participating stakeholders.</p> <p>Like in previous years the supported enterprises were awarded extensive media coverage by SA Tourism and ATI media partners</p>
(ii) Since 1 April 2020	<p>Preparations for Hidden Gems support at the ATI 2020 (scheduled to take place between 12 and 14 May 2020) were well underway at this time. However, the event was cancelled due to the risks posed by the COVID 19 pandemic and the impacts of the resultant lockdown conditions on the tourism sector.</p> <p>Following a third year of support, the initial group of 90 effectively exited the Hidden Gems support after ATI 2019, but the department and SAT was still committed to supporting the remaining 45 for a third time in 2020.</p> <p>To ensure a sizable group of around 100 enterprises on the Hidden Gems pavilion at the 2020 ATI, a decision was made to select at least another 55 small and emerging enterprises on a once-off basis (i.e. one year of support) from both the Enterprise Development database and the initial group of Hidden Gems trainees (284 in 2017/18).</p> <p>This approach would have allowed SAT and the department to honour its commitment to those enterprises that it undertook to support for three years and allow for a review of the Hidden Gems initiative based on lessons learnt and an opportunity to start with a new cycle of support with improved processes, training support, market exposure, etc.</p>

(b)(i) which SMMEs have benefited and (ii) how, in each case,

i) which SMMEs have benefited	(ii) how, in each case
<p>From 2017-2019, 135 SMMEs benefited from participation in the ATI programme. Representation was almost equal from each province.</p>	<p>Participation at ATI as outlined under section (a) per financial year, above</p> <p>With respect to the nature of benefits received, it is difficult to accurately quantify the flow through and ongoing benefits from the relationships developed with buyers through participation in one or two trade shows (e.g. the conversion of business takes a period of between 1-3 years from the start of the relationship).</p> <p>The main benefit was that, these enterprises were afforded an opportunity to meet with both international and domestic buyers in a business to business trade environment, which they would probably not have been able to do, if there was no support.</p>

	Not only did the Hidden Gems provide a conducive platform for such engagements between small and emerging enterprises and prospective buyers, but it also covered most of the costs associated with this including return airfare, 4 - 5 nights of accommodation, networking sessions, media exposure, etc.
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(c) how have the specified SMMEs been subsequently monitored and measured,

The participation of supported enterprises was monitored by officials from both SA Tourism and the department throughout the duration of each ATI event. This includes amongst others confirmation of participation at different times of each show day, providing assistance when and where required, directing walk-in traffic to enterprises, etc.

Supported enterprises are also generally required to provide feedback on the volume and value of meetings with buyers at the end of each day. This was supported by a post-event questionnaire which each supported enterprise is required to complete to allow for the measurement of deals signed and leads generated, estimations on the volume and value of business that is likely to be generated, the potential impact on future expansion and job creation as well as feedback on challenges experienced and elements of the hidden gems programme that could be improved.

(d) what are the annual statistics of the specified time period on SMME product participation in the Tourism Indaba,

2017/18: 90 Participants

2018/19 135 Participants

2019/20 121 Participants out of the 135 invited attended due to the change of the initial ATI dates because of the National Elections 2019.

1 April 2020 Approximately 100 participants were supposed to attend (including the 45 that were on their second year of support as well as around 55, which were still in a process of being selected by time the event was cancelled due to COVID- 19)

(e) what businesses of any description and size have participated in the Tourism Indaba (i) in the past three financial years and (ii) since 1 January 2020 and

(i) Past three Financial Years	Description of Businesses	Size of Business
2017/18	The participating SMMEs included the following: <ul style="list-style-type: none"> • Accommodation: – B&Bs, Guest Houses, Game Lodges, Boutique Hotels • Tour Operators • Professional Organisers • Attractions <p style="text-align: right;">Conference</p>	As part of the initial selection criteria, the qualifying business were SMMEs that were in operation for at least 6 months with an annual turnover of not exceeding R5 million.
2018/19	The participating SMMEs included the following:	Similar criteria as 2017 as these are the same SMMEs with the additional new 45 enterprises.

(i) Past three Financial Years	Description of Businesses	Size of Business
	<ul style="list-style-type: none"> • Accommodation – B&Bs, Guest Houses, Game Lodges, Boutique Hotels • Tour Operators • Professional Conference Organisers • Attractions 	
2019/20	<p>The participating SMMEs included the following:</p> <ul style="list-style-type: none"> • Accommodation – B&Bs, Guest Houses, Game Lodges, Boutique Hotels • Tour Operators • Professional Conference Organisers • Attractions 	<p>These are the same SMMEs from 2017 and 2018 thus the criteria and size were the same.</p>
Since 1 April 2020	<p>Preparations were underway for the ATI 2020 however the event was cancelled due to COVID-19. Approximately 100 SMMEs were due to participate at the exhibition.</p>	<p>45 of these would have been the same as in 2018 and 2019, while the additional 55-odd would have been newly selected.</p>

(f) which of the specified businesses were (i) local and (ii) foreign businesses?

(i) All business that were selected were local and (ii) none were foreign.