

Presentation to the Portfolio Committee on Tourism by the Department of Tourism Annual Report for 2019/20

10 November 2020

broadening horizons



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



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I. Auditor-General South Africa's (AGSA) Report: 2019-20 Audit



Auditor-General's Report

- **Unqualified audit**
 - The Department received an unqualified audit for the 2019/20 financial year.
- **Pre-determined Objectives:**
 - No material findings on the usefulness and reliability of the reported performance information for the selected Programme: Tourism Sector Support Services.
 - Reported performance information is useful and reliable in all material respects.
- **Financial Statements:**
 - Financial statements present fairly, in all material respects, the financial position of the Department of Tourism as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the modified cash standard (MCS) as prescribed by the National Treasury as required by section 40(1)(b) of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2019 (Act No. 16 of 2019) (Dora).



Auditor-General's Report ...Continued

- **Compliance with Laws and Regulations:**

Material non-compliance with key applicable legislation were identified.

- Some of the bid documentation for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2).
- Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R9 252 564 million as disclosed in note 22, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure disclosed in the financial statements was caused by the preference point system not being applied by implementing agents on behalf of the department.

- **Internal Controls:**

Internal control deficiency was identified.

- The Department compiled an action plan based on the audit report findings; however, they did not adequately monitor the existing action plan. This resulted in material non-compliance re-occurring in the current financial year.



Auditor-General's Report ...Continued

- **Other reports:**

- The Director-General instituted an independent investigation regarding the irregular and fruitless and wasteful expenditure incurred on the EPWP projects. The investigation was completed by the time of this report. The Director-General had initiated the recommendations as per the investigation report.



2. Financial Information

2019-20 Department of Tourism Annual Report



Budget and Expenditure Review for 2019/20

Programme	Final Appropriation (R'000)	Actual Expenditure (R'000)	Expenditure as per % of Final Appropriation	Variance	Explanation of material variances
Administration	288 274	287 323	99.7%	951	This underspending lies under Purchases of Capital Assets which is mainly due to planned replacements of IT servers and mainframes which did not materialise during the financial year.
Tourism Research, Policy and International Relations	1 419 142	1 419 060	99.99%	82	This minor underspending is due to cost containment measures implemented by the Department during the financial year.
Destination Development	430 338	430 011	99.9%	327	This minor underspending lies within the Expanded Public Works Programme (EPWP) due to a slight saving on capital projects funded by the programme.
Tourism Sector Support Services	254 916	247 998	97.3%	6 918	The bulk of this underspending lies within Compensation of Employees due to strict policies adhered to by the Department to reduce expenditure on salaries and wages.
Total	2 392 670	2 384 392	99.7%	8 278	



Expenditure per Economic Classification (Summary)

Economic Classification	Final Appropriation R'000	Expenditure R'000	Expenditure as per % of Final Appropriation	Variance R'000
Current Payments				
- Compensation of Employees	334 372	329 395	98.5%	4 977
- Goods and Services	536 150	535 328	99.8%	822
Transfers and Subsidies				
- Departmental Agencies and Accounts	1 358 033	1 358 033	100.0%	-
- Higher Education Institutions	-			-
- Foreign Governments and International Organisations	2 774	2 772	99.9%	2
- Public Corporations and Private Enterprises	132 855	131 736	99.2%	1 119
- Non-Profit Institutions	413	413	100.0%	-
- Households	6 247	6 248	100.0%	(1)
Capital Assets				
- Buildings and other fixed structures	10 430	10 102	96.9%	328
- Machinery and Equipment	9 693	8 663	89.4%	1 030
- Software and other intangible Assets	1 270	1 270	100.0%	-
Payment for Financial Assets	433	432	99.8%	1
Total	2 392 670	2 384 392	99.7%	8 278

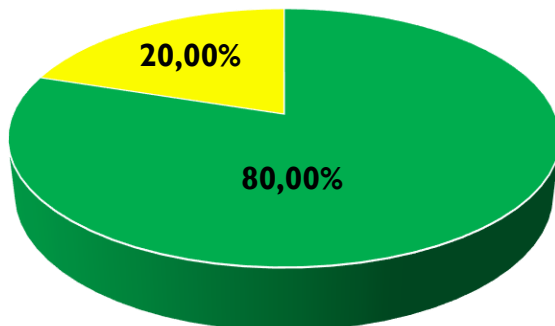


3. Programme Performance Information

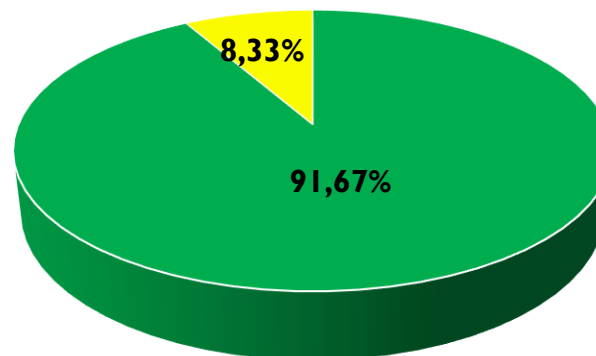


BRANCHES' ANNUAL PERFORMANCE OVERVIEW

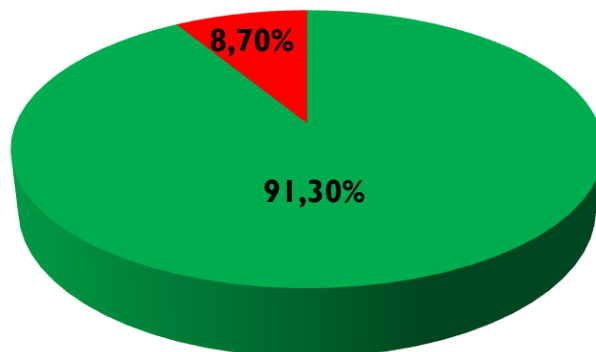
Corporate Management



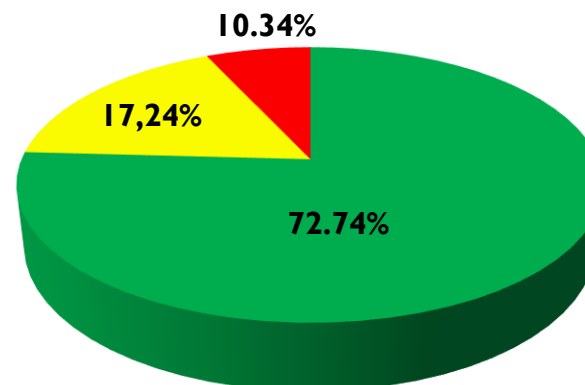
Tourism Research, Policy and International Relations



Destination Development



Tourism Sector Support Services



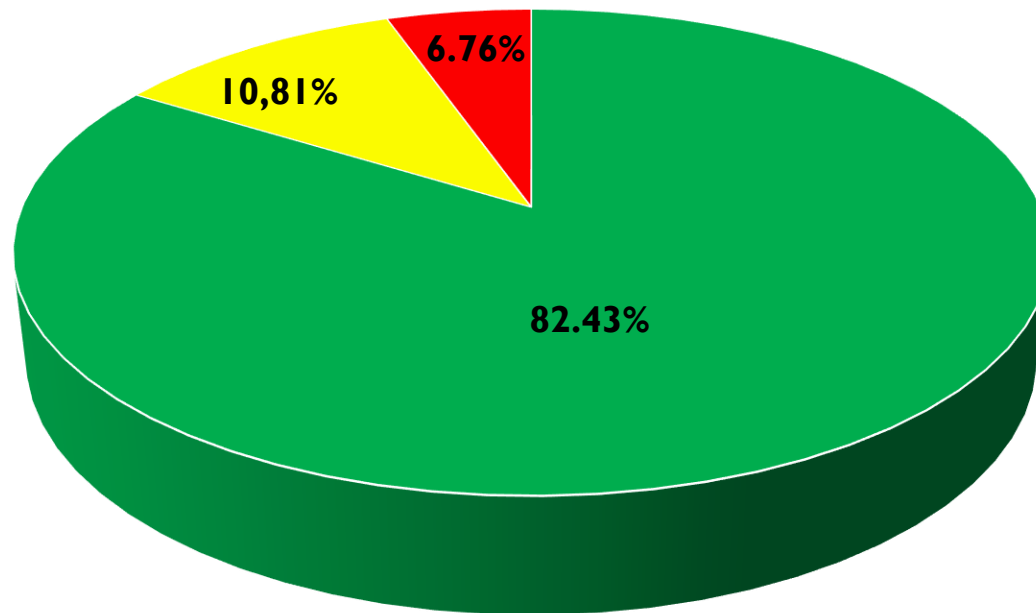
2019-20 ANNUAL PERFORMANCE OVERVIEW

Branches / Programmes	Achieved	Not achieved; significant work done	Not achieved; intervention required	Insufficient information to express opinion
Corporate Management	80.00% (8 of 10)	20.00% (2 of 10)	0.00% (0 of 10)	0.00% (0 of 10)
Tourism Research, Policy and International Relations	91.67% (11 of 12)	8.33% (1 of 12)	0.00% (0 of 12)	0.00% (0 of 12)
Destination Development	91.30% (21 of 23)	0.00% (0 of 23)	8.70% (2 of 23)	0.00% (0 of 23)
Tourism Sector Support Services	72.41% (21 of 29)	17.24% (5 of 29)	10.34% (3 of 29)	0.00% (0 of 29)
Total	82.43% (61 of 74)	10.81% (8 of 74)	6.76% (5 of 74)	0.00% (0 of 74)



2019-20 ANNUAL PERFORMANCE OVERVIEW

2019-20 DEPARTMENT'S ANNUAL PERFORMANCE OVERVIEW



- Achieved
- Not Achieved; However significant work done
- Not achieved; intervention required
- Insufficient information to express opinion



3.1 PROGRAMME I CORPORATE MANAGEMENT



Strategic Objective: To ensure economic, efficient and effective use of departmental resources

Key Performance Indicator	Annual Target	Actual Performance
1. Audit outcome on financial and non-financial performance	Unqualified audit on financial and non-financial performance	Unqualified audit on financial and non-financial performance was achieved
2. Vacancy rate	Vacancy rate not to exceed 10% of the funded establishment	Vacancy rate as at 31 March 2020 was at 9.2%



Strategic Objective: To ensure economic, efficient and effective use of departmental resources

Key Performance Indicator	Annual Target	Actual Performance
3. Percentage compliance with equity targets in terms of departmental Employment Equity Plan	Maintain minimum of 50% women representation at SMS level	<p>Women representation at SMS level was at 46.5% as at 31 March 2020</p> <p>Reason for variance: The department has recently lost female employees at SMS level without replacing them with females</p> <p>Corrective measure: Implementation of Employment Equity Plan of the Department</p>



Strategic Objective: To ensure economic, efficient and effective use of departmental resources

Key Performance Indicator	Annual Target	Actual Performance
3. Percentage compliance with equity targets in terms of departmental Employment Equity Plan	Maintain minimum of 3% people with disabilities representation	People with disabilities' representation was at 4.3% as at 31 March 2020
	Maintain minimum of 91.5% Black representation	Black representation was at 96% as at 31 March 2020



Strategic Objective: To ensure economic, efficient and effective use of departmental resources

Key Performance Indicator	Annual Target	Actual Performance
4. Percentage implementation of Workplace Skills Plan (WSP) with defined targeted training interventions	Development and 100% implementation of WSP	<p>95% development and implementation of WSP</p> <p>Reason for variance: The 5% of WSP not implemented constituted One Skills Programme on Analysing Financial Statements. The above course was supposed to be attended on a public group (employees from various organisations) with Enterprises University of Pretoria. The course was cancelled by the University on reasons beyond the control of the department. Employees from other organisations expressed concerns of sitting for the course which was supposed to commence on 23 March 2020. It is worth noting that the service provider has place only for a maximum of 25 trainees, six of which were from the department. The University could not settle to train only 6 departmental delegates in a class that accommodates 25 delegates.</p> <p>Corrective Measure: The Skills Programme on Analysing Financial Statements will be undertaken through the use of digital platforms.</p>

Strategic Objective: To ensure economic, efficient and effective use of departmental resources

Key Performance Indicator	Annual Target	Actual Performance
5. Percentage implementation of the annual internal audit plan	100% implementation of the annual internal audit plan	Annual internal audit plan was implemented

Strategic Objective: To enhance understanding and awareness of the value of tourism and its opportunities

6. Percentage implementation of the communication strategy	Implement 2019/20 communications strategy targets as indicated in the implementation plan	2019/20 Communications strategy targets as indicated in the implementation plan were implemented
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Strategic Objective: To contribute to economic transformation in South Africa

Key Performance Indicator	Annual Target	Actual Performance
7. Percentage procurement of goods and services from B-BBEE compliant businesses and SMMEs	100% of expenditure achieved on procurement from enterprises on B-BBEE contributor status levels 1 to 5	100% of expenditure achieved on procurement from enterprises on B-BBEE contributor status levels 1 to 5 was achieved
	Minimum 30% expenditure achieved on procurement of goods and services from SMMEs	<p>59.52% expenditure on procurement of goods and services from SMMEs was achieved</p> <p>Reason for variance:</p> <p>Most of the department's procurement of goods and services is sourced from SMME's that fall within the BBEE contributor levels 1 to 5</p>



3.2 PROGRAMME 2

TOURISM RESEARCH, POLICY AND INTERNATIONAL RELATIONS



Strategic Objective: To create an enabling legislative and regulatory environment for tourism development and growth

Key Performance Indicator	Annual Target	Actual Performance
I. Development of Policy framework to support SA Missions for tourism development and promotion	Policy Framework for the SA Missions tourism promotion and facilitation support developed	<p>Policy Framework for the SA Missions tourism promotion and facilitation support was developed.</p> <p>The Policy Framework aims to ensure that South Africa's network of Diplomatic Missions abroad are fully utilised to enhance the country's tourism promotion and facilitation efforts</p>



Strategic objective: To provide knowledge services to inform policy, planning and decision-making

Key Performance Indicator	Annual Target	Actual Performance
2. Number of monitoring and evaluation reports on tourism projects and initiatives developed	Seven monitoring reports developed:	
	1. 2018/19 NTSS Implementation Report developed	2018/19 NTSS Implementation Report was developed The Report gives account of various initiatives that have been implemented to advance specific initiatives outlined under each pillar of the NTSS
	2. 2017/18 STR published	2017/18 STR was published The 2017/18 STR provides an analysis of the performance of the tourism industry in South Africa and globally, focusing on tourism key sub-sectors



Strategic objective: To provide knowledge services to inform policy, planning and decision-making

Key Performance Indicator	Annual Target	Actual Performance
2. Number of monitoring and evaluation reports on tourism projects and initiatives developed	Seven monitoring reports developed:	
	3. Draft 2018/19 STR developed	Draft 2018/19 STR was developed The STR serves as a strategic tool to inform decision-makers and businesses on the sector's performance and developmental aspects
	4. Four Tourism Performance Reports developed (Quarterly)	Four Tourism Performance Reports were developed The TQPR serves as a tool for internal and external stakeholders for tracking performance of the tourism sector on quarterly basis



Strategic objective: To provide knowledge services to inform policy, planning and decision-making

Key Performance Indicator	Annual Target	Actual Performance
2. Number of monitoring and evaluation reports on tourism projects and initiatives developed	Seven monitoring reports developed:	
	5. One Impact evaluation report on departmental capacity-building programme developed	<p>One Impact evaluation report on departmental capacity-building programme was developed</p> <p>The specific objectives of the impact evaluation were to:</p> <ul style="list-style-type: none"> a) Determine the impact of the Capacity Building Programme, (CBP) conducted by the Department; b) Determine the contribution of the CBP in creating jobs and fostering transformation; c) Determine whether the CBP has managed to promote same quality and consistency in training across various provinces where it was implemented; d) Establish the role and effectiveness of private sector partnerships for CBP and their impact; e) Determine whether the skills development programmes and the acquired skills are aligned with the tourism sector demand; and f) Assess the impact of the capacity building programmes on tourism safety within the tourism sector



Strategic objective: To provide knowledge services to inform policy, planning and decision-making

Key Performance Indicator	Annual Target	Actual Performance
3. Number of sub-systems developed and maintained for the National Tourism Information and Monitoring System (NTIMS)	Two sub-systems developed:	
	1. Database of black-owned products and services implemented (Go Live)	Database of black-owned products and services was implemented (Go Live)
	2. Development of the Enterprise Development and Transformation Portal	The Enterprise Development and Transformation Portal was developed



Strategic objective: To provide knowledge services to inform policy, planning and decision-making

Key Performance Indicator	Annual Target	Actual Performance
4. Number of information dissemination platforms hosted	<p>One Information dissemination platform:</p> <p>Tourism research seminar hosted</p>	<p>Tourism Research Seminar was not hosted. However, all activities planned towards hosting the research seminar were undertaken. These included the 'save the date' that was sent out in December 2019, invitation and the Programme which were distributed, 250 RSVPs (both online and manual) received from various stakeholders.</p> <p>Responding to the postponement of the Seminar, the Seminar presentations were disseminated through the Research Seminar webpage, and links were sent to those who confirmed attendance. (Cont..</p>



Strategic objective: To provide knowledge services to inform policy, planning and decision-making

Key Performance Indicator	Annual Target	Actual Performance
4. Number of information dissemination platforms hosted	One Information dissemination platform:	
	Tourism research seminar hosted (Cont...)	<p>Reason for variance: The research seminar, that was planned for 20 March 2020, was postponed following the Regulations published in the Government Gazette on 18 March 2020 which came into operation on the date of publication specifically the section on the Prevention and prohibition of gatherings.</p> <p>Corrective measure: A Research webinar is planned for the next financial year to disseminate and discuss the research findings.</p>



Strategic objective: To provide knowledge services to inform policy, planning and decision-making

Key Performance Indicator	Annual Target	Actual Performance
5. Number of initiatives conducted to promote innovation in the tourism sector	One initiative conducted to promote digitalisation in the tourism sector	
	Digitalisation Framework for the tourism sector developed	Digitalisation Framework for the tourism sector was developed; it will be consulted with various stakeholders in order to provide a blueprint for digitalisation and modernisation within the tourism sector, and inform the implementation of digital platforms across the tourism value chain



Strategic objective: To enhance regional tourism integration

Key Performance Indicator	Annual Target	Actual Performance
6. Number of initiatives facilitated for regional integration	Two initiatives facilitated for regional integration:	
	Best Practices Workshop targeting African countries and countries with whom Agreements were signed hosted	Best Practices Workshop targeting African countries and countries with whom Agreements were signed was hosted on 4-6 March 2020 in Gauteng. 13 countries and 35 delegates attended the workshop.
	Implementation of signed bilateral agreements and bilateral engagements	Signed bilateral agreements and bilateral engagements were implemented.



3.3 PROGRAMME 3

DESTINATION DEVELOPMENT



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
I. Number of destination planning and investment coordination initiatives undertaken	Seven destination planning and investment coordination initiatives undertaken:	
	1. Tourism master plan for Port Nolloth to Hondeklipbaai finalised.	Tourism Master Plan for Port Nolloth to Hondeklipbaai was finalised.
	2. Tourism master plan for Sutherland to Carnarvon finalised.	Tourism Master Plan for Sutherland to Carnarvon was finalised.
	3. Tourism master plan for Orange River Mouth to Vioolsdrift finalised.	Tourism Master Plan for Orange River Mouth to Vioolsdrift was finalised.
	4. Tourism master plan for Port St Johns to Coffee Bay finalised.	Tourism Master Plan for Port St Johns to Coffee Bay was finalised.



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
I. Number of destination planning and investment coordination initiatives undertaken	Seven destination planning and investment coordination initiatives undertaken ... continued:	
	5. Budget resort network and brand concept developed.	Budget resort network and brand concept was developed.
	6. Develop content and facilitate a session per Province for the implementation of the niche (township/rural) tourism development methodology.	Content development and facilitation of a session per Province for the implementation of the niche (township/rural) tourism development methodology were done.
	7. A pipeline of nationally prioritised tourism investment opportunities managed.	A pipeline of nationally prioritised tourism investment opportunities was managed.



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
2. Number of destination enhancement initiatives supported	Fifteen destination enhancement initiatives supported:	
	1. Support the implementation of interpretative signage in Kruger National Park.	The implementation of interpretative signage in Kruger National Park was supported.
	2. Support the implementation of interpretative signage in Golden Gate Highlands National Park.	The implementation of interpretative signage in Golden Gate Highlands National Park was supported.
	3. Support the implementation of interpretative signage in Kgalagadi World Heritage Site (WHS).	The implementation of interpretative signage in Kgalagadi World Heritage Site (WHS) was supported.



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
2. Number of destination enhancement initiatives supported	Fifteen destination enhancement initiatives supported ... continued:	
	4. Support the implementation of interpretative signage in the Marakele National Park.	The implementation of interpretative signage in the Marakele National Park was supported.
	5. Support the implementation of interpretative signage in the Addo Elephant National Park.	The implementation of interpretative signage in the Addo Elephant National Park was supported.



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
2. Number of destination enhancement initiatives supported.	Fifteen destination enhancement initiatives supported:	
	6. Construction of the Leopard Trail in Baviaanskloof (Cape Floral Region WHS) commenced.	<p>Construction of the Leopard Trail in Baviaanskloof (Cape Floral Region WHS) has not commenced.</p> <p>Reason for variance: This project is implemented in partnership with the Eastern Cape Parks and Tourism Agency (ECPTA). There were delays in appointment of a contractor due to delays in Supply Chain Management (SCM) processes. A contractor was appointed on 23 March 2020. However, as at 31 March 2020 construction had not yet commenced.</p> <p>Corrective measure: Construction works for Leopard Trail in Baviaanskloof (Cape Floral Region WHS) has commenced and is on course for completion.</p>
	7. Appointment of contractor for the construction of the Visitor Interpretation Centre (VIC) in Baviaanskloof (Cape Floral Region WHS).	Contractor for the VIC in Baviaanskloof (Cape Floral Region WHS) was appointed.



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
2. Number of destination enhancement initiatives supported	Fifteen destination enhancement initiatives supported:	
	8. Construction for the Dinosaur Interpretation Centre at the Golden Gate Highlands National Park continued	Construction for the Dinosaur Interpretation Centre at the Golden Gate Highlands National Park has continued
	9. Contractor appointed for Shangoni Gate	<p>Contractor for Shangoni Gate was not appointed. However, road design was completed in quarter 3, and had to be revised after the flooding that happened during December 2019 / January 2020</p> <p>Reason for variance:</p> <p>The engineer appointed to manage the project implementation resigned in February 2020, further affecting the finalisation of the ToR for appointment of the contractor. Thus, the project could not move on to appointment of a contractor.</p> <p>Corrective measure:</p> <p>A consulting Engineering firm has since been appointed in June 2020 to finalise the designs for Bridge 1 and revise the Bill of Quantity.</p>



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
2. Number of destination enhancement initiatives supported	Fifteen destination enhancement initiatives supported:	
	10. Input into the facilitation of statutory authorisations and approvals for the Phalaborwa Wild Activity Hub site.	Input into the facilitation of statutory authorisations and approvals for the Phalaborwa Wild Activity Hub site was made.
	11. Finalisation of designs for the Harold Johnson Nature Reserve (KwaZulu-Natal) as a CMT initiative.	Designs for the Harold Johnson Nature Reserve (KwaZulu-Natal) as a CMT initiative were finalised.
	12. Finalisation of designs for the Hole in the Wall (Eastern Cape) as a CMT initiative.	Designs for the Hole in the Wall (Eastern Cape) as a CMT initiative were finalised.
	13. Finalisation of designs for the Orange River Mouth (Northern Cape) as a CMT initiative.	Designs for the Orange River Mouth (Northern Cape) as a CMT initiative were finalised.



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
2. Number of destination enhancement initiatives supported.	Fifteen destination enhancement initiatives supported:	
	14. Implementation of the infrastructure maintenance programme in two national parks (Golden Gate Highlands National Park, Kgalagadi National Park).	Infrastructure maintenance programme in two national parks (Golden Gate Highlands National Park, Kgalagadi National Park) was implemented.
	15. Implementation of the Tourism Blue Flag Programme to enhance South African beaches.	The Tourism Blue Flag Programme to enhance South African beaches was implemented.



Strategic objective: To create employment opportunities by implementing tourism projects

Key Performance Indicator	Annual Target	Actual Performance
3. Number of Full-time Equivalent (FTE) jobs created through Working for Tourism projects	4 331 Full Time Equivalent Jobs created.	<p>4 558 Full Time Equivalent Jobs were created</p> <p>Reason for variance: Given the historical incidence of dropouts, and to mitigate against such, more participants were taken into training programmes to ensure that targets are met. The dropout rate in the period under review was lower, yielding higher numbers of participants.</p> <p>Corrective measure: N/A</p>



3.4 PROGRAMME 4

TOURISM SECTOR SUPPORT SERVICES



Strategic objective: To accelerate the transformation of the tourism sector

Key Performance Indicator	Annual Target	Actual Performance
I. Number of awareness sessions hosted	Two awareness sessions hosted:	
	1. Local Government Tourism Peer Learning Network sessions for municipal practitioners conducted in four provinces	Local Government Tourism Peer Learning Network sessions for municipal practitioners were conducted in the following four provinces: <ul style="list-style-type: none"> • Western Cape (WC); • KwaZulu-Natal (KZN); • North West (NW); and • Gauteng Province (GP)
	2. Tourism Information sharing sessions on departmental programmes and services hosted in four provinces	Tourism information sharing sessions on departmental programmes and services, were hosted in the following four provinces as follows: <ul style="list-style-type: none"> • KZN (eThekweni Metro, Ugu, Harry Gwala, uMgungundlovu & uThukela Districts) • WC (Central Karoo & Overstrand Districts) • NW (Dr Kenneth Kaunda & Dr Ruth Segomotsi Mompati Districts) • LP (Waterberg District)



Strategic objective: To accelerate the transformation of the tourism sector

Key Performance Indicator	Annual Target	Actual Performance
2. Number of incentivised programmes implemented	Five incentive programmes implemented:	
	1. Market Access Support Programme (MASP)	MASP was implemented: 39 MASP were applications approved during 2019/20
	2. Tourism Grading Support Programme (TGSP)	TGSP was implemented: 2 762 TGSP discounts were approved during 2019/20
	3. Green Tourism Incentive Programme (GTIP)	GTIP was implemented: 31 GTIP applications were approved during 2019/20
	4) Tourism Transformation Fund (TTF)	TTF was implemented: 6 TTF applications were approved during 2019/20



Strategic objective: To accelerate the transformation of the tourism sector

Key Performance Indicator	Annual Target	Actual Performance
2. Number of incentivised programmes implemented	Five incentive programmes implemented:	
	5. Tourism Equity Fund (TEF)	<p>TEF was not implemented. However, the concept document was finalised and approved by the Executive Authority</p> <p>Reason for variance: Delays in finalisation of the concept proposal meant that approval could only be obtained in Q4 and it was not possible to launch and open the programme for applications before the end of the financial year.</p> <p>Corrective measure: Subsequent inputs received will be considered to refine the programme prior to a formal launch and commencement with implementation.</p>



Strategic objective: To accelerate the transformation of the tourism sector

Key Performance Indicator	Annual Target	Actual Performance
3. Number of initiatives implemented to support Domestic Tourism Growth Strategy	Three initiatives:	
	I. Implementation of Domestic Tourism Incentive scheme to increase tourist numbers in partnership with SANParks at five National Parks: <ul style="list-style-type: none"> • Kruger National Park • Golden Gate National Park • Kgalagadi National Park • Marakele National Park • Addo Elephant National Park 	Domestic Tourism Incentive scheme to increase tourist numbers in partnership with SANParks was implemented at five National Parks: <ul style="list-style-type: none"> • Kruger National Park • Addo National Park • Augrabies Falls National Park • Golden Gate National Park • Marakele National Park



Strategic objective: To accelerate the transformation of the tourism sector

Key Performance Indicator	Annual Target	Actual Performance
3. Number of initiatives implemented to support Domestic Tourism Growth Strategy	<p>Three initiatives:</p> <p>2. Implementation of initiative targeted at supporting the increase in domestic tourism among designated groups (youth, elderly and people with disabilities)</p>	<p>Initiative targeted at supporting the increase in domestic tourism among designated groups was implemented on the elderly and people with disabilities only.</p> <p>Reason for variance: The activations were planned to take place as follows: Eastern Cape (Mpondoland) - 13 to 14 March 2020, and Mpumalanga (Makhonjwa Mountains) - 25 to 27 March. As a precautionary measure at the time when the Covid-19 pandemic infections were projected to rise, the activations were cancelled after consultation with stakeholders.</p> <p>Corrective measure: Activations will commence after national lockdown and associated restrictions have been lifted.</p>



Strategic objective: To accelerate the transformation of the tourism sector

Key Performance Indicator	Annual Target	Actual Performance
3. Number of initiatives implemented to support Domestic Tourism Growth Strategy	Three initiatives:	
	3. Tourism Month campaign implemented in conjunction with provinces and the sector	Tourism Month campaign in conjunction with Provinces and the sector was implemented on 27 September 2019 in KwaZulu-Natal

Strategic objective: To facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation

4. Number of enterprise development initiatives implemented	Three initiatives:	
	1. Support four existing incubators: <ul style="list-style-type: none"> • Pilanesberg • Manyeleti • Phalaborwa • Mier 	Four existing incubators were supported. The incubators provided business incubation services (capacity-building, finance, marketing, website development and social marketing) to up to 50 tourism business in of the following each incubator: <ul style="list-style-type: none"> • Pilanesberg • Manyeleti • Phalaborwa • Mier

Strategic objective: To facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation

Key Performance Indicator	Annual Target	Actual Performance
4. Number of enterprise development initiatives implemented	Three initiatives: (Cont...)	
	2. Develop two new incubators off-site: <ul style="list-style-type: none"> • Tour Operators Incubator • Innovation Incubator 	<p>Two new incubators off-site; the Tour Operators Incubator, and Innovation Incubator were not fully implemented. However, concept documents were approved and the appointment of the service provider for the Tour Operators Incubator was almost completed with the exception of site visits as mandated by the SCM process.</p> <p>Reason for variance:</p> <p>Tour Operators: There was a bid requirement that the premises of the identified service providers be inspected for confirmation of operational requirements. As at the end of the financial year the site visits had not taken place and thus the service provider was not appointed.</p> <p>Innovation Incubator: Protracted negotiations with the implementer affected finalisation of the SLA. The Innovation Incubator will be implemented in 2020/21.</p>

Strategic objective: To facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation

Key Performance Indicator	Annual Target	Actual Performance
4. Number of enterprise development initiatives implemented	Three initiatives: (Cont...)	
	2. Develop two new incubators off-site: <ul style="list-style-type: none"> • Tour Operators Incubator • Innovation Incubator 	Corrective Measure: The Innovation Incubator will be implemented in 2020/21. The Tour Operators' incubator will be put on hold due to COVID-19. However, support to emerging tour operators will be provided through the Domestic Tourism Scheme.



Strategic objective: To facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation

Key Performance Indicator	Annual Target	Actual Performance
4. Number of enterprise development initiatives implemented	<p>Three initiatives:</p> <p>3. Conduct a feasibility study of community-based enterprises in communities within the proximity of the following five national parks:</p> <ul style="list-style-type: none"> • Kruger National Park • Golden Gate National Park • Kgalagadi WHS • Marakele National Park • Addo Elephant National Park 	<p>Feasibility studies for community-based enterprises in communities within the proximity of the following 3 national parks were developed: Kruger National Park, Golden Gate National Park, Marakele National Park.</p> <p>Feasibility studies for community based enterprises within the proximity of the national parks were not completed by end of 2019/20 for the following parks: Augrabies National Park and Addo Elephant National Park.</p> <p>Reason for variance: The poor quality of work submitted by service providers, caused delays as the engagements on the poor quality were protracted in order to ensure adequate feasibility studies were submitted.</p> <p>Corrective measure: Feasibility studies will be finalised in quarter 1 of 2020/21</p>



Strategic objective: To diversify and enhance tourism offerings

Key Performance Indicator	Annual Target	Actual Performance
5. Number of initiatives for improving visitor services implemented	Two initiatives:	
	1. Tourism Monitors Programme implemented in all provinces	Tourism Monitors Programme was implemented in all provinces in terms of deployment of Tourism Monitors in identified tourism attractions aligned to the safety hotspots in all provinces
	2. 100% compliance with the service delivery charter in the management of tourist complaints	100% compliance with the service delivery charter in the management of tourist complaints was achieved. The complaints received were all attended through resolution or referral to the relevant authorities



Strategic objective: To facilitate tourism capacity-building programmes

Key Performance Indicator	Annual Target	Actual Performance
6. Number of capacity-building programmes implemented	Ten capacity-building programmes implemented:	
	1. 20 tourist guides trained in Mandarin language	20 tourist guides in Mandarin language were trained in Cape Town, Mdantsane, Langa, Mitchell Plain, Dobsonville, Pretoria, Lusikisiki, Tembisa, Khayamandi, King Williams Town, Johannesburg, Krugersdorp, Plettenberg Bay.
	2. National Tourism Careers Expo 2019 hosted	National Tourism Careers Expo 2019 was hosted on 19-21 September 2019 in partnership with North West Department of Development, Environment, Conservation and Tourism and CATHSSETA
	3. Hospitality Youth Programme (HYP) implemented targeting 3 900 unemployed youth	The target of 3 900 started in 2018 and carried over to 2019 with an enrolment of 3 650 out of which 788 graduated in 2019. As at 31 March 2020, 1 877 youth remained in the programme due to dropouts and other employment opportunities. For Free State target of 250 could not be enrolled due to COVID-19. The selection and recruitment was to be in March and could not happen due to lockdown.



Strategic objective: To facilitate tourism capacity-building programmes

Key Performance Indicator	Annual Target	Actual Performance
6. Number of capacity-building programmes implemented	Ten capacity-building programmes implemented:	
	4. National Chefs Training Programme implemented in all provinces targeting 560 youth	National Chefs Training Programme in all provinces targeting 560 youth was implemented from the 2018/19. 536 youth graduated and 381 remained in order to continue with Diploma in pastry. However, as at 31 March 2020, 368 youth remained in the programme to be completed by December 2020.
	5. Wine Service Training Programme implemented targeting 300 youth	The programme started in 2017 with 300 learners. As a 3-year programme. Wine Service Training Programme targeting 269 youth was implemented. However, as at 31 March 2020, 241 youth remained in the programme due to drop outs and other employment opportunities



Strategic objective: To facilitate tourism capacity-building programmes

Key Performance Indicator	Annual Target	Actual Performance
6. Number of capacity-building programmes implemented	Ten capacity-building programmes implemented:	
	6. Food Safety Quality Assurer Programme implemented targeting 1 500 youth	<p>Food Safety Quality Assurer Programme targeting 1 500 youth was not implemented</p> <p>Reason for variance: Advertisement for tender closed in December 2019. The evaluation and adjudication were done in February 2020 unfortunately the recommended service provider could not proceed due to allegations of not being compliant to the PFMA principles</p> <p>Corrective measure: The finalisation of the procurement of the service provider will be done in the next financial year and taking into consideration the response to COVID-19</p>



Strategic objective: To facilitate tourism capacity-building programmes

Key Performance Indicator	Annual Target	Actual Performance
6. Number of capacity-building programmes implemented	Ten capacity-building programmes implemented:	
	7. Training of 60 Youth on Resource Efficiency: <ul style="list-style-type: none"> • North West • Northern Cape • Mpumalanga 	Training of 60 Youth on Resource Efficiency was conducted: <ul style="list-style-type: none"> • North West • Northern Cape • Mpumalanga
	8. Four capacity-building initiatives implemented for the Women in Tourism Programme: <ul style="list-style-type: none"> • One Board Development training for WiT Chapter Executives • Three Business Development and Training Sessions 	One capacity-building initiative implemented for the Women in Tourism Programme capacity-building initiatives (Business Development and Training Session) was implemented Reason for variance: This project was based on potential partnerships that could not be secured in time for implementation Corrective measure: Department will budget for project on its own



Strategic objective: To facilitate tourism capacity-building programmes

Key Performance Indicator	Annual Target	Actual Performance
6. Number of capacity-building programmes implemented	Ten capacity-building programmes implemented:	
	9. Executive Development Programme: 20 Black Women Trained	Executive Development Programme was implemented: 20 Black Women trained
	10. Mentorship Programme implemented Pilot	<p>Mentorship Pilot Programme was not implemented. The committee has, however approved the draft implementation plan</p> <p>Reason for variance:</p> <ul style="list-style-type: none"> • Job summit resolution based on partnership between the Department and private sector • MoU negotiations protracted and could not finalised timeously <p>Corrective measure:</p> <p>Virtual implementation of the pilot will take place in 2020/21</p>



4. Human Resource Information



Employees per Occupational Bands: March 2020

OCCUPATIONAL BAND	MALE				FEMALE				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	1	3	0	1	1	10
Senior Management	29	1	2	1	21	1	3	3	61
Professionally qualified and experienced specialists and mid-management	94	1	4	4	108	8	6	6	231
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	46	4	0	0	77	6	1	3	137
Semi-skilled and discretionary decision-making	16	0	0	0	16	0	0	0	32
Unskilled and defined decision-making	0	0	0	0	1	0	0	0	1
TOTAL	189	6	6	6	226	15	11	13	472



*Interns

OCCUPATIONAL BAND	MALE				FEMALE				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
UNSKILLED / INTERNS	4	0	0	0	14	0	0	0	18
TOTAL	4	0	0	0	14	0	0	0	18



Workforce Representativity as at end of 31 March 2020

TOTAL ESTABLISHMENT

Race	Number	Percentage
Africans	415	87,9%
Coloureds	21	4,4%
Indians	17	3,6%
Whites	19	4,0%
TOTAL	472	100
Persons with Disabilities	21	4,4%
*Interns	18	



LIST OF ACRONYMS AND ABBREVIATIONS

4IR	Fourth Industrial Revolution	FS	Free State
AC	Audit Committee	FTE:	full-time equivalent
AGSA:	Auditor-General of South Africa	GDP	Gross Domestic Product
APP:	Annual Performance Plan	GEMS	Government Employees Medical Scheme
BAR	Basic Assessment Report	GTAC	Government Technical Advisory Centre
B-BBEE:	Broad-Based Black Economic Empowerment	GTIP	Green Tourism Incentive Programme
BRICS	Brazil, Russia, India, China and South Africa	HCT	HIV Counselling and Testing
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority	HDI	Historically Disadvantaged Individuals
CETA	Construction Education and Training Authority	HR	Human Resources
CoE	Compensation of Employees	HRD	Human Resource Development
COGTA	Department of Cooperative Governance and Traditional Affairs	HYP	Hospitality Youth Programme
CTP	Chefs Training Programme	ICT	Information and Communications Technology
CMT	Coastal and Marine Tourism	ICTSP:	Information Communication Technology Strategic Plan
DHA	Department of Home Affairs	IDC	Industrial Development Corporation
DORA	Division of Revenue Act	IORA	Indian Ocean Rim Association
DPSA	Department of Public Service and Administration	IMF	International Monetary Fund
DPW	Department of Public Works	ITSA	International Tourism Studies Association
DWS	Department of Water and Sanitation	J2SE	Journey to Service Excellence
ECPTA	Eastern Cape Parks and Tourism Agency	KZN	KwaZulu-Natal
EDMS	Electronic Document Management System	LETOFO	Legislature Tourism Oversight Forum
EHW	Employee Health and Wellness	MASP	Market Access Support Programme
EIA	Environmental Impact Assessment	MoA	Memorandum of Agreement
EPWP	Expanded Public Works Programme	MoU	Memorandum of Understanding
EXCO	Executive Committee	MTEF	Medium Term Expenditure Framework
Fedhasa	Federated Hospitality Association of Southern Africa		

LIST OF ACRONYMS AND ABBREVIATIONS

NCOP	National Council of Provinces	SA Chefs	South African Chefs Association
NDP	National Development Plan	SANRAL	South African National Roads Agency Limited
NEDLAC	National Economic Development and Labour Council	SANS	South African National Standard
NEF	National Empowerment Fund	SANParks	South African National Parks
NGP	New Growth Path	SAPS	South African Police Service
NHI	National Health Insurance	SARB	South African Reserve Bank
NHTL	National House of Traditional Leaders	SA Tourism	South African Tourism
NT	National Treasury	SATSA	Southern Africa Tourism Services Association
NTCE:	National Tourism Careers Expo	SCM	Supply Chain Management
NTIMS	National Tourism Information and Monitoring System	SCOPA	Standing Committee on Public Accounts
NTSS	National Tourism Sector Strategy	SDIP	Service Delivery Improvement Plan
NYCTP	National Youth Chefs Training Programme	SEDA	Small Enterprise Development Agency
NW	North West	SIPDM	Standard for Infrastructure Procurement and Delivery Management
PFMA	Public Finance Management Act	SKA	Square Kilometre Array
PMDS	Performance Management Development System	SLA	Service Level Agreement
PPP	Public-private partnership	SMMMEs	Small, medium and micro-enterprises
PSCBC	Public Service Coordinating Bargaining Council	SMS	Senior Management Services
RETOSA	Regional Tourism Organisation of Southern Africa	SONA	State of the Nation Address
RoD	Record of Decision	SP	Strategic Plan
RTMC	Road Traffic Management Corporation		
SA	South Africa		
SACU	Southern African Customs Union		
SADC	Southern African Development Community		
SALGA	South African Local Government Association		



LIST OF ACRONYMS AND ABBREVIATIONS

StatsSA	Statistics South Africa	USA	United States of America
SRI	Social Responsibility Implementation	VIC	Visitor Information Centre
STR	State of Tourism Report	WEF	World Economic Forum
TBCSA	Tourism Business Council of South Africa	WfT	Working for Tourism
TDDS	Total Domestic Direct Spend	WHS	World Heritage Site
TEF	Tourism Equity Fund	WSP	Workplan Skills Plan
TEP	Tourism Enterprise Partnership	WiT	Women in Tourism
TGSP	Tourism Grading Support Programme	WTTC	World Travel and Tourism Council
THRD	Tourism Human Resource Development		
TIA	Technology Innovation Agency		
TOMSA	Tourism Marketing South Africa		
ToR	Terms of Reference		
TSA	Tourism Satellite Account		
TRF	Tourism Relief Fund		
TSHRD	Tourism Sector Human Resource Development		
the dti	Department of Trade and Industry		
TTF	Tourism Transformation Fund		
TTFDS	Total Tourist Foreign Direct Spend		
UA	Universal Access		
UAE	United Arab Emirates		
UK	United Kingdom		
UN	United Nations		
UNISA	University of South Africa		
UNWTO	United Nations World Tourism Organization		



Thank You

