

INDUCTION WORKSHOP TO THE PORTFOLIO COMMITTEE ON TOURISM

20 AUGUST 2024

broadening horizons



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



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I. DEPARTMENTAL MANDATE

Constitutional Mandate

Part A of Schedule 4 to the Constitution of the Republic of South Africa, 1996, lists tourism as a functional area of concurrent national, provincial and local Government legislative competence.

Legislative mandate

Tourism Act, 2014 (Act No.3 of 2014) aims to:

- promote the growth and development of the tourism sector;
- promote quality tourism products and services;
- provide for the effective domestic and international marketing of South Africa as a tourist destination;
- enhance cooperation and coordination between all spheres of government in developing and managing tourism; and
- promote responsible tourism for the benefit of South Africa and the enjoyment of all its residents and foreign visitors.

Policy mandate

In recognition of tourism as a national priority with the potential to contribute significantly to economic development:

- The National Development Plan (NDP) is the 2030 vision for the country. It envisions rising employment, productivity and incomes as a way to ensure a long-term solution to achieve a reduction in inequality, an improvement in living standards and ensuring a dignified existence for all South Africans. The NDP recognises tourism as one of the main drivers of employment and economic growth.
- The Re-imagined Industrial Strategy identifies tourism as one of the seven national priority sectors.
- The National Tourism Sector Strategy (NTSS) guides the strategic development and growth on the tourism sector in pursuit of NDP targets.
- Tourism Sector Masterplan (TSMP) - derived from Sector Recovery Plan (TSRP). It primarily aims to galvanise government, industry and labour to collectively share a common vision that will position the tourism industry on an inclusive and sustainable competitive path for the benefit of all South Africans.

2. KEY POLICY DEVELOPMENT

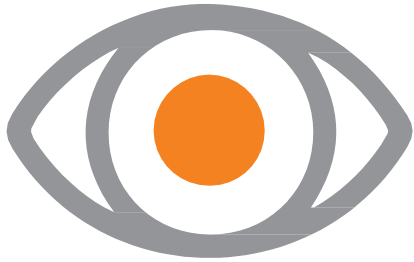
- The Department has begun reviewing the 1996 *Tourism White Paper on the Development and Promotion of Tourism in South Africa*. The review was informed by the fact that the tourism sector in South Africa is yet to reach its potential. Moreover, significant policy developments and trends have emerged since 1996 necessitating a policy review. The review therefore sought to align the tourism policy with current government policy frameworks and define the next phase for tourism development in South Africa.
- The **Tourism Green Paper on the Development and Promotion of Tourism in South Africa**, developed through policy review, aims to develop and promote tourism in South Africa, fostering a sustainable and competitive economy through an inclusive, visitor-oriented tourism sector.
- The Department has consulted stakeholders in the tourist industry nationwide on key policy proposals in the Green Paper. The Green Paper was presented in various governance structures, up to the Cabinet for approval. The cabinet approved the publication of the Green Paper for public comment on 30 August 2023. It was published in Gazette on 1 September 2023, with a deadline of 60 days for public comment. About 4,000 comments were received by the Department, which have been analysed. The updated Green Paper has already been introduced into Cabinet Process.



3. POLICY STRATEGY AND CONTEXT

NDP	<ul style="list-style-type: none">• Identifies tourism as a labour-intensive sector stimulating the development of small businesses & generating foreign direct investment and significant export earnings.• Increasing the number of tourists entering the country, the amount spent, & availability of various tourist infrastructure.• Identifies a target of 11 million jobs, in which tourism has a role to play.• Emphasizes the need for ease of access by air & travel facilitation through favourable visa regime.
Draft Tourism White Paper	<ul style="list-style-type: none">• Seeks to develop a sustainable & competitive South African economy through an inclusive inspiring, visitor-oriented tourism sector.• Address barriers to tourism growth.• Leverages on innovation.• Responds to the social cohesion imperatives of the country.
NTSS	<ul style="list-style-type: none">• Inclusive economy leveraging on South Africa's competitiveness;• NDP's priorities are address through the NTSS strategic Pillars especially under Facilitating ease of access.• Facilitating ease of access Pillar focuses on increasing travel through tourist friendly visa regime, improving airlift access for priority markets, and Improve domestic air access.
TSRP	<ul style="list-style-type: none">• Aligned with the Economic Recovery Plan of the country.• Protect & rejuvenate supply; Reignite demand; & Strengthening the enabling capacity.• The strategic intervention included, amongst others, the implementation of norms & standards for the safe operation of the sector, stimulating demand, protection of core tourism assets & global campaigns.• Targeted partnerships and reviewing tourism policy were some of the identified enablers.
TSMP	<ul style="list-style-type: none">• Conversion of TSRP into TSMP undertaken and aligned with Economic Recovery Plan & NTSS.• Anchored on 3 pillars i.e. Protect & rejuvenate supply; Re-igniting demand & Strengthening the enabling capability.• Similar interventions to the TSRP were adopted to ensure full recovery of the sector.• TSMP priorities are integrated in the current annual plan of the Department.

4. VISION AND MISSION



VISION

Leading sustainable tourism development for inclusive economic growth in South Africa.



MISSION

To grow an inclusive and sustainable tourism economy through:

- good corporate and cooperative governance;
- strategic partnerships and collaboration;
- innovation and knowledge management; and
- effective stakeholder communication.



VALUES

- **Innovative:** Leveraging of resources and partnerships to optimise delivery to our stakeholders; and being responsive to change.
- **Ethical (Good Corporate Governance):** Encapsulating the principles of integrity, transparency and accountability.
- **Customer Focus:** Providing services and solutions in a manner that is efficient, effective and responsive.

5. STRATEGIC OUTCOMES AND FOCUS

OUTCOMES	WHAT DOES THIS MEAN?
Increase the tourism sector's contribution to inclusive economic growth.	<p>Tourism's contribution to the economy is measured by jobs created, contribution to GDP, and revenue generated from tourism activity. Furthermore, as a services export sector, tourism is a significant earner of foreign currency. In the South African context, this growth should be underpinned by the principle of inclusivity to drive tourism-sector transformation.</p> <p>An increase in tourism's economic contribution is driven by an increase in domestic and international tourist arrivals as well as an increase in tourist spend. Along with its partners, the Department must create an environment conducive to this increase by ensuring a quality and diverse tourism offering as well as by developing sector capacity.</p>
Achieve good corporate and cooperative governance.	We must conduct our business in a manner that creates public confidence in the state. This requires excellent systems for the management of public resources, ridding the system of any inefficiency and enabling oversight by institutions of the state in the interest of the public.



6. STRATEGIC RISKS

OUTCOMES	RISK NO.	KEY RISKS	RISK MITIGATIONS
Increase the tourism sector's contribution to inclusive economic growth.	SR 1	Slow transformation pace in the tourism sector.	Implement programmes to support sector transformation including the Tourism Incentive Programme (TIP), and Enterprise development programmes.
	SR 2	Safety concerns impacting on visitor experience.	Implement the Tourism Safety Strategy with sector and government partners.
	SR 3	Extreme weather events and climate change impacts on tourism.	<ul style="list-style-type: none"> • Conduct Climate Change Vulnerability Assessments. • Implement the Climate Change Communication Strategy.
	SR 4	Misinformation and disinformation impacting on the brand of the destination.	Finalise a detailed risk assessment and develop a response.
	SR 5	Inadequate maintenance of tourism infrastructure.	<ul style="list-style-type: none"> • Identify the tourism infrastructure maintenance needs. • Implement the tourism maintenance programme in state owned assets.



7.ALIGNMENT TO GOVERNMENT PRIORITIES:ECONOMIC RECONSTRUCTION AND RECOVERY PLAN (ERRP)



Priority
interventions
for economic
recovery

Infrastructure investment	Energy security	Presidential Employment Stimulus	Strategic localisation, industrialisation and export promotion
Tourism recovery and growth	The green economy	Food security	Gender equality and economic inclusion

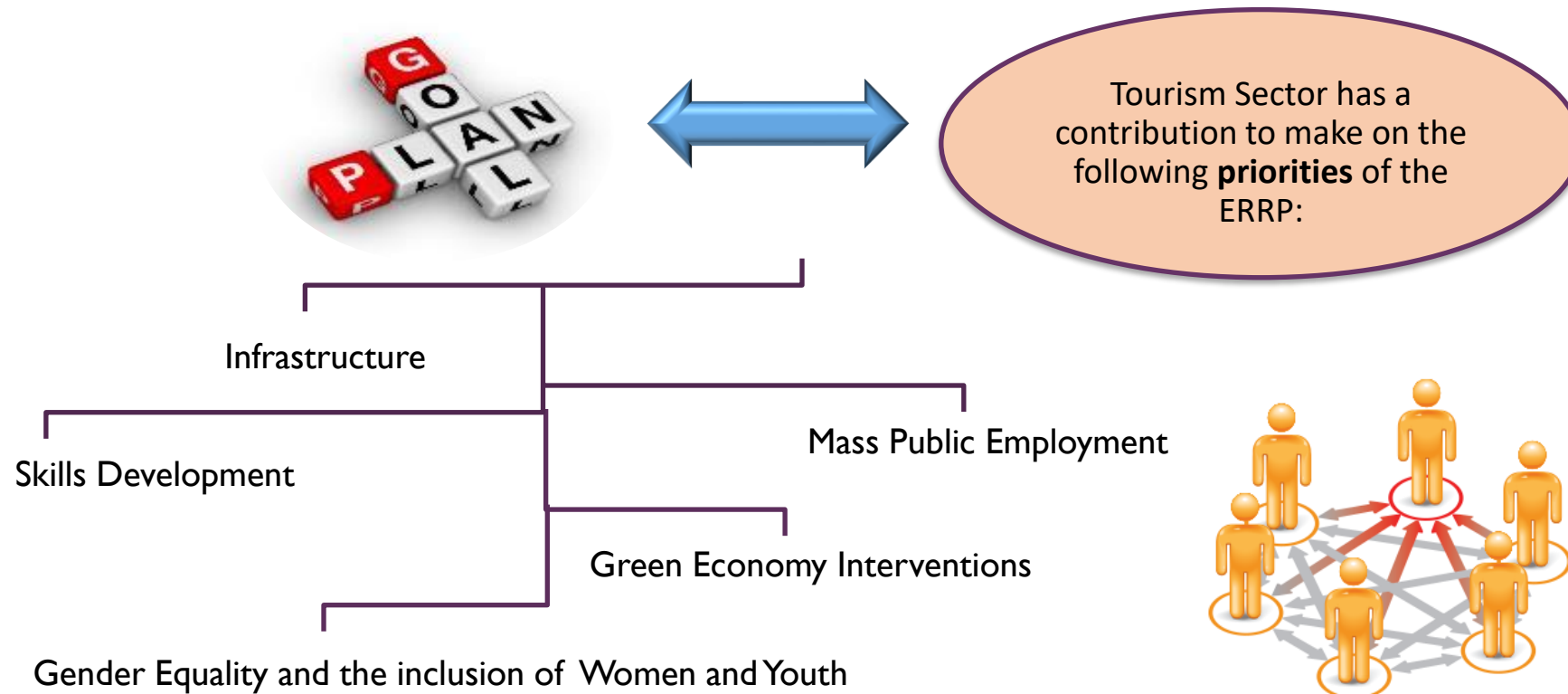
Key enablers
to restore
growth

MACROECONOMIC FRAMEWORK FOR FISCAL SUSTAINABILITY
REGULATORY CHANGES TO ENABLE GROWTH
BUILDING A CAPABLE STATE
ECONOMIC DIPLOMACY AND AFRICAN INTEGRATION
SKILLS DEVELOPMENT

7.ALIGNMENT TO GOVERNMENT PRIORITIES: ERRP AND TOURISM SECTOR MASTER PLAN

Link between the ERRP and the Tourism Sector Master Plan (TSMP):

Tourism has been identified as one of the priority areas of intervention in the ERRP



7. TOURISM SECTOR MASTER PLAN

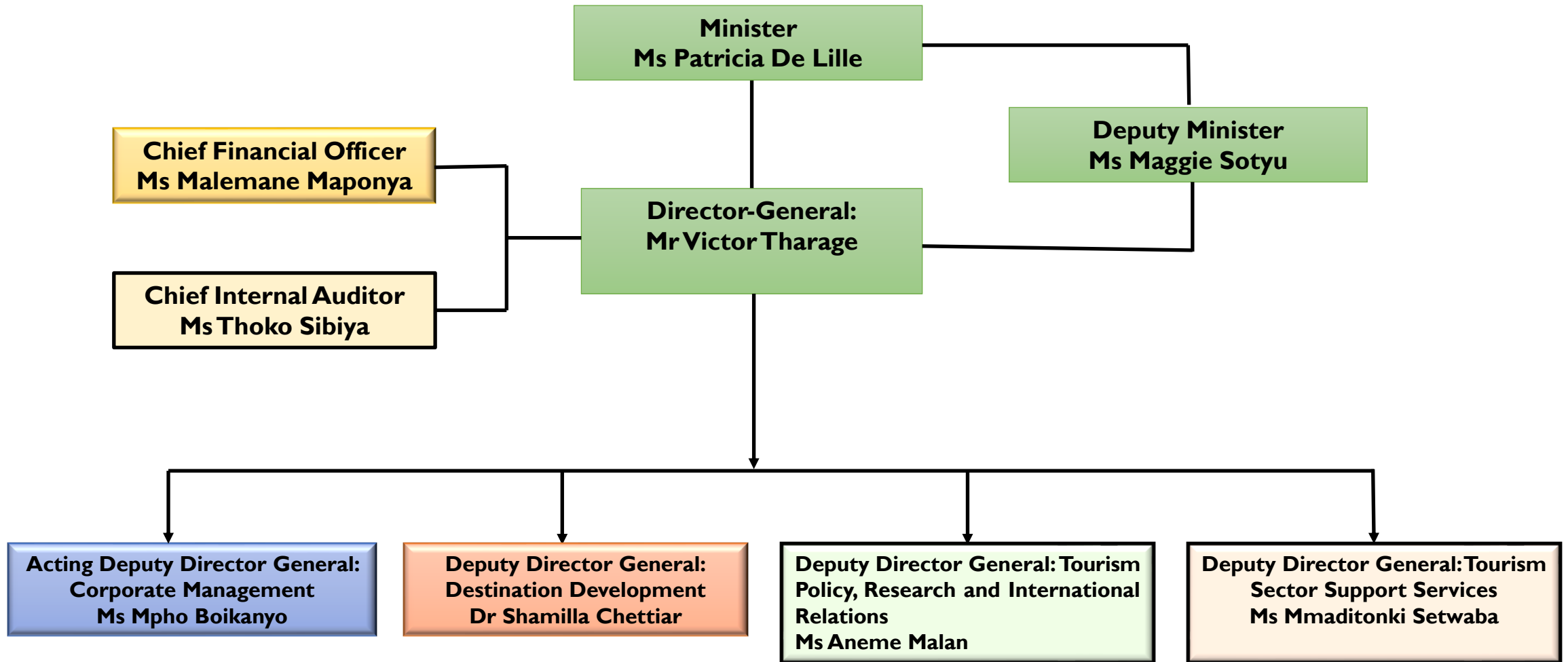
- Tourism Sector Recovery Plan (TSRP), pinpointed recovery interventions required for the tourism sector. However, since the shocks experienced by the sector extended beyond the pandemic, the TSRP was revised into the Tourism Sector Master Plan (TSMP), which aligns with the period of National Tourism Sector Strategy, to stimulate the industry, labour, and government to collectively act on shared goals to deliver tourism economic activity and jobs for the benefit of all South Africans.
- The Department converted the TSRP into the TSMP Masterplan. The Plan was approved by the Cabinet in September 2023 for implementation. The Plan contains three (3) pillars: Protect and Rejuvenate Supply, Reignite Demand, and Strengthen Enabling Capability to support the sector's recovery and long-term sustainability. The goal is to preserve jobs and livelihoods within the sector, facilitate the creation of new job opportunities, match demand and supply, and strengthen transformation in the sector, including empowerment of women, youth, and people with disabilities.
- The Tourism Sector Masterplan will frame our priorities in the short term. The Medium-Term Development Framework of the 7th Administration will guide the development of the tourism plans further.
- Accordingly, the Department will continue to implement Programmes that support the most vulnerable in society, including unemployed youth, as well as SMMEs in rural villages, small towns, and townships. These Programmes are targeted nationally through our Working for Tourism Programme, the Tourism Incentive Programme, Enterprise Development and Transformation Programme, Tourism Visitor Services, Destination Enhancement, as well as the Skills Development Programme. These will be highlighted in Departmental Programmes.



7. TOURISM SECTOR MASTER PLAN (TSMP) APPROACH IN INFORMING DEPARTMENTAL PLANS

THREE STRATEGIC THEMES / PILLARS	PROTECT AND REJUVENATE SUPPLY	RE-IGNITE DEMAND	STRENGTHENING ENABLING CAPABILITY
SEVEN STRATEGIC INTERVENTIONS	<ol style="list-style-type: none"> 1. Implement norms and standards for safe operations across the value chain to enable safe travel and rebuild traveller confidence. 2. Support for the protection of core tourism infrastructure and assets.. 	<ol style="list-style-type: none"> 3. Stimulate domestic demand through targeted initiatives and campaigns. 4. Execute a global marketing programme to reignite international demand. 	<ol style="list-style-type: none"> 5. Strengthen the supply side through resource mobilisation and investment facilitation. 6. Tourism Regional Integration. 7. Create an enabling policy environment to provide enhanced support for sector growth and development.
ENABLERS	Form targeted partnerships between industry and government.	Partner with relevant departments to ensure improved travel facilitation through implementation of e-visas, tourist safety and quicker turnaround times in the processing of tour operators' licences.	Stimulate demand through government consumption.
RISKS	<p>Reduced airlift capacity, brand positioning in key source markets and the easing of cross boarder travel restrictions.</p> <p>Domestic travel not picking up in the short to medium term, considering the weak state of the economy and diminishing household disposable income.</p> <p>Tourism is one of the industries most vulnerable to climate change, and South Africa's tourism industry has already felt the effects.</p> <p>Third-party reliance and operational models in respect of infrastructure development programmes.</p>		

8. ORGANISATIONAL STRUCTURE



9. DEPARTMENTAL PROGRAMMES: OVERVIEW AND MEDIUM-TERM PRIORITIES



9. I PROGRAMME I: CORPORATE MANAGEMENT



The purpose of the Programme is to provide strategic leadership, management and support services to the Department.

The Programme consists of the following sub-programmes:

1.Strategy and Systems:

Purpose: To manage and coordinate strategy and systems as well as provide public entity oversight.

2. Human Resource Management and Development:

Purpose: To manage the provision of human resource management and development.

3.Communications:

Purpose: To manage the coordination and provision of communications support to the Department.

4. Legal Services:

Purpose: To manage the provision of legal support services.

5. Financial Management:

Purpose: To manage and facilitate the provision of financial management services.

6. Internal Audit:

Purpose: To manage the provision of internal audit services.



9. I PROGRAMME I: CORPORATE MANAGEMENT ... CONTINUED

Note on Programme key deliverables planned for the 2024/25 financial year:

- The Department has planned a vacancy rate below 10% of the funded establishment. This is to attract and retain a capable and ethical workforce in a caring environment and ensure that a maximum vacancy rate of 10% is maintained for sufficient capacity to deliver departmental mandate, in line with public service standard. By the end of the first quarter of 2024/25, the Department had recorded an 11.6% vacancy rate. To mitigate against the risk of not meeting this target in the context of the implementation of cost-containment measures following the National Treasury directive, the Department has submitted a request to the Department of Public Service and Administration for approval to fill vacant posts. Of the 26 posts for which approval was requested, 18 were approved. The delay in filling vacancies potentially affects the output and the capacity to achieve organisational goals.
- Compliance with equity targets in terms of departmental Employment Equity Plan through:
 - Women's representation at the Senior Management Services (SMS) level is maintained at a minimum of 50%.
 - Representation of Persons with Disabilities above 3%.
- 100% implementation of targeted Workplace Skills Programme (WSP).
- Ensuring unqualified audit on financial statements.
- Departmental expenditure to contribute to the government's economic transformation agenda through:
 - Minimum 40% expenditure achieved on procurement of goods and services from SMMEs.
 - Minimum 40% expenditure achieved on procurement from women-owned businesses (Exclusion of Procurement from Government institutions, Entities, and Transversal Contracts (e.g. SITA, NT)).
- Departmental expenditure to contribute to the government's economic transformation agenda through 100% Payment of all compliant invoices within 30 days.
- Develop four SA Tourism quarterly oversight reports.
- Implement 100% of the Annual Internal Audit Plan and Communication Implementation Plan.



9.2 PROGRAMME 2: TOURISM RESEARCH, POLICY AND INTERNATIONAL RELATIONS



The purpose of the Programme is to enhance the strategic policy environment, monitor the tourism sector's performance and enable stakeholder relations

The Programme consists of the following sub-programmes:

1. Research and Knowledge Management

Purpose: Oversees tourism research, knowledge management, and impact evaluation of the sector.

2. Policy Planning and Strategy

Purpose: Oversees and guides policy and strategy development for the tourism sector, and ensures the efficient and effective management of stakeholder relations.

3. International Relations and Cooperation

Purpose: Drives South Africa's interests through international relations and cooperation.



9.2 PROGRAMME 2: TOURISM RESEARCH, POLICY AND INTERNATIONAL RELATIONS ... CONTINUED.

The Programme stands to oversee tourism research, knowledge management, and impact evaluation of the sector, guide policy and strategy development and drives South Africa's interests through international relations and stakeholder relations.

Note on Programme key deliverables planned for the 2024/25 financial year:

- To improve the delivery of services, the Department will implement its evaluation programme in new focus areas, i.e. impact of infrastructure supporting tourism projects, and the Impact of the Tourism Incentive Programme. Funding allocated to the evaluation programme will be assigned to this work.
- Further monitoring and evaluation of tourism projects and initiatives over the medium term include:
 - Evaluating the impact of the Women in Tourism Programme.
 - Monitoring of the new and continuing Capacity Building Programmes.
 - Assessing conditions of airports in South Africa.
 - Finalising and publishing the 2023 Tourism Industries / Sector Performance Report.
 - Developing three Tourism Sector Masterplan Implementation Reports.
- Advance South Africa's tourism interests at the regional, continental, and global levels through engagements in multilateral forums such as UNWTO, G20, BRICS, SADC, IORA, and AU.
- Hosting a workshop in 2025 on sharing best practices targeted at African countries with whom South Africa signed tourism agreements and strategic formations over the medium term.
- Encourage regional integration by implementing a two-outreach programme with the diplomatic community in the implemented prioritised countries



10.3 DESTINATION DEVELOPMENT



Purpose

Facilitate and
coordinate
tourism
destination
development.

The Programme consists of the following sub-programmes:

1. Destination Planning and Investment Coordination

Purpose: To ensure that tourism infrastructure supports the current and future growth of the sector.

2. Tourism Enhancement

Purpose: Increases the competitiveness of South Africa's tourism industry.

3. Working for Tourism

Purpose: Facilitates the development of tourism infrastructure projects under the Expanded Public Works Programme through labour-intensive methods targeted at youth, women, unemployed and disabled people, and small, medium and micro enterprises.



9.3 PROGRAMME 3: DESTINATION DEVELOPMENT ... CONTINUED

The development of the destination programme ensures that tourism infrastructure supports the current and future growth of the sector, increases the competitiveness of South Africa's tourism industry, and facilitates the development of tourism infrastructure projects under the Expanded Public Works Programme (EPWP) through labour-intensive methods targeted at youth, women, unemployed and disabled people, and small, medium and micro enterprises.

The Department is already implementing multi-year spatial planning and infrastructure projects that support rural and township economies. These provide support for community-based tourism projects and community museums. The Programme will continue to contribute to tourism development and ensure that tourism benefits accrue to communities, especially those around key attractions and sites in rural areas.

Note on key deliverables planned for the 2024/25 financial year:

Implementing 3 initiatives on destination enhancement and route development projects over the medium term to diversify tourism offerings and enhance visitor experience in identified priority areas by:

- implementing the budget resort network and brand concept
 - managing a pipeline of nationally prioritised greenfield and brownfield tourism investment opportunities
 - facilitating 2 investment promotion platforms.
- Supporting destination enhancement initiatives over the medium term by:
 - implementing infrastructure maintenance and beautification programmes in 4 provinces (Gauteng, KwaZulu Natal, North West, Northern Cape).
 - monitoring the implementation of 22 community-based tourism projects.
 - Tourism enhancement project implemented in one (1) World Heritage Site: Robben Island Museum. This is to improve product diversity for major attractions. This will be funded from the infrastructure component of the Working for Tourism budget.

Through the Working for Tourism Programme, funded through the Expanded Public Works Programme (EPWP), the Department will continue to implement labour-intensive projects targeted at the unemployed youth. The target is to create 5820 work opportunities through Working for Tourism projects.



9.3 PROGRAMME 3: DESTINATION DEVELOPMENT ... CONTINUED

Infrastructure Projects:

- More than a (100) hundred infrastructure projects are supported by the Department and they range from the development of new facilities, maintenance and upgrading of existing facilities and implementation of universally accessible enhancements.
- These projects are implemented in partnership with various Provincial and National Entities and Implementing Agents.
- The projects are primarily funded through the Expanded Public Works Programme (EPWP). However some projects have been funded through the Presidential Employment Stimulus Programme and donor funding
- The infrastructure projects fall into the following categories:
 - **Community Based Tourism Projects** – the bulk of which are the development or upgrading of accommodation facilities.
 - **Maintenance of National Parks or Provincial Tourism Assets** - this work involves maintenance, beautification and enhancement e.g. rehabilitation of terrain, landscaping, paving, painting, fencing, electrical etc.
 - **Destination Enhancement initiatives** which include new developments, the upgrading of facilities or the implementation of universal accessibility initiatives.



9.4 PROGRAMME 4: TOURISM SECTOR SUPPORT SERVICES



The purpose of the Programme is to enhance transformation, increase skill levels and support the development of the sector to ensure that South Africa is a competitive tourism destination.

The Programme consists of the following sub-programmes:

1. Tourism Human Resource Development

Purpose: Manages and facilitates the efficient management and implementation of tourism sector human resource development initiatives.

2. Enterprise Development and Transformation

Purpose: Manages and facilitates inclusive participation and sustainability in the tourism sector.

3. Tourism Visitor Services and Experiences

Purpose: Manage and coordinate information integrity and facilitates accurate information for travelling.

4. Tourism Incentive Programme

Purpose: Manages the establishment of capital and non-capital tourism incentives to promote and encourage tourism development and growth.

9.4 PROGRAMME 4: TOURISM SECTOR SUPPORT SERVICES ... CONTINUED.

Manages and facilitates the efficient management and implementation of tourism sector human resource development initiatives, information integrity, and accurate information for traveling and manages the establishment of capital and non-capital tourism incentives to promote and encourage tourism development and growth.

Note on Programme key deliverables planned for the 2024/25 financial year:

- The **Tourism Incentive Programme** supports greater destination competitiveness, transformation, and accelerated tourism and enterprise growth. Through the TIP, we will continue to implement the Green Tourism Incentive Programme, Tourism Equity Fund, Tourism Transformation Fund, Market Access Support Programme, and the Tourism Grading Support Programme in the medium-term (2024/25 – 2025/26).
- **Enterprise Development and Transformation Programme** enables the Department to implement projects that provide various support packages to SMMEs, drive transformation, and ensure the development of emerging operators. These projects include the implementation of the Business Support and Development Incubation Programme. For the 2024/25 financial year, the Department planned to continue implementing the following Incubation Programmes: Community-based Tourism Enterprises Incubator and Business Advisory Services.
- The Department will continue to implement the **Skills Development Programme** in the medium term (2024/25 – 2025/26) targeting retrenched and unemployed youth between the ages of 18-35 years. It is worth noting that the funding for the delivery of the Youth Skills Development Programmes has been significantly reduced. This impacts the number of skills development programmes to be delivered, and the number of learners to be recruited for placement on these initiatives.
- The Department will continue to implement programmes to support **tourist safety**. The objective is to enhance tourism safety awareness at key tourism attractions and within the destination to create memorable tourism experiences. In line with the National Tourism Safety Strategy, campaigns will be conducted jointly with provinces and other stakeholders with an interest in tourism safety and security, including SAPS, SA Tourism, TBCSA, provinces, and municipalities. This includes the implementation of the Tourism Monitors Programme, a short-term initiative identified in the National Tourism Safety Strategy.



10. KEY ISSUES ON SA TOURISM

- The primary mandate of SA Tourism is to market South Africa internationally and domestically as a preferred tourism and business events destination and ensure that tourist facilities and services are of the highest standard.
- SA Tourism allocation accounts for, on average, approximately 54% of the Department's total annual budget over the 2024 MTEF.
- The governance challenge concerning the Board of SA Tourism was addressed.
- The new SA Tourism Board was appointed by the Minister and gazetted accordingly. The names of the Board members were also published in 2 national newspapers in line with the Tourism Act.
- The Board consists of ten (10) members and one (1) departmental representative.



II. HUMAN RESOURCES INFORMATION



II. WORKFORCE REPRESENTATIVITY AS AT END OF JUNE 2024

TOTAL ESTABLISHMENT		
Race	Number	Percentage
Africans	390	86,9%
Coloureds	24	5,3%
Asians	14	3,1%
Whites	21	4,7%
TOTAL	449	100%
Persons with Disabilities	22	4,9%



II. EMPLOYEES PER OCCUPATIONAL BANDS: JUNE 2024

OCCUPATIONAL BAND	MALE				FEMALE				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management.	2	0	0	1	2	0	1	2	8
Senior Management.	27	1	2	2	17	2	3	2	56
Professionally qualified and experienced specialists and mid-management.	94	1	3	4	105	9	5	5	226
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents.	35	2	0	1	76	7	0	3	124
Semi-skilled and discretionary decision-making.	20	0	0	1	11	2	0	2	34
Unskilled and defined decision-making.	0	0	0	0	1	0	0	0	1
TOTAL	178	4	5	9	212	20	9	12	449



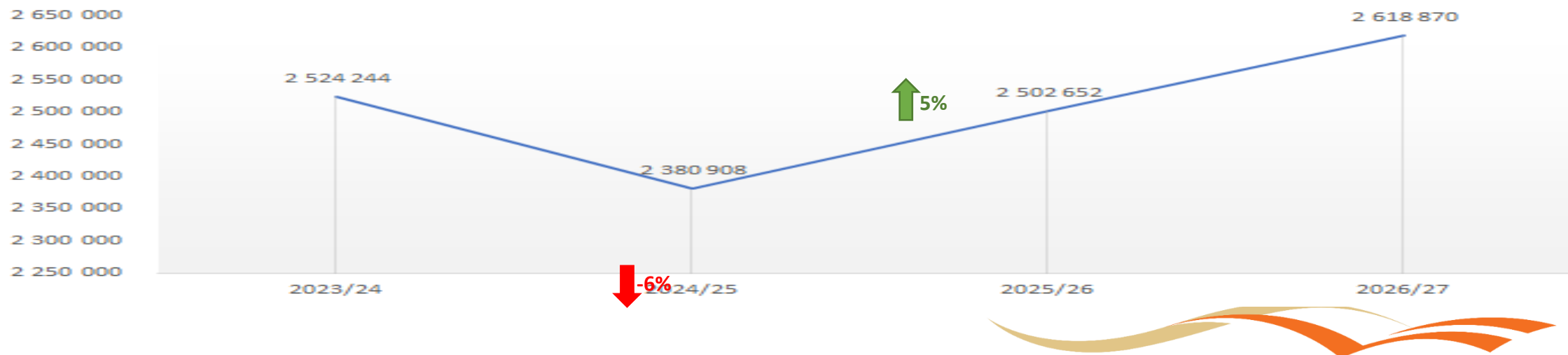
I 2 FINANCIAL INFORMATION



I2 BASELINE ANALYSIS - PER PROGRAMME

PROGRAMME	2023/24		2024/25		2025/26		2026/27		% Growth from 2023/24 to 2026/27	Average Annual % Growth from 2024/25 to 2026/27
	R'000	% of total budget	% Increase / (decrease) from previous year	R'000	% of total budget	% Increase / (decrease) from previous year	R'000	% of total budget		
Administration	324 891	13%	11%	359 427	15%	4%	372 446	15%	19%	6%
Tourism Research, Policy and International Relations	1 435 238	57%	-7%	1 335 623	56%	5%	1 397 451	56%	2%	1%
Destination Development	401 105	16%	-8%	367 801	15%	9%	401 958	16%	5%	2%
Tourism Sector Support Services	363 010	14%	-12%	318 057	13%	4%	330 797	13%	-4%	-1%
TOTAL	2 524 244	100%	-6%	2 380 908	100%	5%	2 502 652	100%	4%	1%

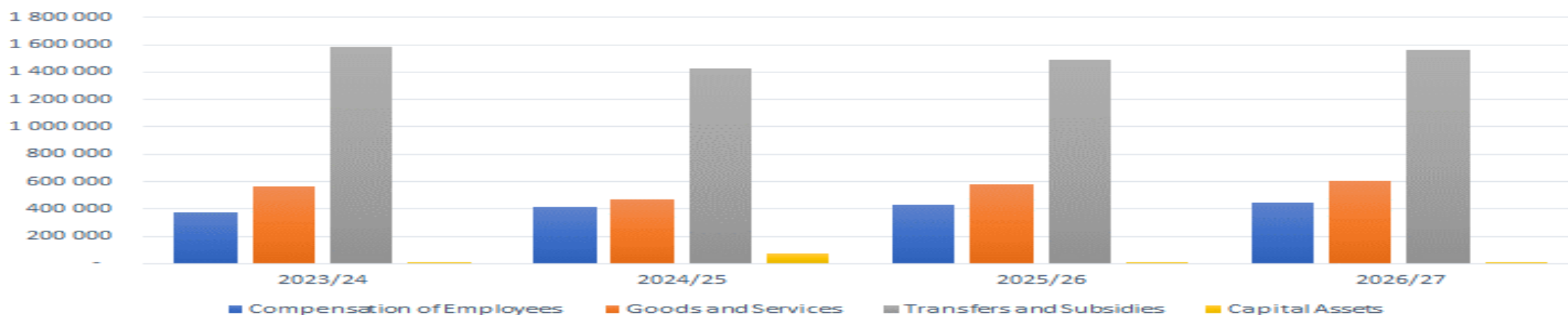
- The departmental budget has experienced a 4% growth from 2023/24 to 2026/27
- 6% reduction in 2024/25
- On average, there has been a yearly growth rate of 1%



I2 BASELINE ANALYSIS - PER ECONOMIC CLASSIFICATION

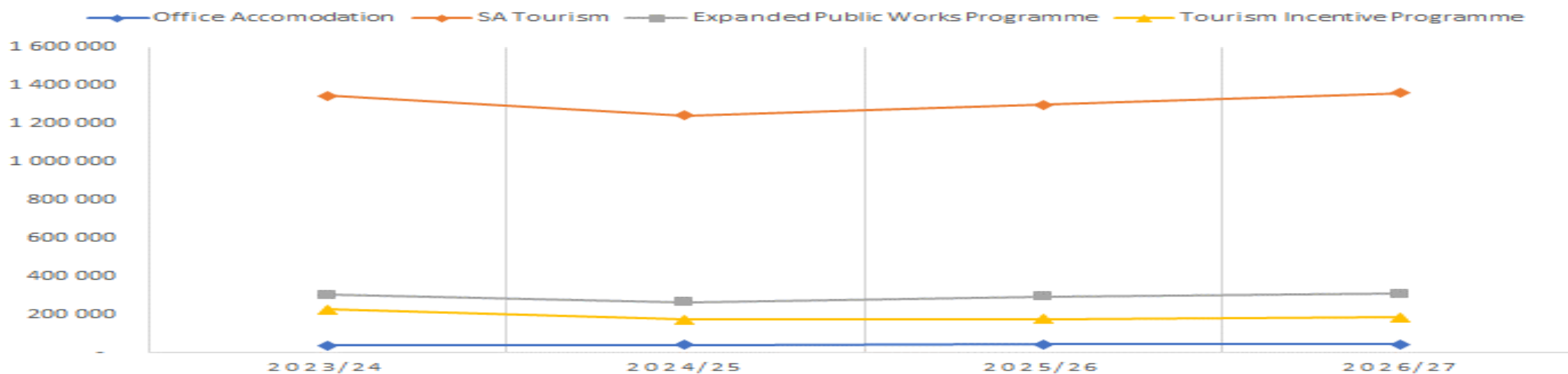
ECONOMIC CLASSIFICATION	2023/24		2024/25			2025/26			2026/27			% Growth from 2023/24 to 2026/27	Average Annual % Growth from 2024/25 to 2026/27
	R'000	% of total budget	% Increase / (decrease) from previous year	R'000	% of total budget	% Increase / (decrease) from previous year	R'000	% of total budget	% Increase / (decrease) from previous year	R'000	% of total budget		
Compensation of Employees	374 463	15%	10%	411 949	17%	4%	429 134	17%	4%	447 824	17%	20%	6%
Goods and Services	564 512	22%	-17%	471 201	20%	23%	579 160	23%	5%	606 601	23%	7%	4%
Transfers and Subsidies	1 581 786	63%	-10%	1 427 610	60%	4%	1 489 297	60%	5%	1 559 299	60%	-1%	0%
Capital Assets	3 483	0%	1914%	70 148	3%	-93%	5 061	0%	2%	5 146	0%	48%	608%
TOTAL	2 524 244	100%	-6%	2 380 908	100%	5%	2 502 652	100%	5%	2 618 870	100%	4%	1%

- Total growth in COE from 2023/24 to 2026/27 amounts to 20%. Average Annual Growth = 6%
- Reclassification of EPVP budget from Goods and Services to Capital during the 2024/25 financial year



I2 BASELINE ANALYSIS - LARGE BUDGET ITEMS

DETAILS	2023/24		2024/25			2025/26			2026/27			% Growth from 2023/24 to 2026/27	Average Annual % Growth from 2024/25 to 2026/27
	R'000	% of total budget	% Increase / (decrease) from previous year	R'000	% of total budget	% Increase / (decrease) from previous year	R'000	% of total budget	% Increase / (decrease) from previous year	R'000	% of total budget		
Office Accomodation	38 807	2%	4%	40 550	2%	5%	42 531	2%	5%	44 532	2%	15%	5%
SA Tourism	1 344 672	53%	-8%	1 243 555	52%	5%	1 300 207	52%	5%	1 359 666	52%	1%	1%
Expanded Public Works Programme (Incl Incentive)	303 864	12%	-12%	265 902	11%	11%	294 303	12%	5%	308 184	12%	1%	1%
Tourism Incentive Programme	225 692	9%	-24%	172 067	7%	3%	176 566	7%	6%	186 522	7%	-17%	-5%



- SA Tourism budget growth equates to 1% from 2023/24 to 2026/27
- EPWVP budget growth equates to 1% from 2023/24 to 2026/27. 12% reduction in 2024/25.
- TIP budget reduced by 17% from 2023/24 to 2026/27. 24% budget cut in 2024/25.



I 3. FIVE YEAR PLANNING 2024 – 2029

Aligned with the Priorities of the GNU



NTSS PILLAR I : EFFECTIVE MARKETING

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Enhancement of the effectiveness of international marketing	Draft an international Tourism Relations Plan/Strategy to leverage Diplomatic and multilateral relations	Minister's Performancer Agreement (PA): <ul style="list-style-type: none"> • Increase the volume and value of Domestic, MPIF source markets in Regional Africa and internationally through the Tourism Recovery Plan. • Create demand through travel acquisition, by working with the distribution channels to sell South Africa as a preferred destination. (Reference hereafter only MPA) (Reference hereafter only TSMP) Tourism Sector Master Plan (TSMP): Execute a global marketing programme to reignite international demand (Reference hereafter only TSMP) Government of National Unity (GNU) Priorities: Economic growth and Job creation (Reference hereafter only GNU)
Establishment of effective brand management of the destination brand (South Africa)	A comprehensive information-led repository /portal	PA TSMP GNU
Expansion and improvement of domestic marketing activities and travel facilitation programmes	Domestic Tourism Growth Strategy implemented through Sho't Left domestic deal-driven campaigns in partnership with provinces and the tourism industry to drive geographic spread and counteract seasonality. <ul style="list-style-type: none"> • Boost domestic demand and revenue through the Shot Left brand collaborations with the distribution channels for inclusive and sustainable growth • Engagement with trade to educate on selling Domestic Tourism and loading of deals on the website. 	
	<ul style="list-style-type: none"> • Implementation of the Stakeholder Engagement Strategy in line with the Tourism Sector Masterplan • Continuous collaboration on implementation • Collaborate and support the District Development Model (DDM) Programme 	
Attraction and hosting of events (business, sporting, and lifestyle) to improve seasonal and regional spread of tourism benefits.	<ul style="list-style-type: none"> • Create inclusive market access including SMEs, youth, and women. • Contribute meaningfully to the country's GDP and job creation. 	

NTSS PILLAR 2 : EASE OF ACCESS

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Facilitate increased travel through the application of a tourist-friendly visa regime and automated passenger movement and monitoring systems	Reduce the number of days to issue visas.	<p>TSMP: Partner with relevant departments to ensure improved travel facilitation by implementing e-visas, tourist safety, airlift capacity, and quicker turnaround times in processing tour operating licenses.</p> <p>GNU: To build a capable, ethical, and developmental state. To drive inclusive growth and job creation; To reduce poverty and tackle the high cost of living</p> <p>PA: Continuous improvement for ease of access to South Africa through e.g. digitalization of passenger processing and further roll-out of the e-visa system. Increase the volume and value of domestic and international tourism through the tourism recovery plan</p>
	Deployment of adapted capacity to respond to seasonality and pressure areas	<p>TSMP GNU PA:</p>
	Visa awareness campaign.	
	Announcement by Minister of DHA on re-establishment of the IAB	
Improve Airlift Access, particularly for priority markets	National Air Access Committee (SA Tourism)	<p>TSMP GNU PA:</p> <p>National Development Plan (NDP): Importance of Airlift (Reference hereafter only NDP)</p> <p>PA: Increase the volume and value of domestic and international tourism through the tourism recovery plan.</p>
	<ul style="list-style-type: none"> Ongoing participation in the Strategic Planning Committee (SPC) Implementation of the National Air Access Committee 	
	Provide clear tourism airlift proposals and positions for inputs into bilateral service agreement negotiations	<p>NDP: TSMP: GNU: PA:</p>



NTSS PILLAR 2 : EASE OF ACCESS

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Improve airlift access, particularly for the domestic market.	Implementation of National Air Access Committee	NDP: TSMP: GNU: PA:
Create a conducive and legislative and regulatory environment for tourism development and promotion.	<ul style="list-style-type: none"> • Consideration of White Paper for approval. • Implementation of Tourism Masterplan and NTSS. • Institutionalising crisis management approach. 	NDP: White Paper alignment with NDP TSMP: GNU: PA:
Facilitate increased travel through the application of a tourist friendly visa regime and automated passenger movement and monitoring systems.	Impact analysis of delays in visa processing	GNU – Inclusive Economic Growth and Job creation



NTSS PILLAR 3:VISITOR EXPERIENCE

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Diversify and enhance tourism product offerings	<p>Basic Quality Verification (BQV) to support product development in Villages, Townships, Small Towns and Dorpies</p> <ul style="list-style-type: none"> • Training of BQV Evaluators (unemployed graduates) • Assessment of SMMEs in Villages, Townships, Small Towns, and Dorpies • Incubation programme for market readiness • Homestay incubator and regional players active in tourism, adventure, heritage, and culture. <p>Experience and route development to align with areas of geographic advantage:</p> <ul style="list-style-type: none"> • Gastro(nomy) Tourism • Paleo(ontology) Tourism • Geo(logy)-tourism • Liberation Heritage <p>Investigate big data analytics for efficient collection of supply-side data.</p>	<p>TSMP:</p> <ul style="list-style-type: none"> • Improve the quality of tourist attractions and protect the supply of the market. • Support for the protection of core tourism infrastructure and assets. • Infrastructure maintenance, beautification, and development in state-owned, provincial, and community-based tourism sites. <p>GNU:</p> <ul style="list-style-type: none"> • To build a capable, ethical, and developmental state • To drive inclusive growth and job creation; • To reduce poverty and tackle the high cost of living • Inclusive Economic Growth and Job Creation <p>PA: Increase the volume and value of domestic and international tourism through the tourism recovery plan</p>
	<ul style="list-style-type: none"> • Joint platforms with SAT; Indaba, WTM, ITB • Investigate the establishment of a tourism project preparation facility • Joint market/product analysis to support projects • Study on potential investment incentives • Develop a short training module on investment readiness • Develop training videos on project preparations/business start-up 	<p>TSMP</p> <p>GNU:</p> <p>PA:</p>
Improve major tourism sites: Upgrade experiences at the World Heritage Sites as well as National, Provincial and Municipal Parks.	<ul style="list-style-type: none"> • Construction of the Alpha I Restaurant at Robben Island Museum • Construction of student dormitories at Mapungubwe • To define a programme of support for the recent serially listed WHS “The Emergence of Modern Human Behaviour: The Pleistocene Occupation Sites of South Africa” • Support for the sites on the tentative list 	<p>TSMP</p>



NTSS PILLAR 3:VISITOR EXPERIENCE ... CONTINUED.

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Enhance local destination sites through cleanliness, safety and security, aesthetics, and information improvement.	<ul style="list-style-type: none"> Complete current community-owned infrastructure projects Align skills programmes with demand Current commitments: Various Infrastructure and maintenance projects R 470m; Tourism Monitors R 175 m; Skills R 12 m <p>Proposals: BQV Evaluators – R 25 m; Welcome Programme – R 21 m; Tourism Monitors R 196 pa; Skills THRD R 160 m pa.</p>	<p>TSRP/TSMP</p> <ul style="list-style-type: none"> Improved health and safety in tourism establishments. Implement norms and standards for safe operations across the value chain to enable safe travel and rebuild consumer confidence. Integration and training of unemployed youth and SMMEs on the approved norms and standards. <p>GNU: To reduce poverty and tackle the high cost of living</p>
Provide tourism experiences and facilities that cater to the domestic market segments	<ul style="list-style-type: none"> Initiate roll-out Set up pipeline 	<p>TSMP</p> <ul style="list-style-type: none"> Stimulate utilisation of under-utilised tourism facilities. Stimulate domestic demand through targeted initiatives and campaigns. Strengthen the supply side of the tourism market. <p>TSRP/TSMP activity: Develop, pilot, and implement the Budget Resort Network (BRN) and brand concept.</p> <p>GNU:</p> <ul style="list-style-type: none"> To build a capable, ethical, and developmental state. To drive inclusive growth and job creation. To reduce poverty and tackle the high cost of living. <p>PA: Increase the volume and value of domestic and international tourism through the tourism recovery plan</p>
Increase bandwidth to support the activities of tourists and tourism businesses alike	Facilitate collection of information on priority areas for attention by Government & private sector	N/A.
Enhance tourist safety and ensure effective responses to incidents of crimes against tourist	Implementation of the Tourism Monitors Programme in all provinces and selected institutions	<p>TSMP:</p> <ul style="list-style-type: none"> To build confidence in South Africa as a safe tourist destination. Improve the country's brand. Partner with relevant departments to ensure improved travel facilitation through the implementation of e-visas, tourist safety, airlift capacity, and quicker turnaround times in the processing of tour operating licenses. Partner with SAPS to proactively develop initiatives to support tourist safety.

NTSS PILLAR 3:VISITOR EXPERIENCE ... CONTINUED

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Facilitate tourist travel through improved private and public transport for tourists.	<ul style="list-style-type: none"> • Collect & collate information on roads/sections to be prioritised • Liaise with DoT to cross reference with planned road development & lobby 	<p>TSMP:</p> <ul style="list-style-type: none"> • To enable new and support the continuation of existing Tour Operators activities. • Partner with relevant departments to ensure improved travel facilitation. • Implement system improvements to ensure seamless processing and turn-around times in the issuing of tour operating licenses.
Improve tourism skills and service excellence	<ul style="list-style-type: none"> • Welcome Programme development to scale education and training for the tourism sector • Recognition of service excellence through a revised Lilizela Tourism Awards Programme.to recognise service excellence in the tourism and travel industry. • Training of youth on Norms and Standards for safe tourism operations in line with their enrolled skills development programmes. • Implementation of skills development programmes that are demand-led and embrace digital technology. • Implementation of Work Readiness Programme targeting Tourism and Hospitality graduates and Tourism Officer Programme • Implement the Job Massification Programme targeting unemployed youth who participated in the departmental skills programmes - Welcome Programme development to scale education and training for the tourism sector. - Recognition of service excellence through a revised Lilizela Tourism Awards Programme.to recognise service excellence in the tourism and travel industry. 	<p>TSRP/TSMP:</p> <ul style="list-style-type: none"> • Improved health and safety in tourism establishments. • Implement norms and standards for safe operations across the value chain to enable safe travel and rebuild consumer confidence. • Integration and training of unemployed youth on the approved norms and standards. • Strengthen enabling capability for long-term sustainability • Enhancing education and skills development <p>NDP: Provision of quality education and skills development</p> <p>GNU:</p> <ul style="list-style-type: none"> • Building a capable, ethical, and developmental state. • Economic growth and job creation <p>MPA: Enabling conditions for visitor experience</p>

NTSS PILLAR 3:VISITOR EXPERIENCE ... CONTINUED

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Improve tourism skills and service excellence	<p>Implementation of the Professionalisation Framework for the Sector.</p> <ul style="list-style-type: none"> • Training of Chefs without qualifications through the Recognition of Prior Learning (RPL) process. • Development of Women Managers on Executive Development Programme to fast-track their growth and development in leadership positions in the Sector. 	<p>TSRP/TSMP:</p> <ul style="list-style-type: none"> • Improved health and safety in tourism establishments. • Implement norms and standards for safe operations across the value chain to enable safe travel and rebuild consumer confidence. • Integration and training of unemployed youth on the approved norms and standards. • Strengthen enabling capability for long-term sustainability • Enhancing education and skills development
	<ul style="list-style-type: none"> • Approved Professionalisation Framework and Code of Conduct • Registration of various tourism and hospitality officials in the Sector in line with their trades occupations. 	<p>NDP: Provision of quality education and skills development</p> <p>GNU:</p> <ul style="list-style-type: none"> • Building a capable, ethical, and developmental state. • Economic growth and job creation <p>MPA: Enabling conditions for visitor experience</p>
	<ul style="list-style-type: none"> • Revision and alignment of the tourism curriculum in schools • Roll-out of the NTCE in various provinces 	



NTSS PILLAR 4: DESTINATION MANAGEMENT

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Improve the focus and delivery of tourism marketing and development support provided by provinces and local government.	<ul style="list-style-type: none"> Initiate and facilitate platforms where the Department and SA Tourism, Provincial and Local government communicate priorities, planned projects, and programmes. Integrated planning and delivery concerning district and metropolitan spaces to be enabled by joint planning, budgeting, and implementation processes. The Department and SA Tourism are to support the capacities of Provinces and Municipalities through a sector-wide capacity-building programme to support the implementation of tourism programmes: Build the capacity of businesses within the tourism sector through sharing information on services offered, and opportunities for SMMEs, especially in villages, townships, small towns, and rural areas. 	<p>Section 2(1) of the Tourism Act, 2014 (Act No. 3 of 2014): The Act is to enhance cooperation and coordination between all spheres of government in developing and managing tourism.</p> <p>TSMP speaks to “Form targeted, strategic partnerships between government and industry” and this approach supports that.</p> <p>NDP: adopted an integrated and multi-sectoral development approach. The approach recognizes the multi-faceted and interlined nature of sustainable development. It calls for interventions to be tackled and implemented simultaneously through a coordinated approach.</p>
Improve the quality of decision making, planning, monitoring and evaluation in tourism.	Conduct key tracking studies to measure and report tourism and brand performance (6 In total, Brand: Leisure, Domestic, Business Events, Corporate. Tracking Studies: Domestic and Departure Survey).	NDP, NTSS GNU Priority – Inclusive Economic Growth and Job creation
	Increase efforts in the thought leadership space by creating data and insights content to elevate tourism's status in the industry.	NDP, GNU: Inclusive Economic Growth and Job creation
	Create and continually enhance tourism digital accessible dashboards.	
	Market Prioritisation and Investment Framework (MPIF)	

NTSS PILLAR 4: DESTINATION MANAGEMENT ... CONTINUED

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Improve the quality of decision making, planning, monitoring and evaluation in tourism.	<ul style="list-style-type: none"> • Continue to conduct research and evaluation studies in partnership with public institutions • Host the Tourism Research Seminar in partnership with an institution of higher learning and SA Tourism • Stakeholder participation in the planning and hosting of the seminar e.g. provinces and districts where the seminar is hosted • Capacity building workshops on research outcomes through provincial researchers of the National Tourism Research Committee. 	NDP Tourism Act GNU: Inclusive Economic Growth and Job Creation.
	<ul style="list-style-type: none"> • Conduct and manage the analysis of tourism statistics to provide knowledge on trends and patterns on the performance of the tourism sector. • Implementation of the National Tourism Statistics Plan 	
	Maintain and Enhance the National Tourism Information and Monitoring system	
Improve understanding of, and enhance support for tourism across national government.	Continuous implementation of the programmes/ projects of the department to realise the objectives stipulated in all of these documents/ strategies and plans to grow an inclusive economy and create jobs.	



NTSS PILLAR 4: DESTINATION MANAGEMENT ... CONTINUED.

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Introduce best practice approaches and risk management tools to enhance the sector's performance	<ul style="list-style-type: none"> Develop an updated national Responsible Tourism Strategy for South Africa There is a need to scale up capacity in the tourism sector that enables greening of businesses. (RECP) 	<p>TSMP: To improve the quality of service in the tourism sector.</p> <p>The Tourism Act, 2014: responsible tourism is tourism that generate greater economic benefits for the local people and enhances the well-being of host communities and improve working conditions and access to the tourism sector.</p>
	<ul style="list-style-type: none"> Maintain and Enhance the National Tourism Information and Monitoring system to ensure. Responsible Tourism. Certification and support compliance with the revised Grading Criteria. Train assessors to certify businesses for Responsible Tourism 	<p>NDP, NTSS</p> <p>Tourism Act: Minister to establish the NTIMS.</p> <p>GNU: Inclusive Economic Growth and Job Creation and reduce poverty and tackle high cost of living</p>
	Conduct research studies in partnership with public institutions to inform evidence-based policy, planning and decision-making.	<p>NDP: Improving education, training and innovation - Research and Development: knowledge generation</p> <p>GNU: Inclusive Economic Growth and Job creation</p>
	Host the Tourism Research Seminar in partnership with an institution of higher learning and SA Tourism to disseminate research outcomes and recommendations	
	Conduct and manage the analysis of tourism statistics to provide knowledge on trends and patterns on the performance of the tourism sector focusing on tourism related industry performance.	
	Implementation of the Approved National Tourism Statistics Plan 2030	NDP; GNU; TSMP
	Maintain and Enhance the National Tourism Information and Monitoring system	<p>NDP</p> <p>GNU: Inclusive Economic Growth and Job creation</p>



NTSS PILLAR 5: BROAD-BASED BENEFITS

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Achieve Broad Based Black Economic Empowerment (B-BBEE) targets.	<ul style="list-style-type: none"> Assessment of the impact of programmes Refinement of programmes to improve alignment to B-BBEE Codes 	<p>NDP: Economy & Employment: TSMP: Strengthening enabling capacity (increase resilience of SMMEs). Strengthen Supply-side through resource mobilization and investment facilitation. GNU: Drive inclusive growth and job creation and Reduce poverty and tackle the high cost of living.</p>
Support Sustainable Enterprise Development.	<ul style="list-style-type: none"> Continue implementation of incentive programmes under the TIP. Grow and sustain tourism Small, Micro to Medium Enterprises (SMMEs with Data-driven Intervention and targeted Enterprise Development including Support. Support SMMEs in areas of regulatory compliance, service standards, and operational efficiency. Address the funding gap in the Seed and Start-up phase in the enterprise development for SMMEs within the tourism sector and tourism value chain. Create capacity in the tourism sector that enables greening of businesses Process automation to improve efficiency (e.g. applications processes for MASP, hub and online support to SMMEs) 	
Expand the benefits of tourism to rural areas and townships.	<ul style="list-style-type: none"> To review the Rural Tourism Strategy and link it to transformation and community beneficiation agenda focusing on rural and township development. Develop and implement Niche tourism (e.g. Sports Tourism, Gastronomy and Astro tourism, etc) focusing on rural and township areas 	<p>NDP: Economy & Employment. TSMP: Strengthen Supply-side through resource mobilization and investment facilitation. GNU: Drive inclusive growth and job creation and Reduce poverty and tackle the high cost of living.</p>



NTSS PILLAR 5: BROAD-BASED BENEFITS

OBJECTIVES	7th ADMINISTRATION ACTIONS (WHAT)	ALIGNMENT
Expand the benefits of tourism to rural areas and townships.	<ul style="list-style-type: none"> • Provide targeted tourism support to rural and township areas driven by data. • Integrate rural experiences into the mainstream offerings. 	NDP: Economy & Employment: TSMP: Strengthening enabling capacity (increase resilience of SMMEs). Strengthen Supply-side through resource mobilization and investment facilitation. GNU: Drive inclusive growth and job creation and Reduce poverty and tackle the high cost of living.
	Develop skills development training and mentoring opportunities accessible to rural and township stakeholders.	NDP: Economy & Employment. TSMP: Strengthen Supply-side through resource mobilization and investment facilitation. GNU: Drive inclusive growth and job creation and Reduce poverty and tackle the high cost of living.



I 4.TOURISM PERFORMANCE ENVIRONMENT



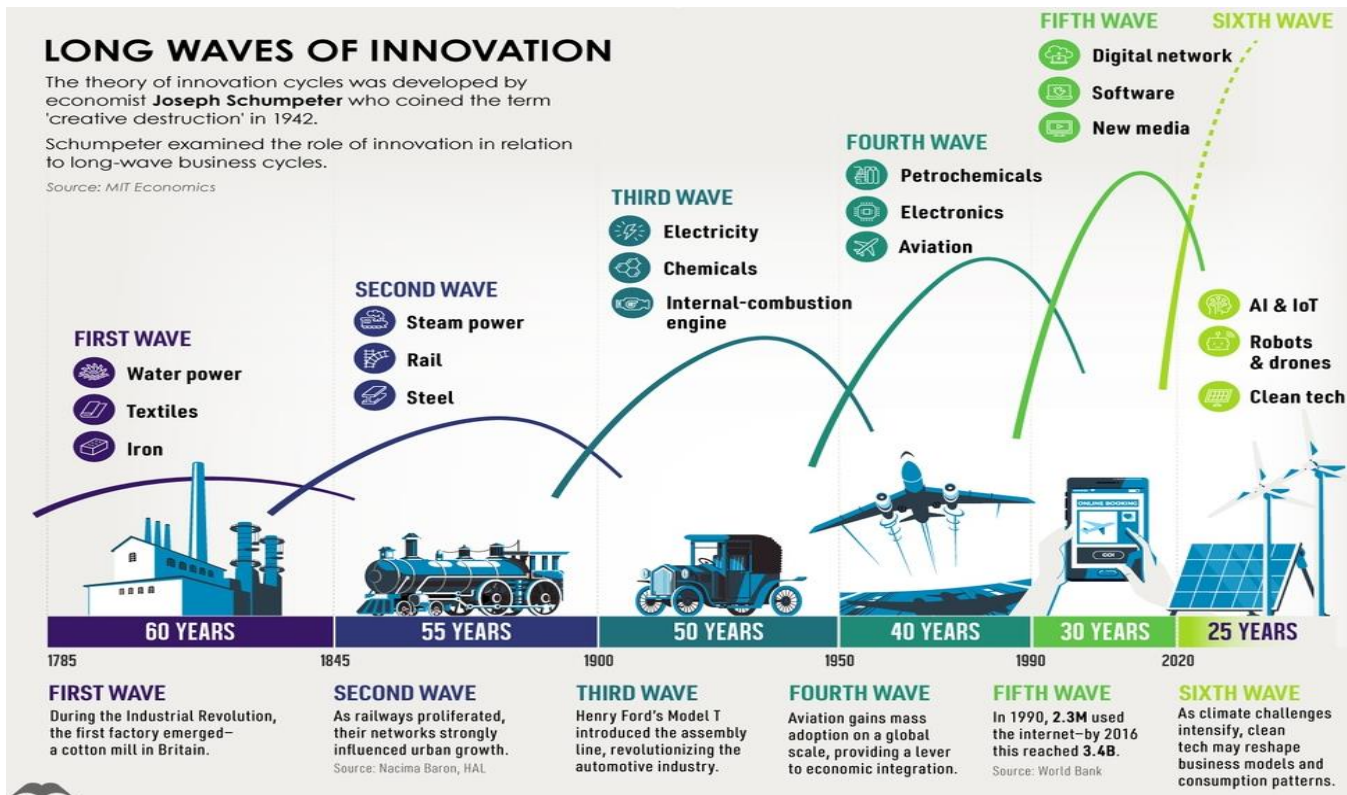


GLOBAL MACRO TRENDS

four mega trends that will shape the world in the long term – Impact on Tourism

Trends	Global Energy Transition	Technological Innovations	Demographics	Geo-politics
	<p>Decarbonization efforts to combat the effects of human induced climate change</p> <p>Global shift in energy mix</p>	<p>Cycles of disruptive technological innovation</p> <p>Increasing in frequency, and amplitude</p> <p>Data consuming the world with AI the latest</p>	<p>Exponential growth in global population</p> <p>Africa is experiencing a youth boom</p> <p>Rapid urbanization in Africa, Asia and South America</p>	<p>Global conflicts: Russia / Ukraine; Israel / Palestine</p> <p>Generalized shift of power from traditional to emerging powers.</p> <p>Unipolar to multipolar world order with</p>
Impacts	Environmental Consciousness	Disruptive Technologies	Future Markets	Safety and Stability
	<p>Tourists are becoming more environmentally conscious leading to an increase in eco-tourism, providing direct financial benefits, conservation area, local people and private industry</p>	<p>Technology advancement has streamlined travel bookings with online platforms and apps.</p> <p>Mobile apps enhance the experience with navigation, suggestions and translation, making travel smoother and more enjoyable</p>	<p>Growing global interest in the African countries as tourist destinations, with growing demand for ease of intra-African travel</p> <p>Need for hyper-personalization of offerings and products to remain competitive - leveraging adjacencies like film, music, social media etc.</p>	<p>Growth in investment & development of critical infrastructure in Africa</p> <p>Socio-political conflicts and state tensions negatively impacting perceptions, including visa restrictions and so forth</p>

With Innovation Reigning Supreme



- Innovation cycles, which influence economic production and, therefore, growth, are largely driven by **disruptive technologies** which shift productivity, and customer expectations or create value in ways previously unimagined.
- Recently, the **frequency** of innovation cycles has become shorter while their **amplitude** is increasing.
- Technological developments in the area of Artificial Intelligence (AI), Robotics, Blockchain and Clean Technology are beginning to **reshape** the landscape and **redefine** what is possible.
- This will have a profound impact on logistics operations, whether affecting **people** (new ways of work), **processes** (new or revised transport logistics) or **equipment** (automated vehicles).





SA PERFORMANCE

INTERNATIONAL ARRIVALS

INTERNATIONAL SPEND

DOMESTIC PERFORMANCE HIGHLIGHT

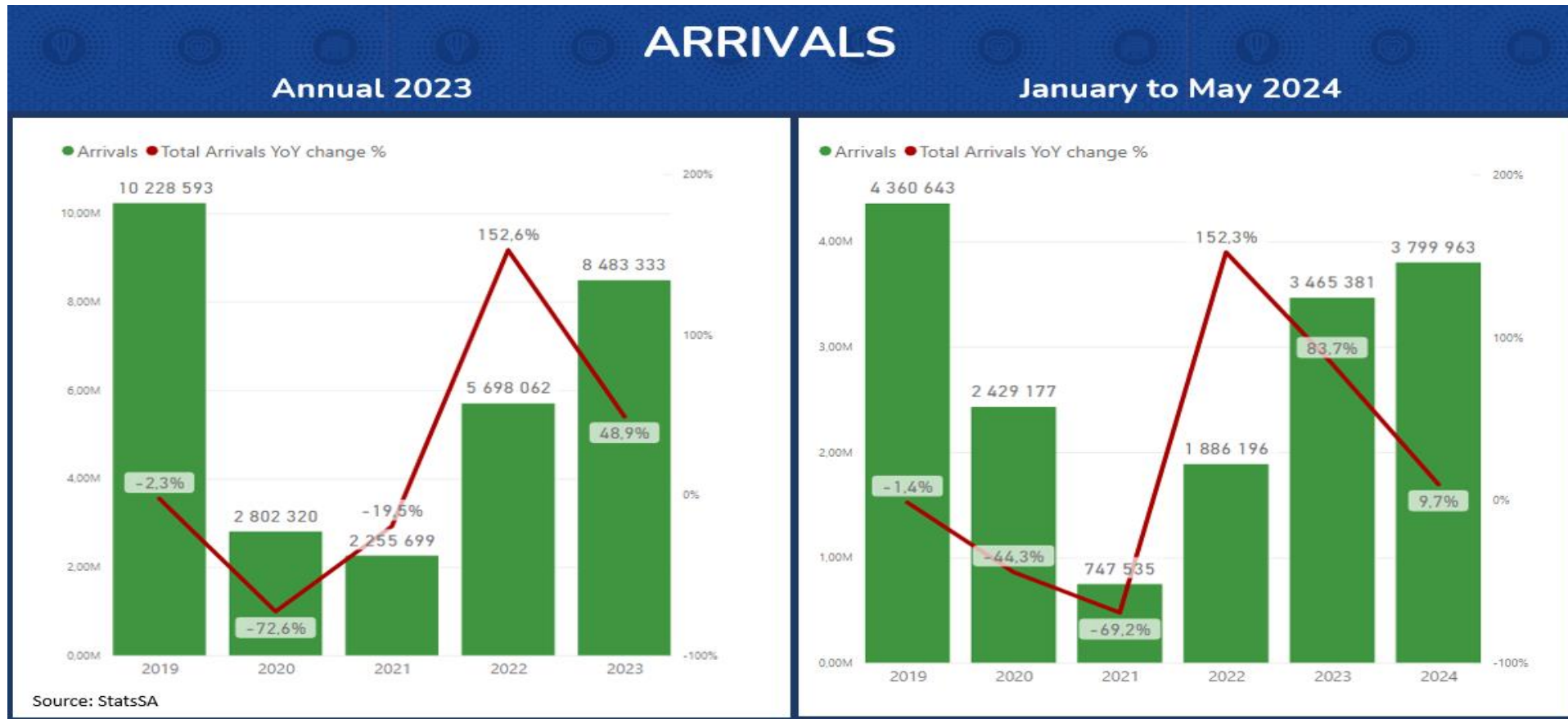
Inbound Tourism Performance- Arrivals

We closed 2023 with 8.5 million arrivals, a 48.9% increase over 2022, reaching 80% of 2019 levels. From January to May 2024, tourist arrivals varied regionally. The Africa Land Market led with 72% (2.78M), followed by Europe at 15.2% (578k), the Americas at 5.3% (203k), Asia, Australasia, and the Middle East at 3.9% (149k), and the Africa Air Market at 3.1% (117k).

Oxford Economics projects a return to pre-pandemic arrival levels by the end of 2024, with growth to ~15 million by 2030.

15M

international
tourist
arrivals by
2030



Inbound Tourism Performance- Spend

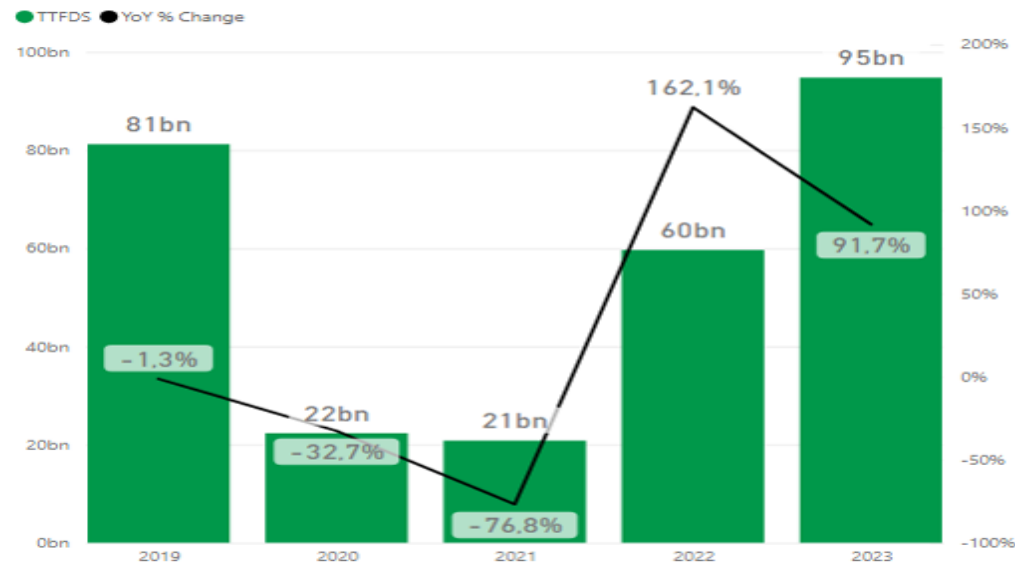
In 2023, tourist spending patterns in South Africa were significant. The African Land Market, with 6.2 million arrivals, contributed ZAR 38 billion. The European Market, despite having only 1.2 million arrivals, contributed ZAR 32 billion, reflecting higher average spending by European tourists. Total Tourist Foreign Direct Spend (TTFDS) increased by 92% in 2023, reaching ZAR 95 billion, surpassing 2019 levels and setting a new all-time high. In the first quarter of 2024, total spend was ZAR 25.7 billion.

Total Tourist Foreign Direct Spend (TTFDS)

Annual 2023

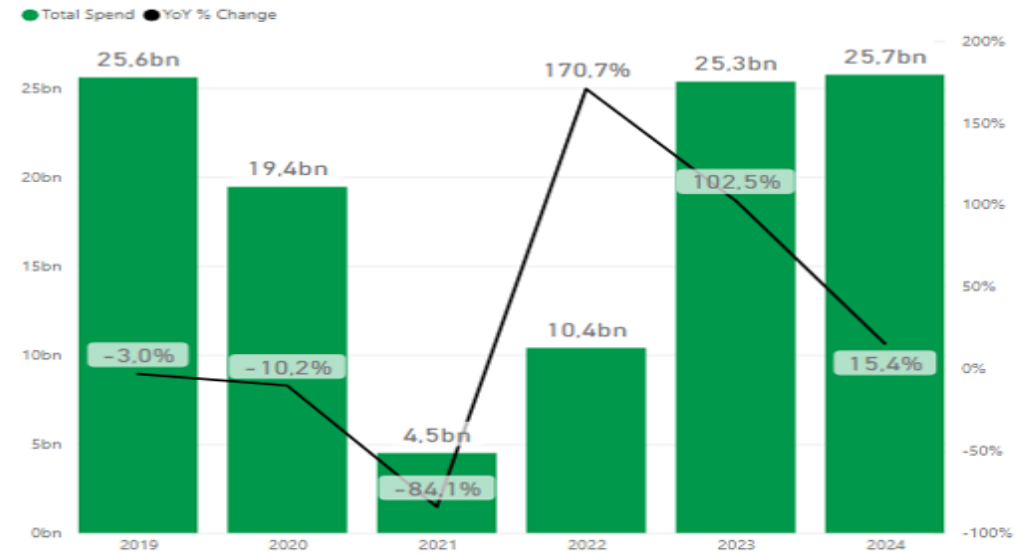
Q1 2024

TTFDS and YoY % Change by Year



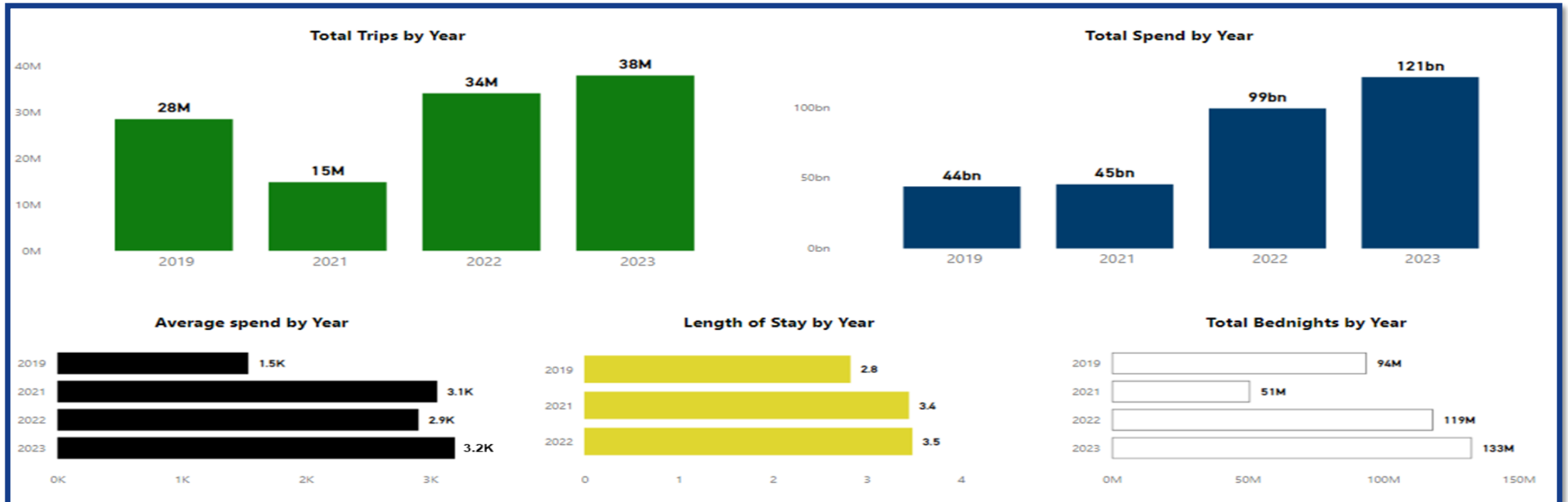
Source: Departure Survey

Total Spend and YoY % Change by Year



Domestic Tourism Performance

- In 2023, South African residents took 38 million domestic overnight trips, a 11.3% increase over 2022. Bed nights rose by 12.1% to 133 million, indicating a sustained growth in domestic tourism. Overnight domestic spend surged by 22.4% to R121.4 billion, with an average spend of R3,203 per trip (up 9.9% from 2022). The average trip length was 3.5 nights.
- From January to April 2024, total overnight trips reached 11.1 million, slightly below the 11.9 million trips during the same period in 2023.



15.ABBREVIATIONS AND ACRONYMS

AGSA	Auditor-General of South Africa	NC	Northern Cape	MP	Mpumalanga Province
AU	African Union	NTCE	National Tourism Careers Expo	TSRP	Tourism Sector Recovery Plan
APP	Annual Performance Plan	NTIMS	National Tourism Information and Monitoring System		
B-BBEE	Broad-Based Black Economic Empowerment	DDG	Deputy Director-General	TEF	Tourism Equity Fund
BRICS	Brazil, Russia, India, China, South Africa	DDM	District Development Model	UNWTO	United Nations World Tourism Organisation
CSD	Central Supplier Database	NTSS	National Tourism Sector Strategy	WC	Western Cape
CMT	Coastal and Marine Tourism	NW	North West	FTEs	Full-time equivalent
DBSA	Development Bank of South Africa	PSC	Public Service Commission	HYP	Hospitality Youth Programme
DPSA	Department of Public Service and Administration	RMC	Risk Management Committee	WEF	World Economic Forum
EC	Eastern Cape	RPL	Recognition of Prior Learning	WIT	Women in Tourism
ERRP	Economic Reconstruction and Recovery Plan	SADC	Southern African Development Community	WSP	Workplace Skills Plan
FS	Free State	SANBI	South African National Biodiversity Institute	EE	Employment Equity
GDP	Gross Domestic Product	SANParks	South African National Parks	EDP	Executive Development Programme
GP	Gauteng Province	SAPS	South African Police Service	EPWP	Expanded Public Works Programme
GTIP	Green Tourism Incentive Programme	SAT	South African Tourism	ERRP	Economic Reconstruction and Recovery Plan
HYP	Hospitality Youth Programme	SMME	Small, Medium and Micro Enterprises	FEDHASA	Federated Hospitality Association of South Africa
IORA	Indian Ocean Rim Association	SMS	Senior Management Service	IATA	International Air Transport Association
KZN	KwaZulu-Natal	SOEs	State-Owned Enterprises	IORA	Indian Ocean Rim Association
LP	Limpopo Province	STR	State of Tourism Report	GTIP	Green Tourism Incentive Programme
NDP	National Development Plan	TBCSA	Tourism Business Council of South Africa	IMF	International Monetary Fund
NTCE	National Tourism Careers Expo			G20	Group of 20: Intergovernmental Forum comprising 19 countries and the European Union



THANK YOU

