

Briefing to the Portfolio Committee on Tourism

Department of Tourism Annual Report for 2016/17

4 October 2017

broadening horizons



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



Contents

1. Auditor-General South Africa's (AGSA) Report: 2016-17 Audit.
2. Financial Information.
3. Programme Performance Information.
 - 3.1 Chief Operations Officer
 - 3.2 Policy and Knowledge Services
 - 3.3 International Tourism Management
 - 3.4 Domestic Tourism Management
4. Human Resource Information.



1. Auditor-General South Africa's (AGSA) Report: 2016-17 Audit.



Auditor-General's Report

- **Unqualified audit**
 - The department received an unqualified audit for the 2016/17 financial year.
- **Pre-determined Objectives:**
 - No material findings on the usefulness and reliability of the reported performance information for the selected Programmes: Programme 2 – Policy and Knowledge Services, and Programme 4 – Domestic Tourism Management. 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 2017, and its financial performance and cash flows for the year then ended in accordance with the modified cash standard (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).
- **Compliance with Laws and Regulations:**
 - No identified instances of material non-compliance with selected specific requirements of applicable legislation.
- **Internal Controls:**
 - No significant internal control deficiencies identified.
- **Other reports:**
 - As previously reported, GTAC has been requested to review the Expanded Public Works Programme (EPWP) projects to ensure finalisation of these projects in an effective and efficient manner. The review covered all EPWP projects not yet finalised since inception of the Department till 31 March 2017. At the date of the report, the review was still in progress.



2. Financial Information

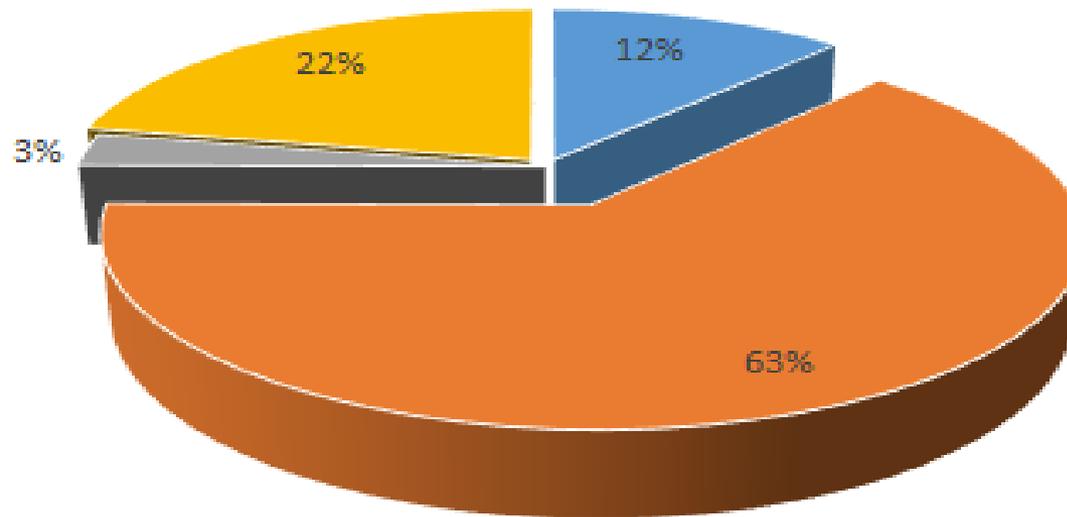


Budget and Expenditure Review for 2016/17

Programme	Final Appropriation (R'000)	Expenditure (R'000)	Expenditure as per % of Final Appropriation
1. Administration	236 264	227 079	96.1%
2. Policy and Knowledge Services	1 270 159	1 214 938	95.7%
3. International Tourism Management	56 186	54 785	97.5%
4. Domestic Tourism Management	446 907	422 844	94.6%
Total	2 009 516	1 919 646	95.5%



Actual Expenditure per programme



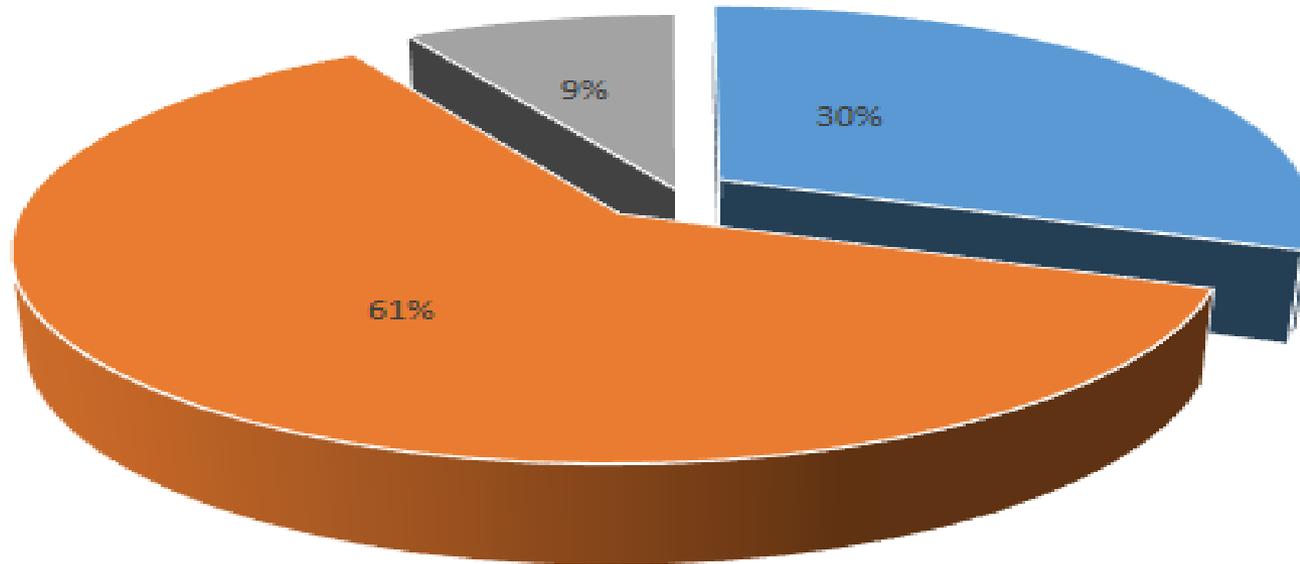
- ADMINISTRATION
- POLICY AND KNOWLEDGE SERVICES
- INTERNATIONAL TOURISM
- DOMESTIC TOURISM



Expenditure per Economical Classification (Summary)

Economical Classification	Final Appropriation R'000	Expenditure R'000	Variance R'000
Current Payments	597 156	584 672	12 484
- Compensation of Employees	269 541	266 118	3 423
- Goods and Services	327 615	318 554	9 061
Transfers and Subsidies	1 192 580	1 169 672	22 908
- Departmental Agencies and Accounts	1 040 012	1 040 012	-
- Higher Education Institutions	4 011	4 011	-
- Public Corporations and Private Enterprises	75 312	75 312	-
- Foreign Governments and International Organisations	6 369	6 368	1
- Non-Profit Institutions	500	200	300
- Households	66 376	43 769	22 607
Capital Assets	219 008	164 530	54 478
- Buildings and other fixed structures	211 089	158 988	52 101
- Machinery and Equipment	7 508	5 350	2 158
- Software and other intangible Assets	411	192	219
Payment for Financial Assets	772	772	-
Total	2 009 516	1 919 646	89 870

Actual Expenditure per high level item



- Current payments
- Transfers and subsidies
- Payments for capital assets
- Payment for financial assets



Details of Variance

Details	Amount R'000	Action
Current Payments - Cost containment measures - Accruals	12 484	Return to National Treasury.
Transfer Payments -Non-profit institutions - Households	22 908	Return to National Treasury.
Payments for Capital Assets - Buildings and other fixed structures -Machinery and Equipment -Software and other intangible Assets	54 478	Return to National Treasury. Roll-over request for R52,1million for capital projects (Energy efficiency).
Payment for Financial Assets	-	N/A
TOTAL	89 870	

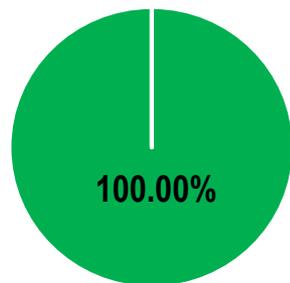


3. Programme Performance Information

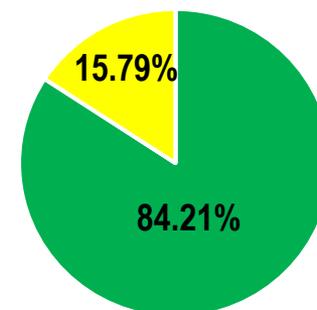


BRANCHES ANNUAL PERFORMANCE OVERVIEW

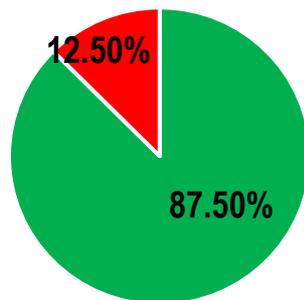
Chief Operating Officer



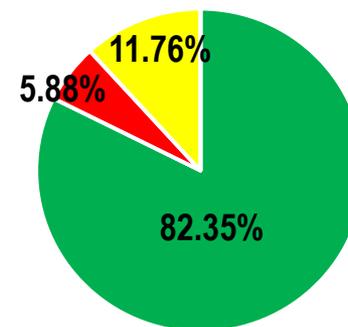
Policy and Knowledge Services



International Tourism Management



Domestic Tourism Management



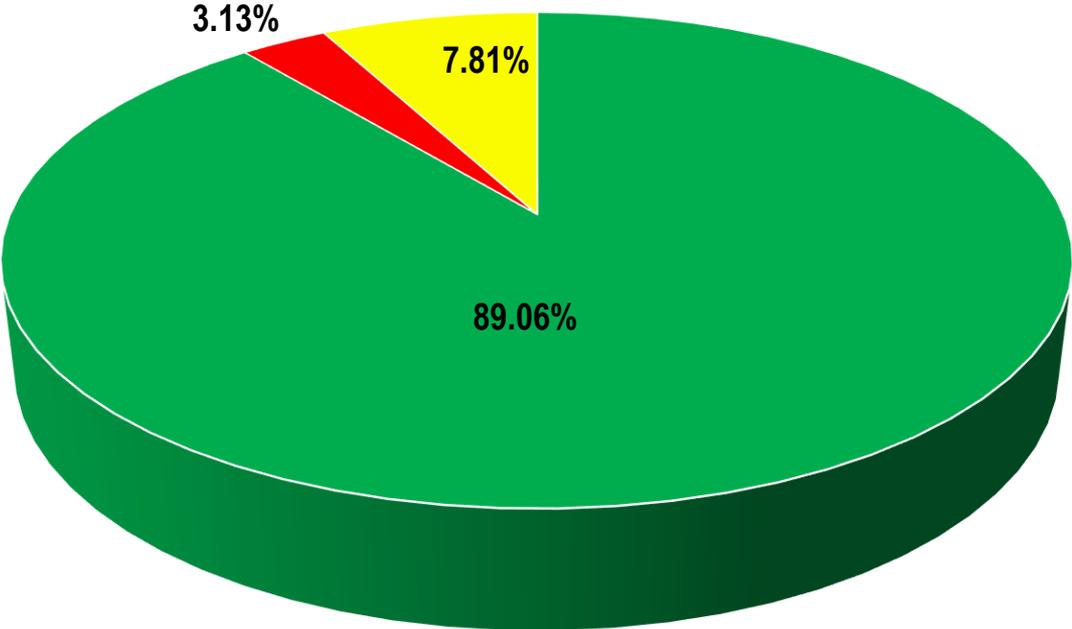
ANNUAL PERFORMANCE OVERVIEW

Branches	Achieved	Not achieved; significant work done	Not achieved; intervention required	Insufficient information to express opinion
Chief Operating Officer	100.00% (20 of 20)	0.00% (0 of 20)	0.00% (0 of 20)	0.00% (0 of 20)
Policy & Knowledge Services	84.21% (16 of 19)	15.79% (3 of 19)	0.00% (0 of 19)	0.00% (0 of 19)
International Tourism Management	87.50% (7 of 8)	0.00% (0 of 8)	12.50% (1 of 8)	0.00% (0 of 8)
Domestic Tourism Management	82.35% (14 of 17)	11.76% (2 of 17)	5.88% (1 of 17)	0.00% (0 of 17)
Total	89.06% (57 of 64)	7.81% (5 of 64)	3.13% (2 of 64)	0.00% (0 of 64)



ANNUAL PERFORMANCE OVERVIEW

2016/17 Annual Performance Overview



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



3.1 PROGRAMME 1

CHIEF OPERATIONS OFFICER



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

Key Performance Indicator	Annual Target	Actual Performance
1. Number of strategic documents developed and implemented.	Review of the SP and APP for 2017/18.	SP and APP for 2017/18 were reviewed.
	Annual Performance Report for 2016/17 as well as four quarterly reports on the implementation of the SP and APP developed.	Annual Performance Report for 2016/17 as well as four quarterly reports on the implementation of the SP and APP were developed.
	Four quarterly risk mitigation reports analysed and submitted to RMC.	Four quarterly risk mitigation reports analysed and submitted to RMC.
2. Number of public entity oversight reports prepared.	Four SAT oversight reports prepared.	Four SAT oversight reports were prepared. The reports cover financial and non-financial performance analysis, compliance with the PFMA checklist, governance and parliamentary matters. Non-financial performance analysis focuses on number of tourist arrivals achieved, number of domestic holiday trips achieved, total revenue achieved, brand awareness achieved, number of graded accommodations establishments achieved, number of business events achieved in South Africa.



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

Key Performance Indicator	Annual Target	Actual Performance
3. Vacancy rate.	Vacancy rate not to exceed 8%.	Vacancy rate was at 6.6% as at 31 March 2017.
4. Percentage women representation in Senior Management Service (SMS), representation for people with disabilities and black representation.	Women representation in SMS not to fall below 50%.	Women representation in SMS was maintained at 50.7% as at 31 March 2017.
	People with disabilities representation not to fall below 3%.	People with disabilities representation were maintained at 4.6% as at 31 March 2017
	Black representation not to fall below 91, 5%.	Black representation was maintained at 95.2% as at 31 March 2017.
5. Development and percentage implementation of Workplace Skills Plan (WSP).	Development and 100% implementation of WSP.	100% development and implementation of WSP was achieved. The WSP included the following learning areas, each targeting a total of 20 beneficiaries: Contract Management, Destination Development, Enterprise Development, Management Development, ocean Economy, Responsible Tourism and Risk Management. Other training interventions and the targeted beneficiaries included CIP (all new employees), ABET (7), Internal Bursaries (39), External Bursaries (10) and Internship (23).



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

Key Performance Indicator	Annual Target	Actual Performance
6. Percentage compliance with prescripts on management of labour relations matters.	100% compliance in the management and handling of grievances, misconduct, disputes and collective bargaining	100% compliance in the management and handling of grievances, misconduct, disputes and collective bargaining.
7. Implementation of Information Communication Technology Strategic Plan (ICTSP).	Implementation of phase 2 of the ICTSP.	Phase 2 of the ICTSP was implemented.
8. Number of quarterly and annual financial statements compiled and submitted.	Three quarterly interim financial statements compiled and submitted to National Treasury (NT).	Three quarterly interim financial statements compiled and submitted to NT.
	One annual financial statement compiled and submitted to NT and AGSA.	One annual financial statement compiled and submitted to NT and AGSA.



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

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

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

10. Department's FOSAD and Cabinet coordination and support system reviewed and implemented.	Review and 100% implementation of Department's Cabinet and Cluster Coordination Protocol up to 31 March 2017	Department's Cabinet and Cluster Coordination Protocol was reviewed and 100% implemented up to 31 March 2017.
11. Percentage implementation of the Communication Strategy (media engagement, branding, events management, internal and intergovernmental communications and community engagements / izimbizo).	100% implementation of the Department's Communication Strategy	100% implementation of the Department's Communication Strategy. These include: <ul style="list-style-type: none"> • Izimbizo's and departmental events hosted. • Production and distribution departmental stakeholder publication. • Production and circulating monthly newsletters. • Quarterly media monitoring and analysis reports. • Quarterly analytical reports on social media. • Monthly and Quarterly Call Centre, IRC and Presidential Hotline referral reports.



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

Key Performance Indicator	Annual Target	Actual Performance
12. Percentage of tourist complaints referred to appropriate authorities for resolution within agreed timeframes.	100% of tourist complaints referred to appropriate authorities for resolution within the agreed timeframes.	100% of tourist complaints referred to appropriate authorities for resolution within the agreed timeframes.
13. Amendments to the Tourism Act drafted.	Draft Tourism Amendment Bill submitted for approval.	<p>Draft Tourism Amendment Bill was submitted for approval.</p> <p>Reason for variance: Approval was granted that processing of the Draft Amendment Bill to Cabinet be halted to accommodate comprehensive review and/or amendments of the legislative framework for 2017/18.</p> <p>Corrective Measure: Review and/or amendments of the legislative framework will be undertaken in 2017/18 financial year, and will incorporate all Law reform related targets as per 2016/17 APP in relation to the Tourism Bill.</p>



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

Key Performance Indicator	Annual Target	Actual Performance
14. Number of tourism regulations developed.	Procedure for the lodging of tourist complaints developed.	Procedure for the lodging of tourist complaints was developed.

Strategic Objective: To contribute to economic transformation of South Africa.

15. Percentage procurement from B-BBEE compliant businesses.	100% procurement from B-BBEE compliant businesses.	100% procurement from B-BBEE compliant businesses.
--	--	--



3.2 PROGRAMME 2

POLICY AND KNOWLEDGE SERVICES



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

Key Performance Indicator	Annual Target	Actual Performance
<p>1. Number of platforms facilitated to improve tourism-sector stakeholder engagement and NTSS implementation.</p>	<p>Annual National Tourism Stakeholder Forum hosted.</p>	<p>Two National Tourism Stakeholder Forums hosted. Additional stakeholder engagement platform was created, held on 14 March 2017, and attended by more than 60 participants. Resolutions were taken around the following: sharing economy, Private sector perspective on the state of tourism, plans and priorities for 2017/18, Latest Tourism Satellite Account, International Migration White Paper, Turnaround Strategy for Tourism Month.</p> <p>Reason for Variance: There was a need to follow-up and provide feedback on pertinent issues raised at the previous meeting as well as to reflect on the Department, South African Tourism and private sector plans for the next financial year to ensure alignment and collaboration in areas of common interest.</p>

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

<p>2. Number of policy documents developed on the implementation of the Tourism Act, 2014 (Act 3 of 2014)</p>	<p>Regulations on National Tourism Information and Monitoring System (NTIMS) developed.</p>	<p>Regulations on National Tourism Information and Monitoring System (NTIMS) were developed. NTIMS is an information infrastructure tool that will enable collection, analysis, and dissemination of information on tourism data trends.</p>
---	---	--



Strategic Objective: To accelerate the transformation of the tourism sector.

Key Performance Indicator	Annual Target	Actual Performance
3. Number of initiatives supported to promote B-BBEE implementation.	Secretarial support provided to the Tourism B-BBEE Charter Council.	Secretarial support provided to the Tourism B-BBEE Charter Council. The report was compiled and outlines the work of the Tourism B-BBEE Charter Council (the Council) and its Sub-committees done in the 2016/17 financial year.
	Study conducted to establish a baseline for the amended tourism B-BBEE sector code targets.	<p>Study conducted to establish a baseline for the amended tourism B-BBEE sector code targets was not finalised.</p> <p>Reason for Variance: Finalisation of the study was delayed to allow for more time to go through the research methodology, cleaning of the database and questionnaire design to ensure credibility of the research product.</p> <p>Corrective Measure: Data collection has been scheduled for April and May 2017. The final report is due in June 2017.</p>



Strategic Objective: To accelerate the transformation of the tourism sector.

Key Performance Indicator	Annual Target	Actual Performance
3. Number of initiatives supported to promote B-BBEE implementation.	Additional functionalities developed for the tourism B-BBEE portal for Black-owned enterprises, to accelerate SMMEs' empowerment in the tourism sector (to facilitate matchmaking and monitor compliance with the Amended Tourism B-BBEE Sector code).	Additional functionalities for the tourism B-BBEE portal were developed for black-owned enterprises, to accelerate SMMEs' empowerment in the tourism sector (to facilitate matchmaking and monitor compliance with the amended tourism B-BBEE sector code).



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
<p>4. Number of initiatives to support growth of the tourist-guiding sector.</p>	<p>1. Programmes to capacitate tourist guides at two WHSs, namely iSimangaliso Wetlands Park and Cradle of Humankind implemented.</p>	<p>Programmes to capacitate tourist guides at two WHSs, namely iSimangaliso Wetlands Park and Cradle of Humankind, were implemented.</p> <p>iSimangaliso Wetlands Park: Tourist Guides Up-Skilling – Workshops were held on 13-15 December 2016 and 21-24 February 2017, both attended by 8 participants. Quarterly seminar was held on 22 November 2016 with 42 guides and operators.</p> <p>Cradle of Humankind: Phase 1 (Training of Trainee site-guides to Level 2 Site Guide: Cultural) commenced from 5 December 2016 to 20 January 2017. Nine trainees attended and 8 successfully completed assessment. Phase 2 (Upskilling of existing Cultural Site Guides from Level 2 qualification to Provincial Level 4 Cultural Tourist Guides for Gauteng Province). Programme commenced from 17 October 2016 to 10 February 2017. All targeted 10 learners completed the assessment.</p>



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
<p>4. Number of initiatives to support growth of the tourist-guiding sector ... Continued.</p>	<p>2. Tourist-guide training programme for new entrants implemented.</p>	<p>Tourist-guide training programme for new entrants implemented.</p> <ul style="list-style-type: none"> • Elephant Coast Region: Training of new tourist guides was implemented successfully and 8 beneficiaries completed training, and were found to be competent. • Zululand: Training of new tourist guides was implemented successfully and 10 beneficiaries completed training, and were found to be competent. • Training has equipped beneficiaries with skills to improve their lives, and these new guides will assist in enhancing visitor experience in the region and improve overall tourism experience in the country.
	<p>3. CPD programme for tourist guides developed.</p>	<p>CPD programme for tourist guides developed. The CPD programme is meant to assist tourist guides to maintain and acquire new and updated levels of knowledge and skills to promote and enhance the services they provide.</p>



Strategic Objective: To diversify and enhance tourism offerings.

Key Performance Indicator	Annual Target	Actual Performance
<p>5. Number of tourism attractions supported to enhance destination competitiveness.</p>	<p>1. Commencement of construction at Shangoni Gate tourism development in Kruger National Park.</p>	<p>Construction at Shangoni Gate has not commenced. However, flood line studies by the Department of Water and Sanitation (DWS) were completed. Final plans have been submitted and the service providers for construction have already been appointed. Environmental Impact Assessment (EIA) is completed and Basic Assessment Report (BAR) was submitted to the Department of Environmental Affairs (DEA). Public participation meeting on EIA / BAR was also held.</p> <p>Reason for Variance:</p> <p>SANParks was not able to commence with any construction on the project due to the fact that there was no Record of Decision on the Environmental Impact Assessment.</p> <p>Corrective Measure:</p> <p>The Department of Environmental Affairs review process is under way and the Record of Decision is expected early in the 2017/18 financial year, after which SANParks will be in a position to commence with construction on the project.</p>



Strategic Objective: To diversify and enhance tourism offerings.

Key Performance Indicator	Annual Target	Actual Performance
<p>5. Number of tourism attractions supported to enhance destination competitiveness.</p>	<p>2. Commencement of construction at Phalaborwa wild activity hub in Kruger National Park.</p>	<p>Construction at Phalaborwa wild activity hub has not commenced. However, final plans and costing have been completed and submitted. The service providers for construction have already been appointed.</p> <p>Reason for Variance:</p> <p>SANParks was not able to commence with any construction on the project due to the fact that there was no Record of Decision issued on the Environmental Impact Assessment.</p> <p>Corrective Measure:</p> <p>The Department of Environmental Affairs review process is under way and the Record of Decision is expected early in the 2017/18 financial year, after which SANParks will be in a position to commence with construction on the project.</p>



Strategic Objective: To diversify and enhance tourism offerings.

Key Performance Indicator	Annual Target	Actual Performance
5. Number of tourism attractions supported to enhance destination competitiveness.	3. Commencement of construction of National Heritage Monument Park Interpretation Centre.	Construction of National Heritage Monument Park interpretation centre has commenced.
	Draft Product Development Master Plan developed.	Draft Product Development Master Plan was developed. The Plan addresses definition of tourism product development, procedures for tourism product development, identifying and prioritising tourism product development opportunities, common approaches -product types, the significance of understanding the destination, linking tourism product development with spatial planning, destination management plan, tourism product development master plan, and proposed process flow for a South African tourism product development.



Strategic Objective: To diversify and enhance tourism offerings.

Key Performance Indicator	Annual Target	Actual Performance
<p>6. Number of priority areas incentivised to facilitate sustainable tourism growth and development.</p>	<p>Refined programmes (based on outcomes of the pilot phase) for the three priority areas incentivised:</p> <ul style="list-style-type: none"> • Market access. • Tourism grading. • Energy-efficiency. 	<p>Three priority areas were incentivised during the pilot phase:</p> <ul style="list-style-type: none"> • Market access • Tourism grading • Energy-efficiency <p>The report is available and covers progress on support provided in relation to these priority areas, and addresses, applications, approvals, claims summary, energy efficiency retro-fitting programme for private sector, stakeholder engagement and awareness campaign, etc.</p>
	<p>UA incentives guidelines developed</p>	<p>Universal access (UA) incentives guidelines developed. These are in line with the Department's support on incentivising tourism products/businesses for universal access through various platforms and means of support at four government-owned provincial parks in four provinces.</p>



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

Key Performance Indicator	Annual Target	Actual Performance
7. Number of monitoring and evaluation reports on tourism projects and initiatives.	2015 STR developed.	2014/15 STR developed. STR provides a detailed annual performance of the tourism industry in South Africa and globally, focusing on tourism key sub-sectors. Global tourism performance includes, amongst others, the analysis of global tourist arrivals, economic impact of tourism globally and global aircraft and passenger movement.
8. Number of information systems, services and frameworks developed, implemented and maintained.	Two mobile applications:	
	1. Mobile application for tourist guides developed.	Mobile application (Mobile app) for tourist guides was developed. The App had been deployed live (published) at the Google Play App Store. It disseminates information and make it easier and quicker for the users to access tourist guiding information, thereby enhancing visitor experience. It is freely downloadable by the public on the two most popular mobile phone platforms namely, Android and Apple iOS.
2. Mobile application for VICs developed.	Mobile application for VICs developed. The App had been deployed live (published) at the Google Play App Store. It disseminates information easier and quicker for the technologically savvy travellers to access information about VICs, thereby enhancing visitor experience. The App is freely downloadable by the public on the two most popular mobile phone platforms namely, Android and Apple iOS.	



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

Key Performance Indicator	Annual Target	Actual Performance
<p>8. Number of information systems, services and frameworks developed, implemented and maintained ... Continued.</p>	<p>Two NTIGs maintained at KSIA and ORTIA.</p>	<p>Two NTIGs maintained at KSIA and ORTIA. The reports are available, and cover operations in relation to Human Resources, Visitor Statistics, Visitor Enquiries Handled, Enquiry Categories, International Visitors, Purpose of Travel, Number of days, Customer Satisfaction Survey, etc.</p>
	<p>One NTIG enhanced at ORTIA.</p>	<p>One NTIG enhanced at ORTIA. The report covers operational reporting (procurement of additional NTIG Space, staff uniform, branding, capacity-building Initiatives for Information Officers, touchscreen, utilisation of Tablets for ORTIA and other NTIGs, Information Database, Enhancements Already Implemented), visitor statistics with annual comparative analysis.</p>



3.3 PROGRAMME 3

INTERNATIONAL TOURISM MANAGEMENT



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
<p>1. Number of skills development opportunities facilitated through bilateral cooperation.</p>	<p>1. Cross-border guiding module finalised and consulted on with relevant stakeholders.</p>	<p>Cross-border guiding module was finalised and consulted on with relevant stakeholders. The Module consists of the following ten (10) themes: Theme 1: Introduction to Borders and Cross-Border Tourism; Theme 2: Roles of the Tourist Guide & Cross-Border Tourist Guide; Theme 3: Guiding and Technology; Theme 4: Natural Landscape Cross-Border Lateral Knowledge of the Two Countries; Themes 5: History Cross-Border Lateral Knowledge of the Two Countries; Themes 6: Economy, Industry and Demographics Cross-Border Lateral Knowledge of the Two Countries; Themes 7: Cultures, Heritage and Languages Cross-Border Lateral Knowledge of The Two Countries; Themes 8: Competencies (Law, Health & Safety); Themes 9: Business Networking Skills; Themes 10: Tourism-Scapes.</p>



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
<p>1. Number of skills development opportunities facilitated through bilateral cooperation ... Continued.</p>	<p>2. Recruitment of tourist guides and frontline staff for language training:</p> <ul style="list-style-type: none"> • Foreign languages (Russian, Mandarin). 	<p>Recruitment of tourist guides and frontline staff for language training was done:</p> <ul style="list-style-type: none"> • Foreign languages (Russian, Mandarin). <p>Russian: A total of 24 tourist guides participated from the Western Cape, KwaZulu Natal and Gauteng. Interviews were conducted on 25-29 July 2016. A total 9 candidates made the final selection and letters of notification were sent to successful candidates (5 from KZN and 3 from Western Cape). The only candidate from Gauteng who made the final selection withdrew due to other commitments.</p> <p>Mandarin: Interviews were held in the Department on 22-26 August 2016, and 20 participants were appointed to commence with the training. All contracts were developed and signed by all participants who accepted to enter into the training.</p>



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
1. Number of skills development opportunities facilitated through bilateral cooperation ... Continued.	3. International placement of 12 learner chefs facilitated.	International placement of 20 learner chefs was facilitated. Reason for Variance: The original agreement was to place 12 learner Chefs in the Seychelles as part of the implementation of the Memorandum of Understanding on Tourism signed between South Africa and Seychelles. Further engagements with the Seychelles Tourism Academy concluded that there was enough capacity to accommodate an additional 8 learner Chefs for placement in the Seychelles.



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

Key Performance Indicator	Annual Target	Actual Performance
<p>1. Number of skills development opportunities facilitated through bilateral cooperation.</p>	<p>4. Benchmarking of tourism capacity-building programme for provinces and municipalities.</p>	<p>Benchmarking of tourism capacity-building programme for provinces and municipalities was done. The report is available and it presents the findings and the recommendations from the international benchmarking study undertaken to ascertain practices in respect of capacity-building interventions for tourism planning and development at provincial (regional) and local tiers of government, with a view to improving currently capacity building initiatives.</p>
	<p>5. Capacity-building for effective participation in market access programme.</p>	<p>Capacity-building for effective participation in Market Access Programme was done. The Programme creates market ready enterprises for domestic and international trade platforms.</p> <p>The SME Market Access Programme has five main phases, namely basic training, mentorship, trade engagement with established tour operators at Indaba 2017, exhibition at the Indaba 2017 Hidden Gems Pavilion and Local Hosted Buyers and post-event survey.</p>



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

Key Performance Indicator	Annual Target	Actual Performance
---------------------------	---------------	--------------------

Strategic Objective: To diversify and enhance tourism offerings.

<p>2. Number of programmes implemented to enhance tourism offerings.</p>	<p>Draft Tourism Investment Master Plan developed</p>	<p>Draft Tourism Investment Master Plan developed.</p> <p>The Master Plan aims to assist the Department as well as other institutions to target national and foreign investors for the development of the tourism sector in support of the national development objectives as set out in the NTSS and NDP. It comprises discussions on the following aspects, amongst others:</p> <ul style="list-style-type: none"> • Overview of Trends in Tourism (International Tourism Trends, South African Tourism Highlights, Key Success Factors in each sector) • Overview of the current tourism offerings (the General Investment Climate, South Africa’s tourism offerings). • Benchmarking of Prospective Projects Against International Competitors.
--	---	--



Strategic Objective: Reduce barriers to tourism growth to enhance tourism competitiveness.

Key Performance Indicator	Annual Target	Actual Performance
<p>3. Implementation of the Accreditation of travel companies (ATC) programme for visa facilitation.</p>	<p>Accreditation of travel companies (ATC) for visa facilitation.</p>	<p>Accreditation of travel companies (ATC) for visa facilitation was not finalised.</p> <p>Reason for Variance: The Inter-Ministerial Committee recommendation endorsed by Cabinet was to look at introducing an Accredited Tourism Company (ATC) programme for China, India and Russia, with possible extension to other visa requiring countries. The ATC programme was successfully implemented in China. The visa waiver announced for Russia and the situation on the ground with regard to the application process for visas in India overtook the need for an ATC programme in Russia and India. Further work was also done on the possible extension of ATC programme into Africa.</p> <p>Corrective Measure: Implementation of ATC Programme will be done on an <i>ad hoc</i> basis.</p>



Strategic Objective: To enhance regional tourism integration.

Key Performance Indicator	Annual Target	Actual Performance
14. Number of initiatives facilitated for regional integration.	Ministerial session at the 2016 Tourism Indaba hosted.	<p>Ministerial session at the 2016 Tourism Indaba hosted in May 2016. The Forum brought together Pan-African leaders, which included:</p> <ul style="list-style-type: none">• 8 African Ministers, Deputy Ministers and Ministerial representatives.• 16 media representatives.• 185 representatives across the African Tourism Sector, including parliamentarians, MECs, diplomats and business leaders.• Thought leaders specialising in Tourism and national identity, as an initial step in putting practical and united focus on:<ul style="list-style-type: none">- Defining the challenges shared by tourism leaders across the continents.- Determining how tourism leaders can turn these challenges into shared solutions with shared benefits.- Charting a real path for progress and participation, from which all can benefit.- Committing to momentum of delivery and impact.



3.4 PROGRAMME 4

DOMESTIC TOURISM MANAGEMENT



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

Key Performance Indicator	Annual Target	Actual Performance
1. Domestic Tourism Growth Strategy reviewed.	Domestic Tourism Growth Strategy reviewed	Domestic Tourism Growth Strategy was reviewed. The Strategy covers the Background and Overview, Rationale for the Review, Review Approach, Domestic Tourism 2015 Performance Summary, Domestic Tourism performance reports insights, Trends, Theory of Change (Root Cause Analysis, Stakeholder Analysis, SWOT Analysis, Problem Analysis, Objectives Analysis - Solutions Tree, Analysis of Strategies), Logframe Matrix, Activity Scheduling, Resource Scheduling, Key Findings and Recommendations.

Strategic Objective: To accelerate the transformation of the tourism sector.

2. Number of social tourism initiatives activated to promote open access to selected government-owned attractions.	Four social tourism initiatives facilitated that promote open access to selected government owned attractions.	Four social tourism initiatives facilitated that promote open access to selected government-owned attractions. Social Tourism is an initiative by the Department of Tourism to address the gaps identified in the Domestic Tourism Growth Strategy, which amongst others are seasonality and uneven geographic spread. The focus was on the Youth, People with disabilities, Senior citizens and Stokvel groups
--	--	---



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

Key Performance Indicator	Annual Target	Actual Performance
---------------------------	---------------	--------------------

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

3. Implementation of the enterprise development programme.	100 rural enterprises supported for development.	100 rural enterprises supported for development.
<p>2016-17 Department of Tourism Annual Report</p>	<p>Implementation of an enterprise development programme focusing on:</p> <ul style="list-style-type: none"> • incubation; and • business support services (portal). 	<p>Enterprise development programme was implemented focusing on:</p> <ul style="list-style-type: none"> • incubation; and • business support services (portal). <p>Tourism Enterprise Development Business Incubator is a virtual platform that is aimed at facilitating the provision of remote business support interventions to SMME's in the Industry. The incubator is meant to assist SMME's with services such as business development needs assessment and a growth plan for each enterprise, business management advise, mentorship and coaching; business management training and development, facilitation of tourism workshops to empower hub operators, market access assistance and training, etc. The Incubators will have 50 enrolled SMMEs based in Pilanesburg (NW) and 50 SMMEs in Manyeleti (Mpumalanga) for 3 years.</p>

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

Key Performance Indicator	Annual Target	Actual Performance
---------------------------	---------------	--------------------

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

<p>3. Implementation of the enterprise development programme Continued.</p>	<p>Implementation of an enterprise development programme focusing on:</p> <ul style="list-style-type: none"> • incubation; and • business support services (portal). 	<p>Enterprise development programme was implemented focusing on:</p> <ul style="list-style-type: none"> • incubation; and • business support services (portal). <p>The Tourism Enterprise Development Portal is an online information sharing platform for tourism SMMEs and has been designed to enhance access to tourism business development information, and also to bridge the business knowledge and information gap in the tourism sector.</p> <p>The Portal content has been developed and uploaded, and is updated from time to time.</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
---------------------------	---------------	--------------------

Strategic Objective: To facilitate tourism capacity-building programmes.

4. Number of capacity-building programmes implemented.	Implement the chefs training programme (CTP) targeting 577 trainees.	Implemented the chefs training programme (CTP) targeting 577 trainees.
	300 youth enrolled in the sommelier training course.	<p>300 youth learners were recruited in Sommelier training course. Induction and placement to be conducted in May.</p> <p>Reason for variance: It has been difficult to get host employers for learners in Northern Cape Province.</p> <p>Corrective Measure: Induction and placement will be conducted in May 2017.</p>



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
<p>4. Number of capacity-building programmes implemented ... Continued.</p>	<p>2 000 youth enrolled in the hospitality service training programme.</p>	<p>2 003 youth enrolled in the hospitality service training programme.</p> <p>Reason for variance: Top up for additional learners was approved and learners were recruited in March 2017.</p>
	<p>500 learners enrolled in the Food Safety Programme.</p>	<p>450 learners were recruited for Food Safety Assurers programme. Induction and placement started in April 2017.</p> <p>Reason for variance: It has been difficult to get host employers for 50 learners in Northern Cape Province.</p> <p>Corrective Measure: 50 learners will be recruited from Northern Cape in May 2017.</p>



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
<p>4. Number of capacity-building programmes implemented ... Continued.</p>	<p>Local government tourism induction programme, with a focus on rural areas with tourism potential (eight district municipalities) conducted.</p>	<p>Local government tourism induction programme, with a focus on rural areas with tourism potential (eight municipalities) was conducted.</p> <p>This was in line with the Department's actions to implement projects what will enhance tourism development and capacity building in certain nodes within the identified high poverty rural nodes namely, Dr. RS Mompoti, Bushbuckridge, Nkomazi, Mopani, Vhembe, OR Tambo and Amathole, Chris Hani, Zululand and ZF Mgcawu municipalities. The Department, together with the Tourism Provincial Departments, Districts and Local Municipalities, worked together in implementing the 2016/17 Local Government Induction Programme.</p>



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
<p>4. Number of capacity-building programmes implemented ... Continued.</p>	<p>Phase 2: THRD Strategy developed.</p>	<p>THRD Strategy was developed. The Strategy is intended to be a multi-year plan that aims to facilitate up-skilling of workers in the tourism sector and through this, support growth and development of the tourism industry in South Africa. It focuses on the status of tourism human resource development in South Africa, implications from the findings for the THRD Strategy, Alignment with the NTSS, Tourism Human Resource Development Strategy Implementation Plan, etc.</p>
	<p>NTCE convened.</p>	<p>NTCE was convened. It was attended by 7177 participants including learners and educators from all provinces in the country except Western Cape Province. Some of the main attractions and highlights included:</p> <ul style="list-style-type: none"> • Exhibition by product owners and other stakeholders, prioritising skills development and career opportunities in the sector. • Virtual Classroom and Recruitment Arena exposing unemployed graduates to tourism sector jobs and assistance in preparation for job interviews. • Competitions for students and educators.



Strategic Objective: To facilitate tourism capacity-building programmes.

Key Performance Indicator	Annual Target	Actual Performance
<p>4. Number of capacity-building programmes implemented ... Continued.</p>	<p>Twenty (20) Black women trained at an institution of higher learning through a customised executive development programme.</p>	<p>19 Black women were trained at institution of higher learning through a customised executive development programme.</p> <p>Reason for Variance: One candidate passed away during the course.</p> <p>Corrective Measure: The Programme is scheduled for completion July 2017.</p>



Strategic Objective: To diversify and enhance tourism offerings.

Key Performance Indicator	Annual Target	Actual Performance
5. Number of programmes implemented to enhance tourism offerings.	Implementation of service excellence integrated support programme (SANS 1197) for three tourism products (Manyane Game Reserve, Robben Island and Golden Gate Highlands National Park).	Implementation of service excellence integrated support programme (SANS 1197) for three tourism products (Manyane Game Reserve, Robben Island and Skukuza Camp in the Kruger National Park) were done. Reason for Variance: Golden Gate Highlands National Park was replaced by Skukuza Camp due to administrative issues which needed to be cleared off before the intervention could be done.



Strategic Objective: To diversify and enhance tourism offerings.

Key Performance Indicator	Annual Target	Actual Performance
5. Number of programmes implemented to enhance tourism offerings.	Facilitate the development of tourism interpretation signage at four heritage sites (iconic national heritage sites – Victor Verster in Western Cape; Nelson Mandela capture site in KwaZulu-Natal; Freedom Park in Gauteng; Mandela statue at Union Buildings, Gauteng).	Development of tourism interpretation signage in four (4) heritage sites (iconic national heritage sites – Victor Verster in Western Cape; Nelson Mandela Capture Site in KwaZulu-Natal; Freedom Park in Gauteng; Mandela statue at Union Buildings, Gauteng) was facilitated.



Strategic Objective: To diversify and enhance tourism offerings.

Key Performance Indicator	Annual Target	Actual Performance
<p>6. Number of programmes implemented to grow tourism's contribution to the ocean economy.</p>	<p>One programme (facilitating the implementation of the Blue Flag programme at 50 South African beaches).</p>	<p>One programme (facilitating the implementation of the Blue Flag programme at 50 South African beaches) was done.</p>
	<p>First draft Tourism Infrastructure Master Plan developed.</p>	<p>First draft on tourism Infrastructure Master Plan developed. The topics covered include the following: Global Tourism Trends, Economic Infrastructure Defined, The State of Infrastructure in South Africa, Public Infrastructure Incentive Programmes, Infrastructure Planning – Towards 2030, Some Key Factors to be considered by Provincial and Local Government when Developing a Tourism Infrastructure Master Plan, Gap Analysis and Recommendations.</p>



Strategic Objective: To create employment opportunities by implementing tourism projects.

Key Performance Indicator	Annual Target	Actual Performance
<p>7. Number of full-time equivalent (FTE) jobs created through the SRI Programme per year.</p>	<p>3 488</p>	<p>1 734 full-time equivalent (FTE) jobs were created through the SRI Programme.</p> <p>Reason for Variance: Labour intensive projects only commenced in the third and fourth quarter due to the GTAC processes.</p> <p>Corrective Measure: The Department appointed Government Technical Advisory Centre (GTAC) to assist in the evaluation of remaining SRI projects (planned and active) to ensure their viability.</p>



4. Human Resource Information



Employees per Occupational Bands: March 2017

OCCUPATIONAL BAND	MALE				FEMALE				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	2	3	0	1	1	8
Senior Management.	23	3	3	1	22	2	3	3	60
Professionally qualified and experienced specialists and mid-management.	87	2	5	6	89	7	3	6	205
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents.	66	5	0	0	106	8	3	5	193
Semi-skilled and discretionary decision making.	17	0	0	0	12	1	0	0	30
Unskilled and defined decision making. (interns)	10	0	0	0	13	0	0	0	23
TOTAL	204	10	8	9	245	18	10	15	519



Workforce Representativity as end of 31 March 2017

TOTAL ESTABLISHMENT		
Race	Number	Percentage
Africans	426	85.6%
Coloureds	28	5.6%
Indians	18	4%
Whites	24	4.8%
TOTAL	496*	100%
Persons with Disabilities	23	4.6%
* Interns	23	



LIST OF ACRONYMS AND ABBREVIATIONS

AGSA:	Auditor-General of South Africa	NTCE:	National Tourism Careers Expo
APP:	Annual Performance Plan	NTIG:	national tourism information gateway
ATC:	accreditation of travel companies	NTIMS:	National Tourism Information and Monitoring System
B-BBEE:	broad-based black economic empowerment	NTSS:	National Tourism Sector Strategy
CIP:	Continuous Induction Programme	ODG:	Office of Director-General
CPD:	continuous professional development	ORTIA:	OR Tambo International Airport
CTP:	chefs training programme	RMC:	Risk Management Committee
DEA	Department of Environmental Affairs	SACA:	South African Chefs Association
DTM:	Domestic Tourism Management	SANS:	South African National Standard
DPME:	Department of Planning, Monitoring and Evaluation	SAHRA:	South African Heritage Resource Agency
DWS:	Department of Water and Sanitation	SAT:	South African Tourism
EPWP:	Expanded Public Works Programme	SATSA	South African Tourism Services Association
FOSAD:	Forum of South African Directors- General	SLA:	service-level agreement
FTE:	full-time equivalent	SMS:	senior management service
ICTSP:	Information Communication Technology Strategic Plan	SMMEs:	small, medium & micro enterprises
IRC:	Information Resource Centre	SP:	Strategic Plan
KSIA:	King Shaka International Airport	SRI:	Social Responsibility Implementation
MOA:	memorandum of agreement	STR:	State of Tourism Report
MOU:	memorandum of understanding	TEP:	Tourism Enterprise Partnership
NT:	National Treasury	THRD:	Tourism Human Resource Development Strategy
		UA:	universal access
		WHS:	world heritage site
		WSP:	Workplace Skills Plan

Thank You

