BRIEFING TO THE PORTFOLIO COMMITTEE ON TOURISM

SECOND QUARTERLY PERFORMANCE REPORT FOR 2024/25 FINANCIAL YEAR

26 NOVEMBER 2024

broadening horizons

tourism
Department:
Tourism
REPUBLIC OF SOUTH AFRICA

NDP 2030

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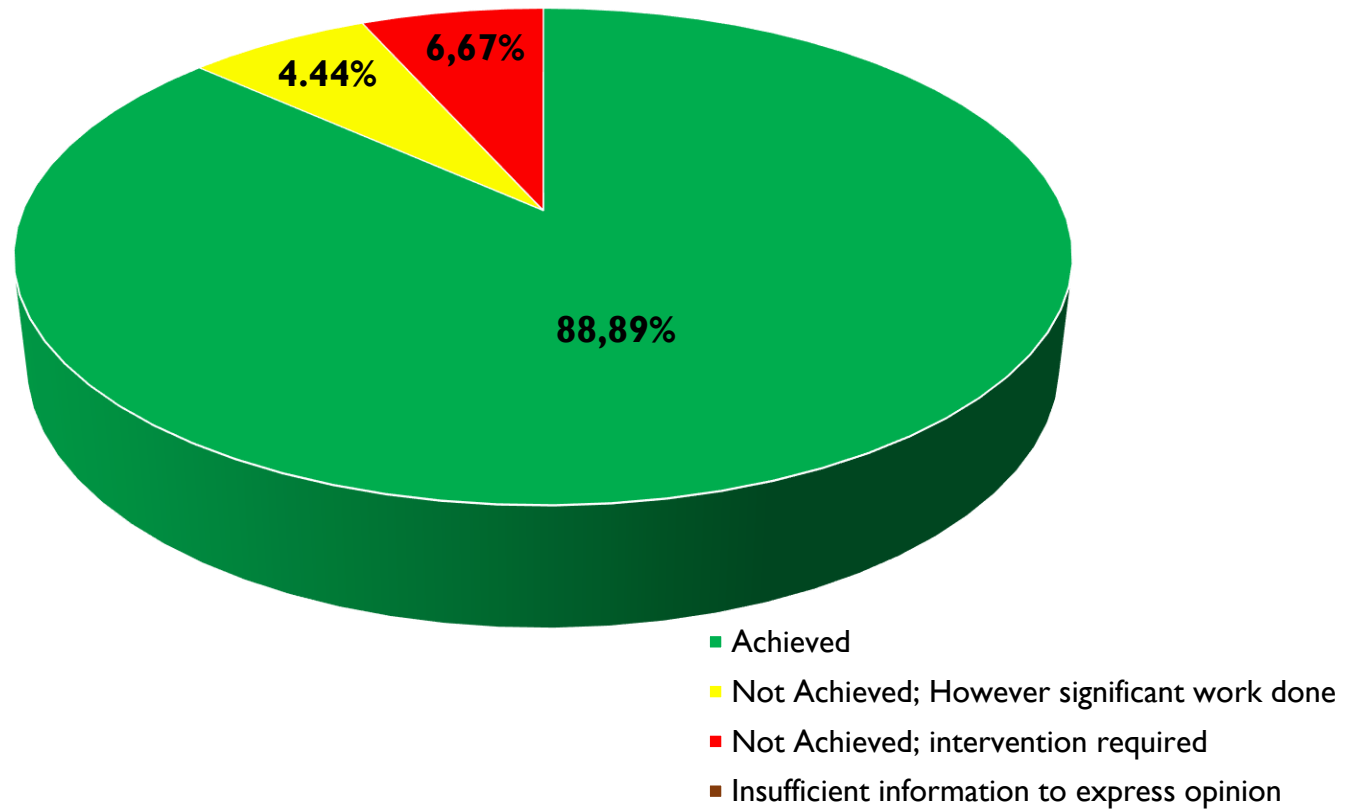
I. PERFORMANCE OVERVIEW

Second Quarter Performance (1 July – 30 September 2024)

Branches	Achieved	Not achieved; significant work done	Not achieved; intervention required	Insufficient information to express opinion
Administration	80,00% (8 of 10)	20,00% (2 of 10)	0,00% (0 of 10)	0,00% (0 of 10)
Tourism Research, Policy and International Relations	100,00% (11 of 11)	0,00% (0 of 11)	0,00% (0 of 11)	0,00% (0 of 11)
Destination Development	75,00% (6 of 8)	0,00% (0 of 8)	25,00% (2 of 8)	0,00% (0 of 8)
Tourism Sector Support Services	93,75% (15 of 16)	0,00% (0 of 16)	6,25% (1 of 16)	0,00% (0 of 16)
Total	**88,89% (40 of 45)**	**4,44% (2 of 45)**	**6,67% (3 of 45)**	**0,00% (0 of 45)**

Departmental Performance Overview

2024/25 Quarterly Performance Overview – Quarter 2

Pie chart:
- 88,89% — Achieved (green)
- 4.44% — Not Achieved; However significant work done (yellow)
- 6,67% — Not Achieved; intervention required (red)

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

2024-25 Second Quarter Performance Report

2. PROGRAMME PERFORMANCE INFORMATION

2.1 Programme 1:

Administration

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
1. Audit outcome on financial statements and performance information.	Unqualified audit on financial statements and performance information.	AGSA audit report received.	**Achieved:** AGSA audit report was received on 31 July 2024. The Department received an unqualified audit report with no material findings (Clean Audit).
2. Percentage procurement of goods and services from SMMEs.	40% expenditure achieved on procurement of goods and services from SMMEs.	40% expenditure achieved on procurement of goods and services from SMMEs.	**Achieved:** 52,22% expenditure achieved on procurement of goods and services from SMMEs.
3. Percentage invoices paid within prescribed timeframes.	100% Payment of all compliant invoices within 30 days.	100% of all compliant invoices paid within 30 days.	**Achieved:** 100% of 3 305 compliant invoices were paid within 30 days.
4. Percentage of procurement spend from women-owned businesses.	40% procurement spend from women-owned businesses.	40% procurement spend from women-owned businesses.	**Achieved:** 58,70% procurement spend from women-owned businesses was achieved.
5. Number of public entity oversight reports developed.	Four SA Tourism quarterly oversight reports developed.	SA Tourism quarterly oversight report developed.	**Achieved:** SA Tourism quarterly oversight report was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
6. Percentage of vacancy rate	Vacancy rate below 10%.	Vacancy rate below 10%.	**Partially Achieved:** Vacancy rate was maintained at 13,4%. **Reasons for variance:** The following contributed to the vacancy rate: • Vacancies as result of transition in offices of the executives. • Normal staff turnover. • Extended recruitment process as a result of applicable directives. **Corrective Measure:** Continue with the recruitment drive for the advertised posts and further motivate 31 posts for concurrence from the Minister of Public Service and Administration.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
7. Percentage of compliance with Departmental Employment Equity Targets.	SMS women representation at a minimum of 50%.	SMS Women representation at a minimum of 50%.	**Partially Achieved:** SMS women representation was maintained a 46,2%. **Reasons for variance:** Staff turn-over and implementation of the concurrence measure cause delays in filling SMS posts. However, there is improvement in status from the previous quarter. **Corrective Measure:** Ensure that suitably qualifying females are hired to achieve the SMS target.
	Persons with disabilities' (PWDs) representation above 3%.	PWDs' representation above 3%.	**Achieved:** Persons with disabilities' representation was maintained at 4,8%.
8. Percentage of Workplace Skills Plan (WSP) implemented.	100% implementation of WSP.	100% of WSP Q2 targets achieved.	**Achieved:** 100% of WSP Q2 targets was achieved.
9. Percentage implementation of the Annual Internal Audit Plan.	100% implementation of the Annual Internal Audit Plan.	30% implementation of the Annual Internal Audit Plan.	**Achieved:** 30% of the Annual Internal Audit Plan was implemented.

2.2 Programme 2

Tourism Research, Policy and International Relations

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
1. Number of monitoring and evaluation reports on tourism initiatives developed.	**Eight Monitoring and Evaluation Reports on tourism projects developed:**		
	1. Evaluation of the impact of infrastructure supporting tourism projects	Data collection tools for the evaluation of the infrastructure supporting tourism projects developed and finalised.	**Achieved:** Data collection tools for the evaluation of the infrastructure supporting tourism projects were developed and finalised.
	2. Monitoring of new and continuing Departmental Programmes: National Professional Cookery Programme, Tourism Monitors Programme, Food and Beverage Programme, Food Safety Quality Assurers Programmes.	Monitoring of new and continuing Departmental Programmes undertaken.	**Achieved:** Monitoring of new and continuing Departmental Programmes was undertaken.
	3. Impact evaluation of the Tourism Incentive Programme.	Data collection tools for the evaluation of the Tourism Incentive programme developed.	**Achieved:** Data collection tools for the evaluation of the Tourism Incentive programme were developed.
	4. Bi-Annual Tourism Sector Performance Reports (2 reports)	First Bi-Annual Tourism Sector Performance Report developed.	**Achieved:** First Bi-Annual Tourism Sector Performance Report was developed.
	5. Three Tourism Sector Masterplan (TSMP) Reports developed.	Quarterly TSMP implementation report developed.	**Achieved:** Quarterly TSMP implementation report was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
2. Number of knowledge systems developed and maintained.	**One system developed**: Market Access Support Programme (MASP) application system: Phase I implemented.	User, systems, and business requirements developed and finalised.	**Achieved:** User, systems, and business requirements were developed and finalised.
	One system maintained: Maintenance, support, and enhancement of the Tourist Guide Information System (TGIS).	TGIS maintained, supported, and enhanced.	**Achieved:** TGIS was maintained, supported, and enhanced.
3. Number of fora prioritised to advance South Africa's tourism interests at regional, continental and global level through multilateral other groupings.	Leveraging South Africa's tourism interests in six multilateral fora UNWTO, G20, BRICS, SADC, IORA and AU to advance national priorities.	Quarterly report on SA participation in the **G20** and preparations for SA's Presidency for 2025.	**Achieved:** Quarterly report on SA participation in the G20 and preparations for SA's Presidency for 2025 was developed.
		Quarterly report on SA participation in the implementation of the **SADC** Tourism Programme.	**Achieved:** Quarterly report on SA participation in the implementation of the SADC Tourism Programme was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
4. Sharing of Best Practices Workshop hosted.	One workshop on sharing of Best Practices Workshop 2025 targeted at African countries with whom SA signed tourism agreements hosted in Eastern Cape Province.	Stakeholder consultation on the concept document for the Best Practices Workshop 2025 conducted.	**Achieved:** Stakeholder consultation on the concept document for the Best Practices Workshop 2025 was conducted.
5. Number of outreach programmes to the diplomatic community implemented.	Two outreach programmes with the diplomatic community in prioritised countries implemented.	Concept Note on outreach programme to engage tourism trade, media, and airlines in prioritised countries developed.	**Achieved:** Concept Note on outreach programme to engage tourism trade, media, and airlines in prioritised countries was developed.

2.3 Programme 3

Destination Development

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
1. Number of destination planning and investment coordination initiatives undertaken.	**Three Initiatives undertaken:** 1. Implementation of the budget resort network and brand concept.	Service provider for website and templates appointed.	**Not Achieved:** The service provider for the website and templates was not appointed. However, SCM used the temporary MS Outlook email address to send RFQ to potential Bidders. **Reason for variance:** Procurement delays due to technical challenges experienced in receiving RFQs from bidders. The process was disrupted due to the email server migration by SCM from MS Outlook back to GroupWise. This led to SCM's non-receipt of proposals from bidders. **Corrective Measure:** To be concluded in early quarter 3 once the relevant unit resolves the matter.
		Upgrade/ refurbishment costs assessed.	**Achieved:** Upgrade / refurbishment costs were assessed.
	2. A pipeline of nationally prioritised tourism investment opportunities / projects managed.	Tourism Investment projects for promotion packaged and published.	**Achieved:** Tourism Investment projects for promotion packaged and published.
	3. Two investment promotion platforms facilitated.	Concept for investment promotion platforms finalised.	**Achieved:** Concept for investment promotion platforms finalised.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
2. Number of destination enhancement initiatives supported.	**Three Initiatives supported:**		
	1. Infrastructure maintenance and beautification programme implemented in four (4) provinces: • Gauteng • KwaZulu-Natal • North West • Northern Cape	Report on the progress made on the project deliverables of the infrastructure Maintenance and Beautification Programme in each of the 4 selected provinces.	**Achieved:** Report on the progress made on the project deliverables of the infrastructure Maintenance and Beautification Programme in each of the 4 selected provinces was developed.
	2. Implementation of Twenty-two (22) Community-based Tourism Projects monitored.	Implementation of Twenty-two (22) Community-based Tourism Projects monitored.	**Achieved:** Implementation of Twenty-two (22) Community-based Tourism Projects was monitored.
	3. Tourism enhancement projects implemented in one (1) World Heritage Site: Robben Island Museum (RIM).	Progress report on the development of Alpha I Recreational Lounge at RIM.	**Achieved:** Progress report on the development of Alpha I Recreational Lounge at RIM was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
3. Number of work opportunities created through Working for Tourism projects.	5820 Work opportunities created.	873	**Not Achieved:** 379 Work opportunities were created. **Reason for variance:** No new projects, WO on existing projects were included on the Q1 Report and can only be counted once in a financial year. **Corrective Measure:** New projects to be approved and implemented.

2.4   Programme 4

Tourism Sector Support Services

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
1. Number of incentive programmes implemented.	**One incentive programme implemented:** Green Tourism Incentive Programme (GTIP) Implemented.	Report on progress made with the implementation of the GTIP for the quarter submitted.	**Achieved:** Report on implementation progress for one incentive programme (GTIP) for the quarter submitted.
2. Number of Domestic Tourism Awareness Programmes implemented.	**Four domestic tourism campaigns implemented:** • Easter Campaign • World Tourism Day • Festive Summer • Cultural Event	Sports Tourism Campaign implemented.	**Achieved:** Sports Tourism Campaign implemented on 27-28 September 2024 in Northern Cape Province, Kimberley.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
3. Number of initiatives implemented to support tourism SMMEs.	**Three Initiatives Implemented to support tourism SMMEs:**		
	1. Business Incubation Programme implemented: i. Community-based Tourism Enterprises Incubator	Business Support and Development Incubation Programme implemented through: • Community-based tourism enterprises Incubator.	**Achieved:** Business Support and Development Incubation Programme was implemented through a Community-based tourism enterprises Incubator.
	ii. Business Advisory Services focusing on Women in Tourism in Limpopo	ii. Business Advisory Services focusing on Women in Tourism in Limpopo implemented.	**Achieved:** Business Advisory Services focusing on Women in Tourism in Limpopo implemented.
	iii. Business Advisory Services focusing on Homestay Pilot Programme in Eastern Cape.	iii. Business Advisory Services focusing on Homestay Pilot Programme implemented in Eastern Cape.	**Achieved:** Business Advisory Services focusing on Homestay Pilot Programme implemented in Eastern Cape.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
3. Number of initiatives implemented to support tourism SMMEs.	**Three Initiatives Implemented to support tourism SMMEs:**		
	2. 150 SMMEs supported with compliance and resilience support.	Matching with SMMEs and contracting.	**Not Achieved:** Matching with SMMEs and contracting not conducted. However, the Terms of Reference were developed. An advertisement of the bid was also approved pending amendment of the procurement plan for alignment of the two documents. **Reason for variance:** SMMEs were not matched due to the pending appointment of business advisors/service providers. **Corrective Measure:** Bid advertisement and appointment of service providers are to be finalised in quarter 3.
	3. Resource Efficiency Cleaner Production (RECP) Training and Business Support Programme implemented.	RECP Training and Business Support Programme implemented.	**Achieved:** RECP Training and Business Support Programme implemented.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
4. Number of programmes implemented to enhance visitor service and experiences.	**Three programmes implemented:**		
	1. Implementation of Service Excellence Standard (SANS: 1197) with a focus on: • Small Towns and • Tourism Product support.	Capacity building Provincial Tourism Office, Municipality, and Tourism Stakeholders conducted.	**Achieved:** Capacity building Provincial Tourism Office, Municipality, and Tourism Stakeholders conducted as follows: • Mthatha: 6, 7 and 8 August 2024; • Komani: 13, 14 and 15 August 2024.
	2. Implementation of the Tourism Monitors Programme in all provinces including the following entities: • SANBI Gardens • iSimangaliso Wetland Park • ACSA Managed Airports • Ezemvelo Nature Reserve	Report on the implementation of the Tourism Monitors Programme, including entities, developed.	**Achieved:** Report on the implementation of the Tourism Monitors Programme, including entities, developed.
	3. Joint tourist safety Campaigns sessions conducted.	Joint tourist safety awareness session conducted.	**Achieved:** Joint tourist safety awareness sessions conducted in Manguzi, KwaZulu-Natal on 22 August 2024.
		Report on the session developed.	**Achieved:** Report on the session developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
5. Number of capacity-building programmes implemented.	**Five capacity-building programmes implemented:**		
	1. 2 700 unemployed youth trained on norms and standards for safe tourism operations.	675 unemployed youth trained on norms and standards for safe tourism operations.	**Achieved:** 2800 unemployed youth trained on norms and standards for safe tourism operations. **Reason for variance:** The overachievement of the target was due to the response on the Massification of Skills Development and Job Creation initiative and also the training of Tourism Safety Monitors on norms and standards for safe tourism operations.
	2. 250 SMMEs trained on norms and standards for safe tourism operations in all nine provinces.	Recruitment and selection of SMMEs undertaken.	**Achieved:** Recruitment and selection of SMMEs undertaken.
	3. NTCE 2024 hosted.	NTCE 2024 Project Plan deliverables implemented.	**Achieved:** NTCE 2024 Project Plan deliverables implemented.
	4. 50 chefs undergo an RPL process.	Recruitment, selection, and induction of learners for RPL process.	**Achieved:** Recruitment, selection, and induction of learners for RPL process conducted.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 2 targets	Quarter 2 progress
5. Number of capacity-building programmes implemented.	**Five capacity-building programmes implemented:**		
	5. 450 unemployed youth trained on identified skills development programmes.	Training delivery and placement of 210 unemployed youth with the host employers.	**Achieved:** 495 unemployed youth was trained and placed with the host employers. **Reason for variance:** The overachievement can be attributed to the Department responding to the Massification of Skills Development and Job Creation initiative by the Ministry of Employment and Labour.

3. HUMAN RESOURCE INFORMATION

WORKFORCE REPRESENTATIVITY AS AT END OF SEPTEMBER 2024

TOTAL ESTABLISHMENT		
Race	Number	Percentage
Africans	385	87,3%
Coloureds	23	5,2%
Indians	14	3,2%
Whites	19	4,3%
TOTAL	**441**	**100%**
Persons with Disabilities	21	4,8%

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EMPLOYEES PER OCCUPATIONAL BANDS AS AT END OF SEPTEMBER 2024

OCCUPATIONAL BAND	MALE				FEMALE				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	1	3	0	1	2	8
Senior Management.	28	1	2	2	18	1	3	2	57
Professionally qualified and experienced specialists and mid-management.	92	1	3	4	104	9	5	5	223
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents.	35	2	0	0	74	7	0	2	120
Semi-skilled and discretionary decision-making.	18	0	0	1	12	2	0	0	33
Unskilled and defined decision-making.	0	0	0	0	0	0	0	0	0
TOTAL	174	4	5	8	211	19	9	11	441

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4. FINANCIAL INFORMATION

BUDGET AND EXPENDITURE REVIEW AS AT 30 SEPTEMBER 2024

Programme	AENE Allocation	Actual Expenditure	Actual Expenditure as % of AENE Allocation	Cumulative Projected Expenditure	% Cumulative Projected Expenditure	Variance from Cumulative Projected Expenditure	% Variance from Cumulative Projected Expenditure	Explanation of Material Variances from Projected Expenditure
	R'000	R'000	%	R'000	%	R'000	%	
1. Administration	359 427	143 813	40%	181 620	51%	37 807	11%	The implementation of the revised policy on cellphones and data has contributed to the underspending within the program. This underspending is further attributed to the absence of payments for office accommodation and reduced communication expenditure due to delayed events. Additionally, an underspending has been observed in the Compensation of Employees budget due to vacant positions.
2. Tourism Research, Policy and International Relations	92 068	34 730	38%	48 357	53%	13 627	15%	The underspending is primarily attributed to slow expenditure on operational items, including venues, facilities, and travel, which has been partly due to the ICT challenges within the Department. Additionally, unfilled positions have contributed to underspending in the Compensation of Employees budget.
SA Tourism	1 243 555	1 065 333	86%	1 065 333	86%	-	0%	-
3. Destination Development	367 801	126 930	35%	118 297	32%	(8 633)	-2%	The primary cause of the overspending stems from the payments made towards the Expanded Public Works Programme, which were initially projected to be expended later in the financial year.
4. Tourism Sector Support Services	318 057	68 060	21%	107 600	34%	39 540	12%	The bulk of the underspending is mainly to delays in the payments to the Tourism Incentive Programme and the National Tourism Careers Expo.
Total	2 380 908	1 438 866	60%	1 521 207	64%	82 341	3%	

EXPENDITURE PER ECONOMIC CLASSIFICATION AS AT 30 SEPTEMBER 2024

Economic Classification	AENE Allocation	Actual Expenditure	Actual Expenditure as % of AENE Allocation	Cumulative Projected Expenditure	% Cumulative Projected Expenditure	Variance from Cumulative Projected Expenditure	% Variance from Cumulative Projected Expenditure
	R'000	R'000	%	R'000	%	R'000	%
Current Payments							
- Compensation of Employees	411 949	185 748	45%	205 980	50%	20 232	5%
- Goods and Services	471 201	164 241	35%	207 971	44%	43 730	9%
Transfers and Subsidies							
- Departmental Agencies and Accounts	1 248 382	1 065 333	85%	1 069 957	86%	4 624	0%
- Foreign Governments and International Organisations	2 750	2 478	90%	2 750	100%	272	10%
- Public Corporations and Private Enterprises	172 067	13 874	8%	29 500	17%	15 626	9%
- Non-Profit Institutions	459	459	100%	459	100%	-	0%
- Households	3 952	3 723	94%	2 071	52%	(1 652)	-42%
Capital Assets							
- Buildings and other fixed structures	65 450			-		-	0%
- Machinery and Equipment	4 698	3 010	64%	2 519	54%	(491)	-10%
Payment for Financial Assets	-	1		-		(1)	0%
Total	**2 380 908**	**1 438 867**	**60%**	**1 521 207**	**64%**	**82 340**	**3%**

5. LIST OF ACRONYMS AND ABBREVIATIONS

AGSA	Auditor-General of South Africa	RPL	Recognition of Prior Learning
AU	African Union	SADC	South African Development Community
BRICS	Brazil, Russia, India, China and South Africa	SANBI	South African National Biodiversity Institute
GTIP	Green Tourism Incentive Programme	SANS	South African National Standards
G20	Group of 20 developed and developing economies	SAT	South African Tourism
IORA	Indian Ocean Rim Association	SMS	Senior Management Services
MASP	Market Access Support Programme	SMMEs	Small, Medium and Micro-sized Enterprises
NTCE	National Tourism Careers Expo	TGIS	Tourist Guide Information System
PWD	Persons with disabilities	TSMP	Tourism Sector Master Plan
RIM	Robben Island Museum	UNWTO	United Nations World Tourism Organisation
RECP	Resource Efficiency Cleaner Production	WSP	Workplace Skills Plan

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END.