BRIEFING TO THE PORTFOLIO COMMITTEE ON TOURISM

THIRD QUARTERLY PERFORMANCE REPORT FOR
2023/24 FINANCIAL YEAR

12 MARCH 2024

broadening horizons

tourism
Department:
Tourism
REPUBLIC OF SOUTH AFRICA

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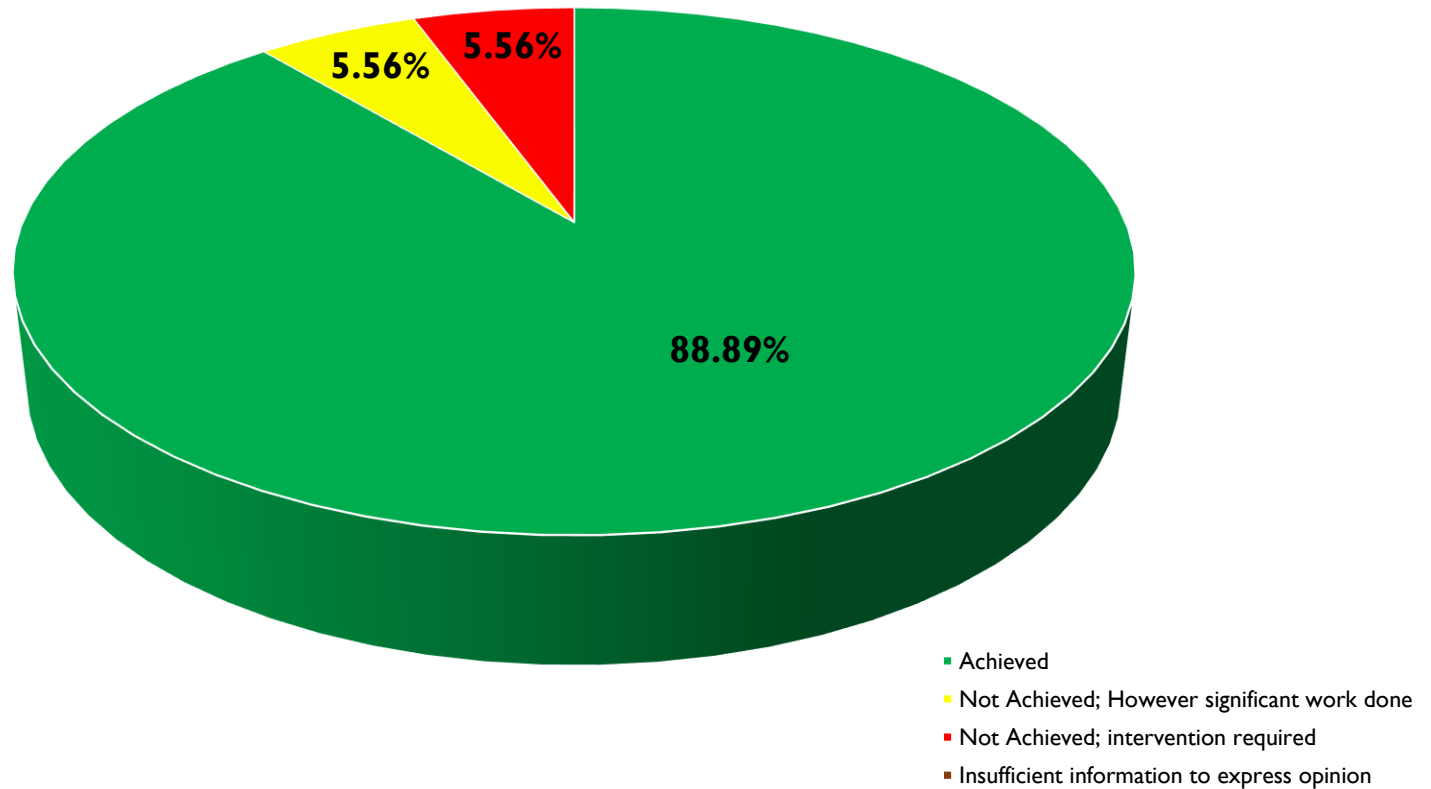
I. PERFORMANCE OVERVIEW

Third Quarter Performance (1 October – 31 December 2023)

Branches	Achieved	Not achieved; significant work done	Not achieved; intervention required	Insufficient information to express opinion
Administration	85,71% (12 of 14)	14,29% (2 of 14)	0,00% (0 of 14)	0,00% (0 of 14)
Tourism Research, Policy and International Relations	100% (14 of 14)	0,00% (0 of 14)	0,00% (0 of 14)	0,00% (0 of 14)
Destination Development	77,78% (7 of 9)	0,00% (0 of 9)	22,22% (2 of 9)	0,00% (0 of 9)
Tourism Sector Support Services	88,24% (15 of 17)	5,88% (1 of 17)	5,88% (1 of 17)	0,00% (0 of 17)
Total	**88,89% (48 of 54)**	**5,56% (3 of 54)**	**5,56% (3 of 54)**	**0,00% (0 of 54)**

Departmental Performance Overview

2023/24 Quarterly Performance Overview – Quarter 3

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

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2. PROGRAMME PERFORMANCE INFORMATION

2.1 Programme 1:

Administration

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
1. Audit outcome on financial statements and performance information.	Unqualified audit on financial statements and performance information.	Implementation Plan developed as per AGSA outcomes.	**Achieved:** Implementation Plan was developed as per AGSA outcomes and signed-off.
		Review internal control measures.	**Achieved:** Internal control measures were reviewed.
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:** 58,77% expenditure was 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 all compliant invoices received 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:** 47,67% procurement spend from women-owned businesses was achieved.

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Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
5. Number of public entity oversight instruments developed in terms of the SLA.	**Six instruments developed:** Four SA Tourism quarterly oversight reports developed in terms of the SLA.	SA Tourism quarterly oversight report developed in terms of the SLA.	**Achieved:** SA Tourism quarterly oversight report was developed in terms of the SLA.
	Public Entity Oversight Framework for the department developed and submitted for approval.	Draft Public Entity Oversight Framework finalised and submitted for approval.	**Achieved:** Draft Public Entity Oversight Framework was finalised and submitted for approval.
	Governance Protocol for Public Entity revised and submitted for approval.	Consultation with Branches and Entity undertaken on the draft Governance Protocol for Public Entity.	**Achieved:** Consultation with Branches and Entity was undertaken on the draft Governance Protocol for Public Entity.
6. Percentage of vacancy rate	Vacancy rate below 6%.	Vacancy rate below 7%	**Partially Achieved:** Vacancy rate was maintained at 10,3%

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 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 at 47,5%.
	Persons with disabilities' (PWDs) representation above 3%.	PWDs' representation above 3%.	**Achieved:** People living with disabilities' representation was maintained at 4,5%.
8. Percentage of Workplace Skills Plan (WSP) implemented.	100% implementation of WSP.	100% of WSP Q3 targets achieved.	**Achieved:** 100% of WSP Q3 targets were achieved as follows: 4 Skills programmes (40%) 1. Public Speaking and Presentation Skills; 2. Emotional Intelligence 3. Supply Chain Management 4. e-Records Management 2 Leadership Programmes (60%) 1. Disability Management 2. Strategic Management

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
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 implemented as follows: 1. Tourism Transformation Fund Audit; 2. Quotations Audit; 3. Assets Management (swapped with Project Site Visits); 4. ICT General Controls; and 5. AGSA Follow-up Audit.
10. Percentage implementation of the Communication Strategy and Implementation Plan.	100% implementation of the communication Implementation Plan.	100% of Q3 targets of Communication Implementation Plan achieved.	**Achieved:** 100% of Q3 targets of Communication Implementation Plan was achieved.

2.2 Programme 2

Tourism Research, Policy and International Relations

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
1. Number of monitoring and evaluation reports on tourism initiatives developed.	**Five Monitoring and Evaluation Reports on tourism projects and initiatives developed:**		
	1. Assessment of the State of Publicly Owned Tourist Attractions supported by the Department of Tourism.	Data Collection for the assessment of the State of Publicly Owned Tourist Attractions commenced.	**Achieved:** Data Collection for the assessment of the state of publicly-owned tourist attractions commenced.
	2. Monitoring of the new and continuing Capacity Building Programmes	Monitoring of Capacity Building Programmes undertaken.	**Achieved:** Monitoring of Capacity-Building Programmes was undertaken.
	3. Evaluation of the Departmental Incubation Approach in the • Pilanesberg Tourism Incubation, • Manyeleti Tourism Incubation, • Ba-Phalaborwa Tourism Incubation • Mier Tourism Incubation Projects.	Commence evaluation of the Departmental Incubation approach, starting with data collection.	**Achieved:** Commenced evaluation of the Departmental Incubation Approach, started with data collection.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	**Quarter 3 progress**
1. Number of monitoring and evaluation reports on tourism initiatives developed.	**Five Monitoring and Evaluation Reports on tourism projects and initiatives developed:**		
	4. Evaluation of the TGCSA Accommodation grading programme.	Data collection for the evaluation of the TGCSA accommodation grading programme commenced.	**Achieved:** Data collection for the evaluation of the TGCSA Accommodation Grading Programme has commenced.
	5. Bi-Annual Monitoring of the performance of the Tourism Sector.	Data collection for the monitoring of performance of the Tourism Sector commenced.	**Achieved:** Data collection for the monitoring of the performance of the Tourism Sector has commenced.
2. Number of instruments developed for improving tourism statistics.	National Tourism Statistics Plan developed.	Progress report on the development of the National Tourism Statistics Plan developed.	**Achieved:** Progress report the development of the National Tourism Statistics Plan was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	**Quarter 3 progress**
3. Number of Information and Knowledge Systems implemented.	**Two Information and Knowledge systems implemented:** 1. Implementation of the Tourism and Employment Portal.	Pilot results compiled.	**Achieved:** Pilot results were compiled.
		Analysis and evaluation of the Portal finalised.	**Achieved:** Analysis and evaluation of the Portal was finalised.
	2. Implementation of Tourist Guide Information System.	Pilot results compiled.	**Achieved:** Pilot results were compiled.
		System's Analysis finalised.	**Achieved:** System's Analysis was finalised.
4. Number of fora prioritised to advance South Africa's tourism interests at regional, continental and global level through multilateral other groupings.	Advance South Africa's tourism interests at regional, continental and global level through participation in six multilateral fora UNWTO, G20, BRICS, SADC, IORA and AU.	Quarterly report on SA participation in the G20 and preparation for SA Presidency for 2025 developed.	**Achieved:** Quarterly Report on SA participation in the G20 and preparation for SA Presidency for 2025 was developed.
		Quarterly report on SA participation in the implementation of IORA Tourism Work Plan on Women Economic Empowerment developed.	**Achieved:** Quarterly report on SA participation in the implementation of IORA Tourism Work Plan on Women Economic Empowerment was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
5. Sharing of Best Practices Workshop hosted.	Sharing of Best Practices Workshop 2024 targeted at African countries with whom SA signed tourism agreements hosted.	Concept document for the Best Practices Workshop 2024 finalised.	**Achieved:** Concept document for the Best Practices Workshop 2024 was finalised.
6. Number of outreach programmes to the diplomatic community implemented.	Two outreach programmes with the diplomatic community in prioritised countries implemented.	One outreach programme with prioritised country hosted.	**Achieved:** Two outreach programmes with prioritised countries were hosted in Kenya on 20-22 November 2023, and in China 17-23 November 2023.

2.3 Programme 3

Destination Development

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	**Quarter 3 progress**
1. Number of destination planning and investment coordination initiatives undertaken.	**Four Initiatives undertaken:** 1. Facilitate the integration of developed tourism concepts from tourism spatial masterplans, into the DDM One Plans, for: • OR Tambo District • eThekwini Metro • Pixley Ka Seme District • Namakwa District	Implementation lead confirmed.	**Achieved:** Implementation lead was confirmed.
		Investment mobilisation issues at regional platforms completed.	**Achieved:** Investment mobilisation issues at regional platforms were completed.
	2. Implementation of the budget resort network and brand concept.	Budget resort network implementation documents finalised.	**Achieved:** Budget resort network implementation documents were finalised.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
1. Number of destination planning and investment coordination initiatives undertaken.	3. A pipeline of nationally prioritised tourism investment opportunities *(greenfield and brownfield projects)* managed.	Quarterly Report on the management of a pipeline of nationally prioritised tourism investment opportunities developed.	**Achieved:** Quarterly Report on the management of a pipeline of nationally prioritised tourism investment opportunities was developed.
	4. Two investment promotion platforms facilitated.	Facilitate one investment promotion platform.	**Achieved:** One investment promotion platform was facilitated.
2. Number of destination enhancement initiatives supported.	**Three Initiatives supported:** 1. Infrastructure maintenance and beautification programme implemented in five (5) provinces: • Mpumalanga • Limpopo • Eastern Cape • Free State • Western Cape	Report on the progress made on the project deliverables of the Infrastructure Maintenance and Beautification Programme in each of the 5 selected provinces	**Achieved:** Report on the progress made on the project deliverables of the Infrastructure Maintenance and Beautification Programme in each of the 5 selected provinces was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
2. Number of destination enhancement initiatives supported.	2. Monitoring of implementation of Twenty-Nine (29) Community-based Tourism Projects.	Monitoring and supporting the implementation of the Twenty-Nine (29) community-based Tourism Projects.	**Achieved:** Implementation of the Twenty-Nine (29) community-based Tourism Projects were monitored and supported.
	3. Township and rural tourism supported using a minimum of one event in one township and one event in a rural area.	Minimum of one (1) event held in terms of the approved Implementation Plan and closeout report submitted. Preparations for the second event commenced.	**Not Achieved:** Minimum of one (1) event was not held in terms of the approved Implementation Plan and closeout report submitted. Preparations for the second event commenced. As a corrective measure, a minimum of two events held in Quarter 4 will be supported.
3. Number of work opportunities created through Working for Tourism projects.	4133 Work opportunities created.	1026	**Not Achieved:** 147 Work opportunities were realised in Quarter 3. At the end of the third quarter, 2 298 WO were achieved. As a corrective measure, there is currently enrolment of participants in the Tourism Monitors programme.

2.4   Programme 4

Tourism Sector Support Services

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 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 progress made with the implementation of the 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	Implementation of Festive campaign.	**Achieved:** Festive Campaign was implemented on 8 December 2023 in North West.
3. Number of initiatives implemented to support tourism SMMEs.	**Two Initiatives Implemented:** 1. Incubation Programme implemented: • Existing business incubators implemented: i. Tourism Technology & Innovation Incubator. ii. Food Service Incubator. iii. Community-based tourism enterprises Incubator.	Business Support and Development Incubation Programme implemented through: • Tourism Technology & Innovation Incubator. • Food Service Incubator. • Community-based tourism enterprises Incubator	**Achieved:** Business Support and Development Incubation Programme was implemented through: • Tourism Technology & Innovation Incubator. • Food Service Incubator. • Community-based tourism enterprises Incubator.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
3. Number of initiatives implemented to support tourism SMMEs.	**Two Initiatives Implemented:** • New business incubators established: i. Business Advisory Services focusing on Women in Tourism in Limpopo	Business Advisory Services focusing on Women in Tourism in Limpopo	**Achieved:** Business Advisory Services focusing on Women in Tourism in Limpopo was implemented.
	ii. Business Advisory Services focusing on Homestay Pilot Programme	Business Advisory Services focusing on Homestay Pilot Programme implemented.	**Achieved:** Business Advisory Services focusing on Homestay Pilot Programme was implemented.
	Audit of Tourism Incubators across the country.	Determine an alternative system for the support of tourism incubators.	**Achieved:** An alternative system for the support of tourism incubators was determined.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
3. Number of initiatives implemented to support tourism SMMEs.	2. Implement Resource Efficiency Cleaner Production (RECP) Training and Business Support Programme.	RECP Training and Business Support Programme implemented.	**Not Achieved:** RECP Training and Business Support Programme was not implemented.
4. Number of programmes implemented to enhance visitor service and experiences	**Three programmes implemented:** 1. Implementation of Service Excellence Standard (SANS: 1197) incorporating the Tourism Norms and Standards: with focus on: • Small Towns and • Tourism Product support.	Report on the implementation of the Service Excellence Standard (SANS:1197) with focus on - Small Towns and - Tourism Product support.	**Achieved:** Report on the implementation of the Service Excellence Standard (SANS:1197) with focus on - Small Towns and - Tourism Product support was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	**Quarter 3 progress**
4. Number of programmes implemented to enhance visitor service and experiences.	**Three programmes implemented:** 2. Implementation of the Tourism Monitors in all provinces including SANBI, and iSimangaliso.	Report on the implementation of the Tourism Monitors Programme developed.	**Partially Achieved:** The report on the implementation of the Tourism Monitors Programme was developed. However, the programme was not fully implemented.
	3. Joint tourist safety awareness sessions conducted.	Joint Tourist safety awareness session conducted	**Achieved:** Joint Tourist safety awareness session was conducted on 14 November 2023 in Gauteng, Pretoria.
		Report on the session developed	**Achieved:** Report on the session was developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	Quarter 3 progress
5. Number of capacity-building programmes implemented.	**Five capacity-building programmes implemented:** 1. 2 500 unemployed youth trained on norms and standards for safe tourism operations.	625 unemployed youth trained on norms and standards for safe tourism operations.	**Achieved:** 1822 youth trained on norms and standards for safe tourism operations.
	2. 250 SMMEs trained on norms and standards for safe tourism operations in all nine provinces.	Training of 125 SMMEs on the norms and standards for safe tourism operations in four provinces undertaken.	**Achieved:** Training of 260 SMMEs on the norms and standards for safe tourism operations was undertaken in all 9 provinces.
	3. NTCE 2023 hosted.	• NTCE 2023 hosted	**Achieved:** NTCE 2023 was hosted 29, 30 September and 01 October 2023.
		• Report developed	**Achieved:** NTCE 2023 progress report developed.

Output Indicator	Annual Target	Quarterly Performance Against Targets	
		Quarter 3 targets	**Quarter 3 progress**
5. Number of capacity-building programmes implemented.	4. 50 chefs undergo an RPL process.	Report on the Implementation of the Training of learners for RPL process	**Achieved:** Report on the Implementation of the Training of learners for RPL process was developed.
	5. 1 500 unemployed youth trained on identified skills development programmes.	Training delivery and placement of 375 unemployed youth with the host employers.	**Achieved:** Training delivery and placement of 1 695 unemployed youth with the host employers was undertaken.

3. HUMAN RESOURCE INFORMATION

WORKFORCE REPRESENTATIVITY AS AT END OF DECEMBER 2023

TOTAL ESTABLISHMENT		
Race	Number	Percentage
Africans	403	87,2%
Coloureds	26	5,6%
Asians	13	2,8%
Whites	20	4,3%
TOTAL	**462**	**100**
Persons with Disabilities	21	4,5%

EMPLOYEES PER OCCUPATIONAL BANDS AS AT END OF DECEMBER 2023

OCCUPATIONAL BAND	MALE				FEMALE				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	1	3	0	1	2	**9**
Senior Management.	24	1	2	2	17	3	2	1	**52**
Professionally qualified and experienced specialists and mid-management.	96	1	3	4	106	9	5	5	**229**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents.	34	2	0	1	77	7	0	3	**124**
Semi-skilled and discretionary decision-making.	22	1	0	1	16	2	0	0	**42**
Unskilled and defined decision-making.	3	0	0	0	3	0	0	0	**6**
TOTAL	**181**	**5**	**5**	**9**	**222**	**21**	**8**	**11**	**462**

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4. FINANCIAL INFORMATION

Budget and Expenditure Review as at 31 December 2023

Programme	2023/24 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	%	
Administration	330 111	220 110	67%	206 325	63%	(13 785)	-4%	The variance stems from the projections failing to factor in the 2023 AENE amendments, which are scheduled for incorporation in the next quarter of the financial year as approved by the National Treasury.
Tourism Research, Policy and International Relations (Excl. SAT)	88 474	58 443	66%	57 673	65%	(770)	-0.9%	Slight overspending due to the payment of operational expenses which were scheduled to be paid in the next quarter.
SA Tourism	1 289 739	1 075 738	83%	1 075 738	83%	-	0%	None
Destination Development	396 533	141 793	36%	254 803	64%	113 010	28%	The underspending is mainly due to slow spending within the Expanded Public Works Programme (EPWP).
Tourism Sector Support Services	355 688	253 858	71%	247 204	70%	(6 654)	-2%	The variance stems from the projections failing to factor in the 2023 AENE amendments, which are scheduled for incorporation in the next quarter of the financial year as approved by the National Treasury.
Total	2 460 545	1 749 942	71%	1 841 743	75%	91 801	4%	

Expenditure per Economic Classification as at 31 December 2023

Economic Classification	2023/24 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	395 463	274 619	69%	230 400	58%	(44 219)	-11%
- Goods and Services	529 468	214 718	41%	361 365	68%	146 647	28%
Transfers and Subsidies							
- Departmental Agencies and Accounts	1 294 358	1 080 357	83%	1 080 163	83%	(194)	-0.01%
- Foreign Governments and International Organisations	2 982	2 733	92%	2 582	87%	(151)	-5%
- Public Corporations and Private Enterprises	225 692	162 529	72%	162 200	72%	(329)	-0.1%
- Non-Profit Institutions	439	439	100%	439	100%	-	0%
- Households	5 447	2 187	40%	2 269	42%	82	2%
Capital Assets							
- Buildings and other fixed structures	-	5 884		-		(5 884)	0%
- Machinery and Equipment	6 483	6 215	96%	2 325	36%	(3 890)	-60%
Payment for Financial Assets	213	261		-		(261)	0%
Total	2 460 545	1 749 942	71%	1 841 743	75%	91 801	4%

5. LIST OF ACRONYMS AND ABBREVIATIONS

AGSA	Auditor-General of South Africa	SADC	South African Development Community
AU	African Union	SANBI	South African National Biodiversity Institute
BRICS	Brazil, Russia, India, China and South Africa	SANS	South African National Standards
DDM	District Development Model	SAT	South African Tourism
GTIP	Green Tourism Incentive Programme	SLA	Service Level Agreement
ICT	Information Communication Technology	SMS	Senior Management Services
IORA	Indian Ocean Rim Association	SMMEs	Small, Medium and Micro-sized Enterprises
NTCE	National Tourism Careers Expo	TGCSA	Tourism Grading Council of South Africa
PWD	Persons with disabilities	UNWTO	United Nations World Tourism Organisation
RECP	Resource Efficiency Cleaner Production	WSP	Workplace Skills Plan
RPL	Recognition of Prior Learning		

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END.