

UPDATE ON THE TOURISM SECTOR MASTERPLAN (TSMP)

Portfolio Committee On Tourism

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broadening horizons



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



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Tourism Sector Recovery Plan (TSRP) – Background

A three year TSRP was developed to mitigate the impact of COVID-19 on the travel and tourism sector.

The Plan was approved by Cabinet for implementation in April 2021, and is anchored on three pillars with seven strategic interventions and a set of key enablers identified to ensure that recovery is supported.

It is aligned to the Economic Reconstruction and Recovery Plan (ERRP) with potential to contribute to infrastructure development; mass public employment; green economy interventions; inclusion of women and youth; and skills development.

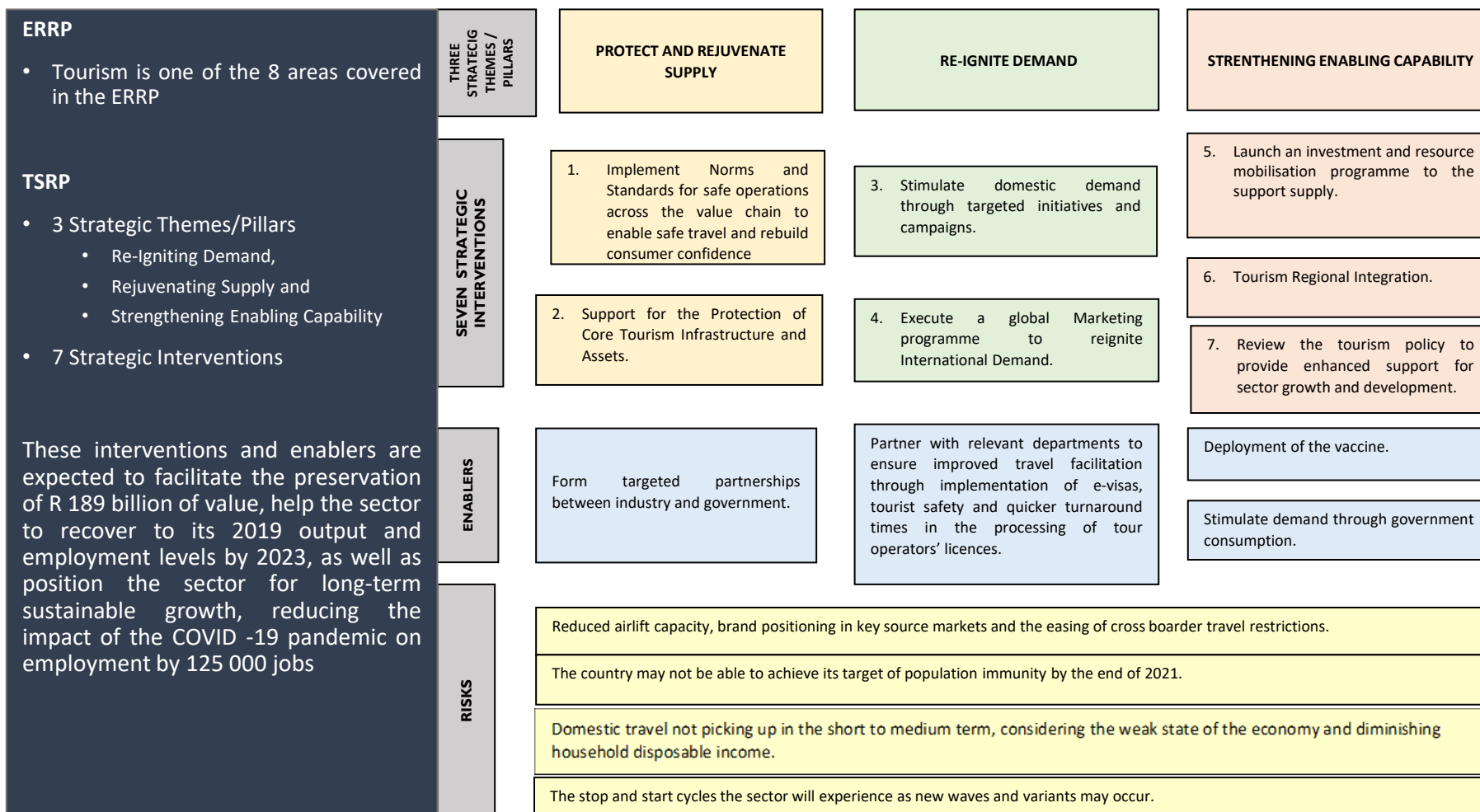
Implementation of the TSRP commenced in the 2021/22 FY and continued until 2023/24.

Reporting was done on a quarterly basis through the development of implementation and monitoring reports that provided an overview of milestones achieved.

Implementation has yielded positive outcomes as full recovery to the pre-COVID 19 performance levels has been experienced in some sectors more than others.

All implementation interventions have been achieved and their impact is summarised below.

Tourism Sector Recovery Plan (TSRP) – The Approach



Recovery Plan Impact – Tourism Performance (2020/21-2023/24)

In 2023, the total number of arrivals reached 8.4 million, indicating a 48.9% upswing from the preceding year (5.6 million). However, the arrival figures remain 17% below 2019 levels, which stood at 10.2 million.

Indicator	Impact	2019	2022
Contribution to GDP	Tourism's contribution to GDP in 2022 was slightly lower than 2019	R208,5 Billion (3.7% of the GDP in 2019)	R234,7 billion (3.5% of the GDP in 2022)
Employment	In 2022, the number of people directly employed in the tourism sector was 94% of the 2019 pre pandemic level	777 686 (4.8% of the South African Workforce was directly employed by tourism)	733 385 (4.7% of the South African Workforce was directly employed by tourism)
Domestic Tourism Expenditure	In 2022, domestic tourism expenditure recovered to 130% of 2019 pre-pandemic level	R334,2 Billion	R435,2 billion

Source: Stats SA

Other Achievements – Pillars and Strategic Interventions

Objectives	Impact 2021/22 - 2023/24
Objective: To build capacity for implementing norms and standards for safe operation in the tourism sector	<ul style="list-style-type: none"> • Norms and standards for safe operations in the tourism sector integrated into a number of training programmes • A total of 2052 participants trained in 2020/22, 2517 in 2022/23 and 1695 in 2023.
Objective: Enhance ability of SMMEs to comply with norms and standards	<ul style="list-style-type: none"> • Inducted and trained 249 SMMEs in eight provinces on the approved norms and standards in 2021/22, 571 in 2022/23) and 257 in 2023.
Objective: To increase the resilience of SMMEs during the pandemic and beyond.	<ul style="list-style-type: none"> • 4 business incubators (Tourism Tech, Tour Operation, Food Services and Community-Based Enterprises) which targeted 164 SMMEs implemented and 178 SMMEs received resilience support through the incubation programmes; and • SANParks launched a R10 million funding programme to provide access to market, finance and business development support to SMMEs.

Other Achievements – Pillars and Strategic Interventions

Objectives	Impact 2021/22 - 2023/24
Objective: To deepen transformation in the tourism sector	<ul style="list-style-type: none"> • Subsequent to the Court interdict, revision of the Tourism Equity Fund (TEF) was approved by Cabinet in September 2023 and • Budget of R1.2 billion had been set aside for SEFA to implement the TEF through a Fund Management Agreement. • First TEF applications opened on 06 November 2023.
Objective: To increase the number of international tourists	<ul style="list-style-type: none"> • 15 global marketing campaigns targeting high value source markets, the Global Advocacy Programme, Live Again, Reunite with South Africa and the Welcome New Life campaigns implemented.
Objective: To reduce greenhouse gas emissions.	<ul style="list-style-type: none"> • Financial assistance provided in the form of a grant of up to R1 million to qualifying SMMEs for the installation of energy and water efficiency solutions; and • 52 Green Tourism Incentive Programme (GTIP) applications approved in 2021/22; 25 in 2022/23 and 34 in 2023.

Other Achievements – Pillars and Strategic Interventions

Objectives	Impact 2021/22 - 2023/24
Objective: Improve the quality of tourist attractions	<ul style="list-style-type: none"> • Infrastructure maintenance programme implemented in 19 national parks employed 857 participants (321 women, 506 youth and 24 people with disabilities) in 2021/22; • R120 million funding made available in 2022/23 and the programme employed 345 women and 519 youth, resulting in the creation of 953 temporary jobs; and • In 2023, maintenance and beautification programme which employed 426 individuals (202 youth and 222 adults) implemented at 25 sites in Mpumalanga, Limpopo, Eastern Cape, Free State and Western Cape.
Objective: To increase the number of events hosted in South Africa.	<ul style="list-style-type: none"> • 95 bids with a combined estimated economic value of R1.2 billion, with potential to attract 49 232 international and regional delegates to SA between 2022 and 2029 achieved in 2021/22; • 40 bids won during 2022/23 may contribute about R338 million to the economy between 2022 and 2025, and attract 16 505 international and regional delegates; and • 15 more bid submissions achieved for future international events to be held in SA in the future

Other Achievements – Enablers

Partner with relevant departments to ensure improved travel facilitation through implementation of **e-visas, tourist safety, airlift capacity and quicker turnaround times in the processing of tour operator licences**

Tourist safety

- Implementation of the National Tourism Safety Strategy in consultation with SAPS and private sector continues.

Tour Operating Licenses

- The backlog with the tour operating license applications has been cleared.
- Uplifting of licenses by applicants remains an issue.

Visas

- Agreement reached on the implementation of Trusted Tour Operator Scheme (TTOS).
- TTOS consulted with tourism stakeholders for their inputs

Aviation

Using 2019/2020 as a base:

- Data from ACSA has show that international airlift recovery was at 87% by end of December 2023.
- In the same period, Domestic performance showed great recovery in small airports Kimberly at 125%, Bram Fischer at 100%, and OR Tambo at 91%.
- Cargo saw a 115% recovery in the same period and the African Continental Free Trade Area present enormous opportunities for growth in this area

Tourism Sector Masterplan

The three-year TSRP has been converted into a Tourism Sector Masterplan (TSMP).

The conversion entailed integration of the TSRP approach, its strategic pillars, interventions, enablers and some of the risks into the Masterplan, with the extension of the time frame for implementation by a further two years up to the 2025/26 financial year.

The vision, mission, guiding principles, and values of the NTSS 2016–2026 approved by Cabinet in 2017 are still relevant and therefore adopted for the Masterplan.

The Masterplan development and implementation Governance Structures as guided by the Department of Trade, Industry and Competition were added.

The Masterplan which aims to galvanise government, industry and labour to collectively share a common vision that will position the tourism industry on an inclusive and sustainable competitive path for the benefit of all South Africans was approved by Cabinet for implementation on 27 September 2023.

Tourism Sector Masterplan

Masterplan is anchored on 3 Pillars and 7 interventions supported by catalytic programmes / Actions.

Pillar / Theme	Strategic Interventions / Actions
Protect and Rejuvenate Supply	<ul style="list-style-type: none"> Implement norms and standards for safe operations across the value chain to enable safe travel and rebuild traveller confidence Support for the protection of core tourism infrastructure and assets
Re-ignite Demand	<ul style="list-style-type: none"> Stimulate domestic demand through targeted initiatives and campaigns Execute a global marketing programme to reignite international demand
Strengthening Enabling Capacity	<ul style="list-style-type: none"> Strengthen the supply-side through resource mobilisation and investment facilitation Tourism regional integration; and Create an enabling policy environment to provide enhanced support for sector growth and development.

Even with best branding and marketing, the growth of the sector will be impacted if partnerships to address barriers are not strengthened.

Enabler	Lead
<ul style="list-style-type: none"> Form targeted, strategic partnerships between government and industry 	<ul style="list-style-type: none"> Department of Tourism and SA Tourism
<ul style="list-style-type: none"> Partner with relevant departments to ensure improved travel facilitation through implementation of e-visas, tourist safety, airlift capacity and quicker turnaround times in the processing of tour operator licences 	<ul style="list-style-type: none"> Department of Home Affairs Department of Transport, Department of Tourism, South African Police Services
<ul style="list-style-type: none"> Stimulate domestic demand through Government Consumption expenditure 	<ul style="list-style-type: none"> All organs of state

Masterplan Governance Structures

The recommended platforms/structures below as approved by the Minister of Tourism serve as implementation, monitoring and reporting.

The highest decision making and resolving blockages to delivery during development and implementation structure. The EOC is Chaired by the Minister of Tourism and will have a **maximum of ten members**, from organised labour, business and government.

Tourism Sector Masterplan Executive Oversight Committee (EOC)

Chairperson: Minister / Deputy Minister of Tourism

Members: Director-Generals of Departments of Tourism, Home Affairs, and Transport; CEOs of TBCSA, SANParks, and SA Tourism; National Commissioner of SAPS and a Labour Representative

Oversees the development of the Masterplan - notably, review and sign off deliverables; and facilitating negotiations and agreement of commitments of the partners. The structure to be chaired by the DG of Tourism and CEO of TBCSA, and to have a **maximum of fifteen members**. Representatives to include government, business/industry associations, and labour representatives.

Tourism Sector Masterplan Steering Committee (STEERCO)

Chairperson/s: Director-General of Tourism and CEO of TBCSA

Members: SA Tourism, SATSA, AASA, ACSA, BARSA, BrandSA, DHA, DOT, SAPS, DIRCO, DTIC, SANParks, Provincial Tourism Departments/Authorities, SALGA, Labour representative and Other relevant government departments and agencies

Focus will be on content and specific aspects of the Masterplan during all the phases. Participation will be from Business, Government, Labour, research, support and industry associations.

NB: The existing NTSS Work Streams including Labour will undertake responsibilities of this structure

Working and Industry Reference Groups

(a merger of the Tasks Teams and/or Industry Reference Groups and the Working Groups)

Chairperson/s: Deputy Directors-General of the Department of Tourism

Members: NTSS Work Streams members including a representatives from labour and SALGA

Way Forward

- The Cabinet approved the Master Plan in September 2023. The Minister will ensure its implementation aligns with the Government of National Unity's three key priorities.
- The Department of Tourism is finalising the Medium-Term Development Plan (MTDP) for the next five years of the Seventh Administration. In 2025/26, the department will align its budget to accommodate the implementation of the Master Plan.
- Once the Department is ready to present the approved Five-year MTDP, it will present an approved Programme of Action of the Masterplan to Parliament.



List of Acronyms

AASA- Airlines Association of Southern Africa	ACSA- Airports Company South Africa
ATI- Africa's Travel Indaba	ATM- Arabian Travel Market
BARSA- Board of Airline Representatives of South Africa	BCMS- Biometric Movement Control System
BDD- Bridging the Digital Divide	BQV- Basic Quality Verification
BRN- Budget Resort Network	CEO- Chief Executive Officer
DHA- Department of Home Affairs	DIRCO- Department of International Relations and Cooperation
DoT- Department of Transport	DTIC- Department of Trade, Industry and Competition
EOC- Executive Oversight Committee	ERRP- Economic Reconstruction and Recovery Plan
GDP- Gross Domestic Product	GIZ- Gesellschaft für Internationale Zusammenarbeit
GTIP- Green Tourism Incentive Programme	IBTM- International Business Travel Management
IMEX- Worldwide Exhibition for Incentive Travel	LTA- Limpopo Tourism Authority
MASP- Market Access Support Programme	MICE- Meetings, Incentives, Conferences, and Exhibitions

List of Acronyms

NPTR- National Public Transport Regulator	NTSS- National Tourism Sector Strategy
SALGA- South African Local Government Association	SANParks- South African National Parks
SAPS- South African Police Service	SATSA- Southern African Tourism Services Association
SA Tourism - South African Tourism	SEFA- Small Enterprise Finance Agency
SEIAS- Socio-Economic Impact Assessment System	SMMEs- Small, Medium and Micro Enterprises
STEERCO- Steering Committee	TBCSA- Tourism Business Council of South Africa
TEF- Tourism Equity Fund	TGCSA- Tourism Grading Council of South Africa
TOR- Terms of Reference	TKZN- Tourism KwaZulu-Natal
TSMP- Tourism Sector Masterplan	TSRP – Tourism Sector Recovery Plan
TTF- Tourism Transformation Fund	VTSDs- Villages, Townships and Small Dorpies
WTM- World Travel Market	WYSTC- World Youth and Student Travel Conference

THANK YOU

