

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 3089 [NW3645E]

DATE OF PUBLICATION: 15 November 2013 (NA IQP: 38

DATE OF REPLY: 2 December 2013

MRS V BAM-MUGWANYE (ANC) TO ASK THE MINISTER OF TOURISM:

- (1) (a) What plans does his department have in place to facilitate transformation in the tourism industry and (b) is something specific and tangible happening to support emerging businesses like craft markets, shuttles, bed and breakfast establishments and food outlets that can increase the volume of business in these areas;
- (2) is there an innovative approach targeted to address this need; if so, what are the relevant details? NW3645E

THE MINISTER OF TOURISM REPLIES:

- (1)
 (a) The Department appointed Tourism Broad-Based Black Economic Empowerment (B-BBEE)
 Charter Council, to strengthen the monitoring of transformation in the sector. The Council is
 composed of members from business, labour and civil society across the tourism spectrum as
 expressed in the gazetted Tourism B-BBEE Charter. To date, the Council has developed a Plan
 of Action outlining its focus areas and strategic projects for the period up to 2015.
 - (b) The Domestic Tourism Strategy as approved for the period 2012-2020 is focused inter alia on growing Domestic Tourism revenue by inter alia increasing domestic tourism volumes. Targeted programmes under this strategy serve to cater for emerging businesses whilst also promoting the growth of established businesses.

The Department is implementing the SMME development programme through Tourism Enterprise Partnerships (TEP) to support emerging tourism business such as accommodation including bed and breakfasts and travel services with mentorship, training, and market access (to increase tourism volume and revenue) and to create and sustain full time equivalent jobs.

(2) The Department will be launching the new Tourism Incentive Programme early 2014 which will cater for the entire tourism value chain. The incentive will also serve as a catalyst in driving transformation within the industry with very stringent criteria which will be based on BEE level points and other factors for enterprises to qualify. The Department will over time be able to build a basket of different and complimentary types of incentive programmes (i.e. a broad programme with different incentive components in a phased approach). The proposed phased approach will include Market Access Programme and Grading Support Programme in 2014/15. The Department will then introduce a specific incentive programme (e.g. Product Development Programme) to support product and service enhancement amongst small and emerging businesses in 2015/16 and beyond.