

JUNE 2020

EDITION

01

# Bolanala



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- Reappointment of Tourism Director-General
- Horn Trimming of Rhinos in Pilanesberg Nature Reserve



**tourism**

Department:  
Tourism  
REPUBLIC OF SOUTH AFRICA



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### DESIGN AND LAYOUT

Talking Heads Advertising Design and Print (Pty) Ltd

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Minister of Tourism  
Mmamoloko Kubayi-Ngubane

# EDITORIAL

## COVID-19

### TOURISM

### SECTOR

### RESPONSE

### MEASURES

## INTRODUCTION - STATUS QUO

President Cyril Ramaphosa has announced that the country will officially move to lockdown level three from 1 June 2020 as he addressed the nation on Sunday, 24 May 2020.

Imposing a nation-wide lockdown gave our country a strategic advantage. It bought us valuable time to prepare our health system and put in place containment measures. This has slowed transmission and saved lives.

As we slowly re-open the tourism sector, we must safely reintroduce our employees and tourists. This is the first fundamental principle that therefore underlies our guidance. That means taking gradual, careful steps to help travel restart, in line with what science tells us.

In almost every sector, businesses will need protocols to maintain physical distancing and prevent a resurgence of new cases: remote work, hygiene- and health-oriented guidelines, frequent monitoring of people's temperatures for early detection of new cases, reporting of relevant information to the health authorities, and enforcement measures to guarantee compliance and safety.

## DEPARTMENTS' ANNUAL PLAN AND BUDGET PRIORITISATION

I am mindful of the fact that the Covid-19 outbreak will have a devastating effect on the tourism sector in our country. However, it is for this reason that our focus will now firmly shift to working with industry on a robust recovery plan, entailing survival, recovery and ultimately success.

This year's Annual Performance Plan specifies actions that will be undertaken by the Department for our country to achieve economic transformation and job creation and "A Better Africa and World". This financial year will be the first year in the implementation of the five-year strategic plan 2020-2025.

In this financial year, we are going to review all our policies so that they align with the new realities of the global travel and tourism industry and to help achieve growth in the sector going forward.

The current reprioritisation is aimed at supporting the efforts to fight the pandemic. This is based on the understanding that limited marketing, promotional activities can take place in the current environment, and most activities will be planning related without activations.

In more specific terms, our focus will be on two key areas. First, we expect a shift toward promoting local and regional tourism. This will require out-of-the-box measures to ensure the utmost safety in a post-pandemic context to rebuild tourist confidence based on protecting health and well-being.

This, in turn, will accompany a shift towards regeneration and sustainability. We have seen in past crises the critical role that a strong domestic market plays in the recovery of the tourism sector. This is an opportunity to distribute the benefits of tourism to rural and township communities.

We will continue to monitor the environment with National Treasury, and upon readiness of the sector based on the Risk-Adjusted Approach, investment shall be made into supporting recovery efforts.

## RELIEF AND RESPONSE MEASURES

The development of a Tourism Relief Fund (TRF) was outlined on 24 March 2020.

The Department of Tourism has commenced with the payment of its Covid-19 grant assistance to qualifying SMMEs within the sector. To date, more than 6 000 completed applications for grant assistance have been received from across the country. The bulk of applications was from businesses that provide accommodation services (2 202), followed by hospitality (1 713), travel-related services (1 616) and others (614).





In terms of the B-BBEE criteria, 96% of the overall applicants' scores ranged between level 1 and level 4, a notable indicator that the criteria is not based on race but the level of participation of industry players' within the sector.

Recently our MINMEC noted the overwhelming support for the Tourism Relief Fund and the resounding response from SMMEs, and to that end, committed to continue to implement and facilitate additional measures at a provincial level throughout diversity of the tourism value chain.

Given the overwhelming number of applications received since the launch, the Department will no longer be accepting new relief funding applications from 31 May 2020.

## RECOVERY PLAN - AND A VISION FOR THE FUTURE

We will need fast action, pragmatism and creativity to recover and build a resilient and sustainable tourism industry.

As we consolidate a national compact for recovery, we need to think of measures to ensure that we continue to help tourism sector businesses to adapt and thrive in a new post-crisis era, to become more inclusive, robust, and resilient.

In the last few weeks, we have all got used to the idea that the health of our whole community depends on our responsible choices. We had to take measures to contain the virus.

Although in past, crisis tourism proved its resilience and ability to lead recovery, the new normal after the pandemic ends means we will be in uncharted territory.

Based on the Covid-19 epidemic expected trajectory, the tourism sector's recovery will only begin towards the end of 2020. The first phase of the recovery will be driven by domestic tourism, followed by regional tourism and international tourism next year.

More than ever, tourism is uniquely positioned to help society and affected communities return to growth and stability, and it is crucial that tourism recovery to be included in the wider recovery plans and actions of affected economic sectors like transport, performing arts, sports etc.

## TOURISM SERVICES RISK-ADJUSTED APPROACH

The tourism sector should be at the forefront of deploying solutions focused on safety, sanitising methods and early detection, among others for tourism and travel-related stakeholders - to be used by tourists, tourism employees, hospitality operations, travel agencies, tour operators, transportation and parks, etc.

We must be aware that for the near future, we will be talking about travel and tourism with the virus and with all necessary precautions. For that, we need to coordinate the criteria for the re-opening of tourism facilities, such as hotels, restaurants or transport. Tourism services support other economic sectors and as other parts of the economy open up, the

tourism activities that support those parts of the economy also need to re-open.

As some strategic sectors of the economy will need to operate even in lockdown, such sectors will need tourism services, even before the sector is fully opened for leisure. This would include key elements that would facilitate travel of persons for permitted purposes.

We have developed the directions for the tourism sector to either enhance or provide further clarity on the existing regulations issued to limit the spread of the virus - and in a manner that they can be adaptable in a rapidly changing context.

## DIRECTIONS FOR RESTAURANT, FAST FOOD AND CAFES/COFFEE SHOPS

The directions outline activities by restaurants, fast food outlets and cafes/coffee shops, except those serving food for on-site consumption to patrons who are not guests of a hotel (i.e. those that are attached to accommodations, to offer sit-downs).

### The following matters are equally clarified on the regulations:

- Trading hours;
- Record keeping;
- Screening, sanitising and Personal Protective Equipment (PPE);
- Training of employees;
- Customers' responsibility;
- Issuing of permits.

### High-risk economic activities to remain prohibited under level three includes:

- Restaurants, bars and taverns, except for delivery or collection of food;
- Accommodation and domestic air travel, except for business travel, which will be phased in on dates to be announced.

## PERMITTED ACTIVITIES



We call upon industry to respond to the Risk Adjusted Strategy with a view to prepare for readiness as new sub-sectors are introduced at the various risk levels of the strategy.

## CONTINUED ENGAGEMENT WITH OUR STAKEHOLDERS

Consultations continue with the entire sector since the declaration of the state of disaster and the commencement of the lockdown. We have already engaged on the adjusted levels for the proposed inclusion of certain tourism operations and services.

All the major players in the Tourism Sector including product owners and tourism association, are encouraged to engage in order to develop a response that is “measured and consistent, proportionate to the public health threat and based on local risk assessment, involving every part of the tourism value chain”.

## CONCLUSION

**South Africa has demonstrated remarkable courage and solidarity in fighting this human tragedy.**

As Government, we will continue to spearhead the plan for tourism ability to be a catalyst for the economic recovery, to work faster in a coordinated manner to ensuring, that the sector recovery meets its national development objectives. We remain committed to work tirelessly to safeguard our tourism industry, and this will need heightened cooperation and partnerships as we practically consider our response plans and lay a foundation for a healthier, more resilient future.

*Minister Mamoloko Kubayi-Ngubane*

# CALL FOR 'DE-RISK' STRATEGY FOR TOURISM TO OPEN UP SOONER



South African  
Tourism CEO,  
Sisa Ntshona

With projections that domestic flights will only return by December and international and regional borders will only reopen by early 2021, key tourism stakeholders have emphasised that the travel and tourism industry needs to rally to show Government that certain sectors can be reopened sooner.

This was one of the key messages from a joint Tourism Business Council of South Africa (TBCSA) and South African Tourism. SA Tourism Chief Executive Officer, Sisa Ntshona, pointed out that the sector had a plan. TBCSA CEO, Tshifhiwa Tshivhengwa, highlighted that the key focus for tourism bodies – and the industry in general –

needed to 'de-risk' certain segments of the industry and find ways in which to open those sectors sooner.

He said TBCSA was working with industry to develop certain tourism recovery protocols to ensure this. "We invite our tourism industry partners to participate in the development of these protocols," said Tshivhengwa.

"It is very important for SA's tourism industry to speak as one voice when approaching Government regarding lockdown and related matters," Tshivhengwa added.

*Tourism Update*

## TOURISM RISK RATING

Having been assessed as a Level 1/2 activity within the country's risk-adjusted framework, the industry faces a significant period of constrained activity unless measures can be put in place to mitigate transmission risk.

### COUNTRY RISK LEVELS

External, collective consequence of how SA responds to the pandemic

Mar 2020	LEVEL 5
Apr 2020	
May 2020	
Jun 2020	LEVEL 4
Jul 2020	
Aug 2020	
Sept 2020	LEVEL 3
Oct 2020	
Nov 2020	
Dec 2020	LEVEL 2
Jan 2021	
Feb 2021	LEVEL 1

● Domestic re-starts

● Border openings

### TOURISM SECTOR RISK LEVEL

Rating of the inherent risk of specific value chain activities within the country risk framework

LEVEL 2
LEVEL 1
<ul style="list-style-type: none"> <li>The current risk rating for tourism activities is level 1 and 2</li> <li>Based on Business-As-Usual specifications</li> </ul>

### RISK REDUCTION OPPORTUNITY

- Implementing health protocols that are broadly mandated/accepted
- Incorporating a sub-sector approach to health mandates
- Assessing sub-sectors into different risk categories

### LEVEL 3

- Credible implementation of health protocols
- Possibly resulting in a risk upgrade to Level 3
- Risk level gaps are known to be closed
- Sector can speedily recover



*Inspiring new ways*

**Disclaimer:** Timeframes are for illustration and are Dependant on Pandemic Trajectory





CEO of the Tourism Business Council of South Africa,  
Tshifhiwa Tshivhengwa

# STILL TIME TO MAKE SUBMISSIONS ON **POST-COVID TOURISM PROTOCOLS – TBCSA**

Members across all sectors of the tourism industry were given more time to make submissions on health and operational protocols that could be implemented to make tourism safer.

CEO of the Tourism Business Council of South Africa (TBCSA), **Tshifhiwa Tshivhengwa**, said that the protocols were developed with input from industry (through various associations), as part of de-risking the negative impact of Covid-19 on the tourism sector and to ensure a faster return to market during the global health crisis.

The process formed part of the industry-wide Tourism Recovery Plan, which is led by South African Tourism in partnership with TBCSA.

Tshivhengwa pointed out that since the call for submissions went out to the sector, TBCSA had received close to 3 000 submissions.

A third were incomplete but the 2 000 completed submissions came from across the nine provinces, from big and small industry operators, local tourism chambers and from both TBCSA members and non-members.

“As TBCSA, we are pleased and encouraged by how the tourism industry has heeded the call and united to make submissions, which are key to our industry’s timely and safe recovery. Throughout this pandemic, the sector has stood together and the same is true as we pave a new path toward recovery,” said Tshivhengwa.

The submissions spelled out the mechanisms that would be put in place to prevent the spread of Covid-19 within tourism.

According to Tshivhengwa, the next steps in the process were absolutely crucial to the sector’s recovery. He encouraged all stakeholders in the tourism and travel sector to make submissions to [tourism@tbcsa.travel](mailto:tourism@tbcsa.travel) – either via their associations or as individuals.

He said that at the end, they consolidated the industry’s input, then prepared a submission to Government for further engagement on the de-risking of the tourism sector.

*Tourism Update*

# 5 TIPS FOR TOURISM SMMES TO STAY ON TRACK IN 2020



It's no secret that tourism SMMEs in South Africa are faced with all sorts of obstacles on their business journey.

Sometimes it's a lack of strategic resources or adequate funding. Other times it's the red tape associated with labour laws. Often, it's a state of feeling completely overwhelmed, holding back because of fear, or feeling unsure and indecisive about how to accomplish your goals.

It's easy to reach burnout, especially at the end of a tough year — yes 2019, we're looking at you — but before you throw your hands up in defeat, here are some tips for South Africa's SMMEs to stay on track in 2020.

## 1. BECOME AN ACTIVE MEMBER OF AN ASSOCIATION

French author André Maurois once wrote, "Without a family, man, alone in the world, trembles with the cold." Many small business owners would agree, and I would advise tourism SMMEs to join industry associations, amongst others, like NAA-SA, SATSA, Fedhasa, Savrala and those associated with the Tourism Business Council of South Africa.

Most SMMEs don't have access to training or resources that can help them elevate their businesses, and these national bodies can really help them get a foot in the door. They offer a platform to connect with other businesses and, as an active member, you'll gain useful insights into the global, regional and local tourism sector.

## 2. LIST YOUR BUSINESS ON BOOKING PLATFORMS

Secondly, I would encourage small, medium and micro enterprises to make sure they're being seen by their audience. For 2020, it's imperative to increase your brand visibility, making sure it's cleverly targeted, in places and on platforms where your target audience will see you.

The pilot of Jurni's booking tool went live in December 2019. Small businesses mustn't lose sight of these types of platforms, which will put them directly in front of customers during the buying stage of their travel planning.

Unlike your business's social media pages, once you've listed your business on a

booking platform, you can manage your inventory and prices easily and you won't need to create fresh content every day to stay top of mind.

## 3. KEEP UP TO DATE WITH YOUR INDUSTRY

Aside from your chosen association's newsletters, I recommend keeping up to date with anything affecting the local, regional and global tourism industry through tourism trade publications.

The recent Eskom load shedding is just one example of how important this is. SMMEs need to set up Google Alerts and make a daily habit of reading up on the latest news reports and keep up to date on current events.

2020 also looks set to be an exciting year with all sorts of travel trends and innovative technology coming our way – and if you're not up to speed with what's going on, you double the risk of getting caught out and being left behind.

## 4. START TO EMBRACE TECHNOLOGY

As a long-term tip that reaches beyond 2020, I would like to remind SMMEs to be conscious of the Fourth Industrial Revolution. Don't let the phrase '4IR' scare you. We are living in an exciting and dynamic environment. The Fourth Industrial Revolution is categorised by disruptive technologies that are predicted to alter the way we live, work, and even relate to one another.

I mention this because it's important for business owners to slowly start embracing new technology. It's not enough to be late adopters and, by starting to implement new systems now, SMMEs can automate elements of their business and manage their data in an efficient and effective manner, which can save a lot of time.

The storing of data was one of the driving forces behind Jurni. We realised that we needed a centralised tourism data hub to deliver credible data to facilitate decision-



making for tourism industry players across the value chain.

## 5. THINK ABOUT YOUR ROLE IN THE BIGGER PICTURE

SMMEs are set to be the hope of the ailing South African economy and, according to The National Development Plan, the sector is predicted to contribute 60-80% to the GDP increase by 2030.

It's a big ask and responsibility, especially considering the number of challenges that SMMEs face. But going into 2020, it is important for smaller businesses and start-ups to remember that what you offer does matter, not just to the travellers and tourists you seek to serve, but also to the country as a whole.

It takes a certain amount of persistence and courage to succeed as a small fish in a big sea, but it is indeed possible to thrive in the ever-changing tourism industry.

*No stranger to South Africa's Tourism Sector, and a champion for transformation, women's rights and education, CEO of Jurni, Dr. Nomvuselelo Songelwa, has a natural ability to inspire others. As one of the founding members of 'Education is our Heritage', an initiative that affords access to education in the Tsilithwa village of Qumbu, Dr. Songelwa has dedicated her career to creating conducive workplace environments where women are able to achieve their full potential. Furthermore, Dr. Songelwa has fulfilled several critical roles throughout her career, including the roles of Chief Operations Officer at Eastern Cape Parks and Tourism Agency, as well as Senior General Manager of Operations at South African National Parks (SANParks). In addition to holding a PhD in Land and Agrarian Reform, Dr. Songelwa received the Women in Science award from the South African National Department of Science and Technology for her gender-focused research in 2004. In 2000, she was awarded the H. H. Humphrey Fellowship for Professional Development at Cornell University in New York.*

**By Dr. Nomvuselelo Songelwa**

# REAPPOINTMENT OF TOURISM DIRECTOR-GENERAL

Minister Mmamoloko Kubayi-Ngubane is pleased to announce the reappointment of Mr Nkhumeleni Victor Tharage, who will continue to serve in his role as Director-General of the Department of Tourism. Mr Tharage's new five-year contract will resume with effect from 1 September 2020.

His reappointment comes at a time when our country is engulfed in the outbreak of the Covid-19 pandemic, which has rendered the tourism sector totally inactive. The sector is faced with possible business closures and a massive loss of jobs.

Government, together with the sector, is working tirelessly to lessen the impact of the pandemic and more importantly to develop a tourism recovery plan for the post-Covid-19 period. These efforts require the Department of Tourism to have a sturdy hand at the helm and Mr Tharage is the ideal fit.

Mr Tharage has more than 16 years at senior management level in Government; most of which he spent in the tourism sector and the broader public sector. Over the years, he has demonstrated an abundance of strategic and operational knowledge of the needs of the tourism sector, making him best suited for steering the sector out of the current crisis.

"I am personally very pleased that Government and the sector have been



able to retain a dedicated civil servant of his calibre, track record and further potential. With his deep knowledge of tourism and experience, I believe that Mr Tharage is the best person to lead the Department and the sector through the Covid-19 crisis and in the post-Covid-19 recovery period," said Minister Kubayi-Ngubane.

Mr Tharage is a respected senior civil servant with many achievements, including having been presented the Best Director-General Award. The combination of his experience as a public servant, drive and commitment to the Batho Pele principles will serve him well in helping the sector to get to the next level of growth and development.

**Staff Reporter**



Minister of Tourism  
Mmamoloko Kubayi-Ngubane

# CORONAVIRUS: STOP SA TOURISM INDUSTRY REGRESSING TO 'PRE-1994' DISASTER, MINISTER WARNS

South Africa's tourism industry must not be allowed to regress during the coronavirus pandemic to the point that it looks like "pre-1994", Tourism Minister **Mmamoloko Kubayi-Ngubane** told Parliament's portfolio committee on tourism on 5 May 2020.

She also remained steadfast in her conviction that empowerment criteria for small businesses seeking relief were a matter of law. The committee is concerned that tourism is one of the industries hit hardest by the coronavirus pandemic, resultant travel bans and lockdown restrictions.

While Level 4 of lockdown has allowed a partial return to economic activity, several sectors related to tourism remain impacted. Restaurants may only open for takeaways and deliveries, during certain hours, while accommodation establishments will remain closed.

Some industry experts, including the minister herself, have predicted that the sector may only start up again by December this year, starting with domestic tourism.

Empowerment criteria a matter of law, SA Tourism is, in conjunction with the Department of Tourism, busy drafting a

Covid-19 recovery plan after obtaining input from the industry.

One of the measures already publicly announced is emergency funding earmarked to assist tourism businesses. "As a minister I must never be found to be flexible when implementing the laws of this country," she told the committee, with reference to the case.

The R200 million in emergency funding earmarked for tourism companies is to be capped at R50 000 per business. This is to ensure that more companies get their fair share of the emergency fund.

"We have a policy of B-BBEE in this country. People must understand where we come from and that the playing field must be made equal. We can never sustain this country if we remain an unequal society with the majority on the sidelines of the economy," she said.

"It does not mean that if you are a 'white company' you cannot be exempted for BEE," she emphasised. Kubayi-Ngubane said what keeps her awake at night is the fear that those women and small businesses the Department have already helped as part of its SMME tourism incentive market access

programmes before the virus broke out, will be "lost" once the pandemic is over.

"We worked so hard to enable them to be part of the tourism sector. We put money into nurturing their businesses and helping them to start gaining market access. We want them to be able to continue after the pandemic is over," she said.

During the Department of Tourism's presentation to the committee, it was noted that so far, 28 513 workers in the tourism and hospitality industry have used the help of the Tourism Business Council of SA to apply for UIF due to having lost their jobs as a result of the Covid-19 pandemic. Almost 800 businesses have been assisted with applications too.

The United Nations World Tourism Organisation (UNWTO) predicts that global international tourist arrivals could decline between 20% and 30% due to the pandemic, down from an estimated growth of 3% to 4% forecast in early January 2020.

This could translate into a total global loss of US\$30 to \$50 billion in spending by international visitors.

*Staff Reporter*



# URGENT TOURISM RECOVERY INTERVENTION NEEDED - **SURVEY**

As with other sectors, things have not been well in the tourism sector since the advent of the global Covid-19 pandemic. According to the recent survey in the tourism sector, a total of 43% of South African tourism businesses have already placed their staff on leave of absence and 50% have made staff redundant.

This is according to a survey conducted by the Department of Tourism in collaboration with the Tourism Business Council of South Africa (TBCSA) and the World Bank's International Finance Corporation (IFC).

The 'Tourism Industry Survey of South Africa: Covid-19' was conducted in April 2020 and surveyed around 1 600 respondents across the travel and tourism sector. The survey indicated that more than 160 000 employees in tourism in South Africa may already have been affected by the global health crisis. South Africa's lockdown has curtailed the supply and demand side of the tourism market and, in essence, the lockdown has rendered the tourism sector totally inactive.

"In February 2020 – when Covid-19 began its spread across continents – 79% of businesses in the industry felt neutral or positive about the future of their business and tourism in the country," said Tshifhiwa Tshivhengwa, Chief Executive Officer of Tourism Business Council of South Africa.

However, by April, 78% of tourism business felt negative about the future of the industry. "This is an unprecedented crisis for the tourism industry, with impact felt before

lockdown and expected to last well beyond easing of restrictions," he said, pointing out that unless steps were taken to support the industry, a major component of South Africa's economy would close down and it would be a challenge to restart it.

The survey showed further that since the introduction of restrictions in the country, 69% of businesses have temporarily closed and 58% have applied significant downscaling.

This rises to 82% and 65% respectively for accommodation businesses, a sub-sector of the industry that has high capital investment levels and has a high fixed-cost component. The survey also indicates that 58% and 54% of businesses respectively could not cover debt repayments or fixed costs in March.

Longer-term confidence is also waning, with 51% of businesses having already cancelled planned upgrades, expansions or improvements. This rises to 65% of large businesses – where the larger investment projects that would have generated significant impacts and employment – are on hold.

"The current inability of businesses to cover costs is likely to lead to more business closures. This, together with the cancellation of planned investments, raises a huge concern that there will be no supply, when tourism moves more fully towards recovery which we hope will be during 2021.

Tourism is an important sector of our economy and we risk being unable to

participate in what will be a competitive global industry when the recovery gains momentum," said Chairman of TBCSA, Blacky Komani.

Tourism is a significant sector. It directly and indirectly supports 8,6% of South Africa's GDP. Its economic activity encompasses all non-commuter passenger travel, car hire, a wide range of accommodation types, a vast array of activities and attractions, conference centres, retail and restaurants and services such as tour operators, travel agents, and conference and event organisers, amongst others.

The tourism supply chain touches on manufacturing, such as vehicles, linen, furniture crockery, cutlery and more, construction, other services such as banking, and agriculture, as millions of tourists consume locally produced food.

While this is the case, things are not as gloomy, since there is hope that things will normalise as the risk strategies are being revised, with levels gradually going down. Such was witnessed by the introduction of level 4, which brought in some changes that saw some industries bringing employees back to work, albeit at a low rate. According to South African Tourism, travellers should opt for postponing their already planned trips rather than cancelling. This is hoped to help kick-start the sector on a high note when things normalise, as the industry would have clients in the system already.

**Staff Reporter**





# TOURISM INDUSTRY **SURVEY**

Pursuant to the outbreak of the Covid-19 pandemic in South Africa, the tourism sector was hard hit. In order to gain a better understanding of the impact of this virus on the sector, a survey was commissioned. The survey sample is made up of a wide spectrum of tourism businesses across South Africa.

This survey is a collaboration between the Department of Tourism, the International Finance Corporation (IFC) and the Tourism Business Council of South Africa (TBCSA) as well as all its member associations. It aims to quantify the extent of the impact of Covid-19, how effective the support has been, and what kind of help is still required.

Tourism is one of South Africa's most important sectors. Last year we received 10,4 million international tourism trips and tourism saw a total injection of R273,2 billion into the South African economy in 2018. This sector supports 740 000 direct jobs and

over 1,5 million jobs across the economy. It is the lifeblood for many micro- and small-enterprises, often the only economic activity in rural and remote areas, and creates employment opportunities for men, women and youth across the country. We are going through an unprecedented crisis, and there is urgent need to support our existing industry and plan for longer-term recovery.

*It is the lifeblood for many micro- and small-enterprises, often the only economic activity in rural and remote areas, and creates employment opportunities for men, women and youth across the country*

The key findings have been published on the partner's platforms and shared widely with key decision-makers in Government, financial institutions and development partners. This survey consists of five sections: general profile questions (which provide a breakdown of the type of responding businesses); questions on the business impact of Covid-19; questions on the businesses' response; the support measures available; and outstanding needs of the businesses.

We wish to thank the 1 610 respondents who took the time to complete the survey; your contribution to the recovery of our sector is much appreciated. We will survey the industry three times in total over the next 12 months to track progress. We hope these insights can inform the effective design of policy and support to your business.

**Tourism Update**

# KWAZULU-NATAL'S TOURISM AND TRADE STAKEHOLDERS HAVE MADE MAJOR STRIDES IN IMPROVING INTERNATIONAL AIR ACCESS

**K**ing Shaka International Airport currently handles more than six million passengers a year, making it the fastest growing international airport in the country. To date, it has managed to bring direct flights from mega airlines such as Emirates, Qatar, Turkish Airlines and British Airways.

**Phindile Makwakwa**, acting CEO of Tourism KwaZulu-Natal, says the establishment of a Routes Development Committee (now rebranded as Durban Direct) in 2014 has been a critical part of the success.

Much like the Western Cape's Air Access team, Durban Direct is a collaboration of government departments and the private

the city to improve its direct accessibility to its key markets.

Not only is it quicker and more efficient, but direct flights are increasingly being demanded by the environmentally conscious traveller.

"Why fly domestically to Johannesburg for a connection that is going to take you to a hub, when you can do it directly from Durban," he says indicating that part of the strategy for Durban has been in bringing the major hub carriers on board.

"Hubs are massively important. There has been a definite change in the aviation

or China; India and The Netherlands, Germany and France.

"Accessibility is critical in any destination promotion," says Makwakwa. "Ease of access with our direct airlines makes it more appealing for the trade to promote and market KZN."

## COLLABORATION IS KEY

CEO of Wesgro, **Tim Harris**, says Durban and Cape Town have followed very similar paths to improve air access the past five years.

"It is all about collaboration." He says the two air access teams work closely



King Shaka International Airport

sector with the main aim to lobby for more international airlines to land directly at King Shaka, says Makwakwa, pointing out that Tourism KZN is part of the committee that also comprises Dube Trade Port, Durban Tourism and the KZN department of *Economic Development, Tourism and Environmental Affairs*.

## DEMAND FOR DIRECT FLIGHTS

CEO of Dube Trade Port **Hamish Erskine**, says while Durban is only a 45-minute flight from Johannesburg, it remains critical for

industry as cities around the world are seeing increased demand for direct access in and out of them."

He says the development of modern two-engine aircraft like the Boeing 787 and the Airbus A350, which are highly fuel efficient with a good capacity of around 250 passengers, and the ability to easily service long-haul destinations, it has become easy to service secondary cities out of hubs.

According to Erskine the focus for route development is on the US; the East with either a direct flight to Singapore

together to promote South Africa as a destination internationally.

Harris says in Cape Town and in Durban it is clear that the market dynamics support the business case for increased direct flights.

The collaboration of national, provincial and local Government with the private sector across provinces strengthens the offering to airlines that are increasingly seeing the value of directly servicing both Cape Town and Durban.

*By Liesl Venter*





Deputy Mayor, Aubrey Tsengwa and Park Manager for Knysna, Megan Taplin, with the first recipient to receive groceries in Dam se Bos.

# SANPARKS HELPS **VULNERABLE COMMUNITIES IN KNYSNA**

Three communities in Knysna – Dam se Bos, Hornlee and Qolweni – have received groceries for 100 recipients from South African National Parks.

“Although the need is great, we are encouraged to give the little we have to help sustain struggling families during the Covid-19-related lockdown,” said Acting GM of SANParks’ Garden Route National Park, **Andre Riley**.

SANParks nationally secured R6 million from the United Nations Development Programme and SANParks Honorary Rangers. It was enough to purchase food, hygiene products, educational material and water tanks to benefit 7 500 families in and around national parks across South Africa.

The Knysna Municipality identified recipients of groceries from its system, developed as part of Government’s response to break threatening poverty trends during lockdown.

“I would like to thank the SANParks management team. SANParks has been an instrumental partner in more than 5 000 grocery parcels handed to Knysna communities by the Municipality during lockdown,” said Deputy Mayor of Knysna, **Aubrey Tsengwa**.

*It was enough to purchase food, hygiene products, educational material and water tanks to benefit 7 500 families in and around national parks across South Africa*

“This is a small contribution that will help a small group of families but we continue to raise more food for families,” said Park Manager, **Megan Taplin**. “Although 100 parcels were dropped off in Knysna on Monday, 60 more are expected to arrive later this week.”

Socio-economic Transformation Officer for the Wilderness section, **Phumla Nyathikazi**, said the effort to pool resources to avoid duplication of groceries was key, hence the partnership with NGOs with a focus on alleviating the burden of poverty to vulnerable communities.

“So in working with established organisations like Thembalobomi, FAMSA and Options, we are able to reach child-headed homes. We are encouraged by eyes lighting up as we deliver food to the most vulnerable,” she continued.

**Tourism Update**





## EMBRACING E-COMMERCE AS AN ALTERNATIVE WAY OF DOING TOURISM

According to an annual review by the World Travel & Tourism Council (WTTC) in 2019, South Africa's Tourism sector created 1,5 million jobs, contributed R425,8 billion, representing 8,6% of all economic activity in the country and making South Africa the largest tourism economy in Africa. South Africa's tourism industry prides itself in its unique and vast offering, and greatly benefits from domestic and international leisure travel amongst others.

Upon the declaration of a national State of Disaster by President Cyril Ramaphosa and a nationwide lockdown that was put into effect on 23 March 2020 due to the Covid-19 pandemic, the Tourism industry has taken a big knock. "The tourism sector specifically has come to a complete halt. If the tourism sector is denied the opportunity to reopen, billions will be lost and thousands of people will lose their jobs, not only in tourism but also in sectors that support it such as food and beverage, accommodation and transportation," said James Vos, Mayco member of Economic Opportunities and Asset Management, in a Cape Argus article published on 20 May 2020.

With the regulations issued in terms of section 27(2) of the Disaster Management Act, 2002; movement for leisure and recreation is restricted, and most tourism business owners, restaurateurs and entrepreneurs amongst others, are currently caught between closing down their establishments indefinitely or finding

innovative ways of operating as there is an interruption of a steady income. Tourism Minister Mmamoloko Kubayi-Ngubane encouraged the industry to find creative ways of reviving tourism post Covid-19, according to a Moneyweb article published on 1 May 2020. She highlighted that, "One has to ensure that we have a tourism sector that can respond to the challenge. We know that we are not going to be the same and if we think that we are going to continue like we did (previously), it is not going to work".

E-commerce, also referred to as electronic commerce, is one of the ways businesses and companies are staying afloat amidst the national lockdown. E-commerce can be defined as the buying and selling of goods and services through the use of the internet and using money and data transfer to perform these transactions. On 14 May 2020, the ministry of Trade and Industry gave permission under the level 4 lockdown, for the online trading in all goods online, except alcohol and tobacco. The advantage of the tourism industry is its versatility and ability to overlap across various industries. "The supply chain of the tourism sector also touches manufacturing, such as vehicles, linen, furniture crockery, cutlery, construction, banking and agriculture as the millions of tourists consume our food," stated Tshifhiwa Tshivhengwa, Chief Executive of Tourism Business Council of South Africa, in a Cape Argus article published on 20 May 2020. Therefore, this is a great opportunity for the tourism industry to operate in an unconventional way.

This means that the local restaurant owner who used to only have sit-in customers, may now be able to break through to a bigger market by creating a food delivery alternative. This could be achieved through advertising menus on social media and the internet and delivering them to customers' doorsteps. Furthermore, delivery service providers such as Uber Eats and Mr Delivery may be utilised as they are permitted to operate under level 4 transport regulations.

In addition, items like locally manufactured cloth masks, handmade arts and crafts, jewellery, clothing, and so forth, that would usually be sold at a market stall can be sold online as an option. An added benefit would be that purchases of locally made products and the utilisation of the services of local businesses, will boost the Proudly South African brand. This means that we will be strengthening our economy by supporting our own.

Be that as it may, food deliveries and other courier services should be in adherence to the lockdown level 4 regulations, with respect to proper social distancing and correct hygiene pre- and post-delivery. E-commerce has not only become a lifeline for many businesses during this Covid-19 pandemic but it has the possibility to change the narrative of how tourism thrives in South Africa in the Covid-19 aftermath.

*Staff Reporter*

# WHAT COULD YOU BE OVERLOOKING IN A DEEPLY DISRUPTED TOURISM LANDSCAPE?

**M**uch has changed in the last five weeks or so, not least, that I have learnt how to work remotely from home, but also that the original soundtrack of 'We are in this together' is increasingly becoming a narrative of 'I have to look after my own business'.

It is that very change that I predicted at the beginning of March, when Covid-19 started to destroy the very fibre of our tourism industry globally. One cannot deny the logic, because charity starts at home and commercial/financial survival and sustainability supersede anything else that can possibly be important.

However, I fear there are many unintentional consequences that might be overlooked

and I decided to write another essay for your reading 'pleasure'. As always, I would love to hear opinions, contrarian arguments and, of course, constructive criticism.

## **CANCELLATION FEES AND BUSINESS ETHICS**

The first topic that raised its head was cancellation fees charged by suppliers as Covid-19 heated up, countries closed borders, airlines stopped flying, travellers were limited to their own homes or fell ill – culminating in our own country closing its borders and ultimately enforcing a lockdown.

What is important to understand is that some DMCs act as principal and some

DMCs as an agent, both for the supplier and/or the overseas distributor, normally a wholesaler. In both cases there are very different legal arguments over the enforceability of such fees, the whole force majeure disaster zone, commercial and common law in multiple jurisdictions, and no, I won't venture on to the thin ice of giving my opinions to these items here. I will leave this to the courts of law over the next few years.

I will, however, venture into the area of business ethics. How can it be right to charge for something that the consumer has been prohibited from consuming as a result of being locked in his country of origin, disconnected through airline capacity reduction or locked out of the destination he or she wanted to travel to?

How would terms and conditions that were never designed for the current dramatic circumstance even remotely be consulted for what the financial outcome of a transaction or rather the change thereof should be? Common sense must prevail; anybody looking at their contracts at the moment surely is losing the moral and ethical high ground forever.

## **DISTRIBUTION CHANNELS**

The second topic that occupies the minds of DMCs – I will leave it to OTAs and OTOs to comment on their own facts. Distributing product through a traditional wholesale/retail channel are the changed trading terms of some suppliers mainly in the luxury game lodge segment focused around prepayment structures with or without an escrow process.



It is important to understand margin ability and cash flow implications as a result of these changes. DMCs in the value chain have by far the lowest margin opportunity, as a minimum of 25% of the (mostly too low already commissions) are passed on to the overseas distribution mechanism in order to create a rate equilibrium when it comes to the consumers' choice.

Cash, as a result of internationally accepted requirements and sometimes consumer protection laws, generally can only flow 30 days after the guest has travelled. The question that has to be asked is, how can the one link in the chain that has the lowest margins rightfully be expected to carry the negative cash flow at high working capital gearing costs?

Of course I understand why this is being implemented now, but the unintentional consequence that must be highlighted is that entities changing their terms and conditions might lose the majority of the potential bookings generated in the traditional channel – and maybe it is worthwhile to consider that, as a result of COVID-19, we will see a material level of reintermediation, which makes us 'dinosaurs' more relevant for the future climb-out phase.

## TO RATE FREEZE OR NOT TO RATE FREEZE?

A question that is asked frequently in conjunction with our request to consider a rate freeze is the impact of the substantially devalued rand. Unfortunately for a period of at least 12-18 months, there is no benefit to the overseas wholesalers.

The reason is not glaringly obvious. It is a function of wholesalers being forced to take forward foreign exchange cover in order to be able to guarantee selling prices in their home currency. As a result of the volumes having evaporated to zero, these forward contracts have not been used up and now create substantial overhangs that will take that amount of time to be used

up, especially at the currently expected forward volumes.

Lastly, why would we currently recommend a rate freeze when so many properties and transport suppliers have to endure an extraordinary amount of distress. Remember, DMCs are a margin business. The more we pay for something the more we earn, so our guidance is costing us money too.

There are a number of reasons:

- Most clients retain their current unused sales collateral and, since they are tied into their forex contracts, need the same land cost to keep the same home currency cost.
- We expect a material increase of the air component of a package costs, which land components will have to make up.
- Dynamic rates will trade materially down as a result of prolonged low occupancies continuously undercutting static rates and an increase will simply make the continuous re-negotiations unworkable.
- And, most importantly, many competitor destinations all over the world are waiting in the wings to literally have our breakfast once there is some level of international travel coming back.

*Martin Wiest started out as a bus driver in 1987 and worked his way up to an office job and eventually took up the position of CEO of Tourvest Inbound Operations and a member of the Tourvest Holdings (Pty) Ltd executive committee in January 2009. Martin comes from a strong marketing and sales background so when he was appointed COO in 2006 he did a Postgraduate Diploma in Business Administration, amongst other courses, to gain financial experience. Martin has been in the tourism industry for 25 years, having worked at Welcome Tourism Services from 1988 until his appointment at Tourvest, and has extensive experience in general management and business development.*

**By Martin Wiest**



## KZN WILL 'SEE YOU SOON'

KwaZulu-Natal's provincial tourism agency, Tourism KZN, has released a video to remind travellers of the many sights and experiences the province has to offer.

The video is being shared across social media platforms, in the hope of reminding prospective visitors that while "it's been tough to distance yourself from the warmth of KZN's shores, exploring the mountain tops of the uKhahlamba Drakensberg, and dancing to the beat of Zulu warriors, KZN will see you soon".

"This video campaign captures that spirit of tourism and shows the welcoming scenic beauty of KwaZulu-Natal," said CEO of the Federated Hospitality Association of Southern Africa (Fedhasa), **Lee Zama**.

"The video is definitely inspiring, and meant to remind all our tourists why KZN should be at the top of the travel list once the lockdown is over. We have so much to offer, from the best beaches in the country to the warm smiles from the people," said Chairperson of SA Women in Tourism and MD of Ndzenga Tours, **Makhosi Msimango**.

Tourism KZN is encouraging the tourism industry to share the video and help keep the destination top of mind.

**Tourism Update**





# #LETSGROWTOURISM: A SOLID MARKETING PLAN IS KEY

Incoming tourism is an export industry. It is most important that we all understand that and it is the creator of jobs and a source of foreign exchange.

On the other hand, while it employs the same resources, the travel Industry does not create new jobs or generate foreign income. A meal at Nando's eaten by a local traveller on holiday in Durban or eaten at home in Johannesburg does not add to our wealth – it just transfers it from Johannesburg to Durban. The same meals eaten by visitors from abroad create new jobs and put money into the country's bank account. So every effort needs to go into finding foreign consumers of our goods.

To deliver the goods and services that we have to offer foreigners requires a number of basic conditions that are well understood. They need to be able to get here, which requires good roads, easy air access and efficient port facilities. The people in the Cape have shown us how to attract air capacity and this needs to be copied in Joburg and Durban.

Visas, which are managed by the Department of Home Affairs, have been a problem. The shortcomings are, however, understood and they are trying to remedy the situation to create a simple effective manageable and cheap visa for all the buyers that we want to attract.

Security is an ongoing problem that needs to be addressed at a local level. Tourist hotspots, which are many and

varied, need to be under constant watch by 'Tourist Police', who must be run by the SA Police but funded by the local municipality. Our accommodation – hotels, guesthouses and B&Bs – are generally well run, available and comfortable. Other than the railways, which are shocking, our transportation infrastructure – roads, buses and car hire – are in good shape.

## SO WHAT DO WE NEED TO GROW THE BUSINESS?

**The answer, is marketing.**

The first thing required is a marketing plan that needs to prioritise the many and varied opportunities that exist.

*We need to concentrate our efforts on those people who are going to spend the most in our country. This sounds simplistic. Statistics show us that American tourists spend the most money per capita of all visitors here. This is not true!*

We need to concentrate our efforts on those people who are going to spend the most in our country. This sounds simplistic. Statistics show us that American tourists spend the most money per capita of all visitors here. This is not true!

A trader from Botswana who makes a weekly trip to Johannesburg with his bakkie (utility vehicle) to stock up with goods that he can trade, spends far more in a year than the most affluent American does who is here for a week or two. So we need to start concentrating on buyers, who come in many and varied forms.

A marketing plan requires a marketing manager who can coordinate and finance the many initiatives that are required. The Department of Tourism ought to employ such a person but they tend to get side-tracked and lose focus – like spending money on a jazz concert that may attract thousands of locals but generates no export revenue.

The focus must be on exports and exports only! There will never be enough money to satisfy all the demands that the promotion of inbound tourism requires. Budgets, therefore, are critical and need to be agreed upon by interested parties.

The Tourism Business Council of South Africa – through the Tourism Marketing South Africa (TOMSA) – collects a small levy from each visitor. Historically, they just used to pass this cash on to the State. They should be a party to the expenditure

and contribute to the marketing plan and its budget.

While much of what used to be traditional marketing is still relevant, an ever-increasing number of new opportunities have become available. Popular destinations, for example, need to have webcams covering the action, such as at a waterhole in the Kruger Park. I am not sure that the nudist bathers at Sandy Bay would appreciate being on camera but there are many others that will.

Buyers need to be classified into niche markets, particularly those that bring others along with them. The England cricket team comes with a large following called The Barmy Army, which makes an ordinary sports event something very interesting for the hospitality trade.

This is the job of the marketing department – to define markets and do whatever is necessary to get them here.

*With a B.Com and some post graduate marketing work at Unisa, I was working for the Industrial Development Corporation when the 1969 Stock Market boom happened and I luckily made R1 000. I spent it on a 6-week trip around Europe and then just had to get into the travel business. After a few years doing hotel bookings in a firm called BOOK-YOU, I finally plucked up the courage to put my own name to a tour operator called Thompsons; with a staff of 2 in 1978. Initially we took groups of South Africans abroad and in 1992 when Nelson Mandela was released we started an incoming business which has become very successful. The company was bought by the Travel Corporation and now is quoted on the Johannesburg Stock Exchange as part of Cullinan Holdings. I retired as the Managing Director in 2007 and now keep myself busy by consulting.*

**By Anton Thompson**



Source: Luke Porter on Unsplash

## DROP PRICES TO GAIN TOURIST NUMBERS

In 2018, when the Rand was considerably stronger to the Euro, local tour operators, lodges, hotels and safari parks raised their pricing to a level that far outstripped the country's average inflation rate.

This meant that those of us sending tourists to South Africa paid a far higher price this year for the same product. In my opinion, this is one of the main reasons tourist numbers dropped this year.

Honestly, I hope South Africa will not follow the Namibian example where prices were raised so much in 10 years that the destination is not affordable anymore for the same market that travelled to – and could afford the destination – five years ago.

The outlook for travel to South Africa from the Benelux countries in 2020 currently looks much better, thanks to a weaker Rand – and due to the fact that not all suppliers subscribed to the notion that the “sky’s the limit” when it comes to pricing.

But do we all really want tourism numbers to SA to depend so strongly on the strength or the weakness of the local currency?

Can local suppliers not freeze prices next year in order to fill beds again? And why is low season in SA only a bit cheaper than high season? In Europe prices easily drop more than 50% in low season in order to draw increased tourist numbers.

Europeans will not want to travel in June to a country with short daylight and low temperatures, when they enjoy high summer in their home countries...except

if travelling to SA is much cheaper at that time of the year. Then there will be ample opportunities during the South African winter period. Almost 90% of our customers say wildlife is their number one reason to visit SA. Further to that of course there is the appeal of good accommodation, good food and wine and wide open landscapes.



*Bruno De Lathauwer founded Live To Travel (a niche outbound tour operator focused on Africa, the Indian Ocean and Oceania) in 2004. The operator has offices in Aalst (Flanders, the Dutch speaking part of Belgium) and Almere (Netherlands) and is considered a market leader on Southern and Eastern African travel in Belgium, sending around 4 500 to 5 000 Flemish and Dutch customers to SA, both groups and individual travellers, for an average stay of 15 days. The company also represents Drifters and Nomad in the Benelux countries.*

**By Bruno De Lathauwer**



# UNCONTROLLABLE FACTORS AFFECT **AFRICAN HOTEL INDUSTRY**

**A**s with any industry, the hospitality industry is subject to a number of uncontrollable variables that affect those involved in management or ownership of hotels.

These include local and global economics, population shifts, oil pricing, legal changes and, of course, health outbreaks and pandemics. I'll touch on a few of these and other factors in brief

## **HEALTH CRISES AND PANDEMICS**

No matter the effects of past outbreaks and pandemics (think influenza, Ebola, Sars and H1N1), the global hospitality industry today finds itself plunged into uncharted territory. As a result, thousands of hotels worldwide have had to close.

Whilst no one can determine the final impact of this crisis on the survival of hotels and tourism industries worldwide, it is clear that the uncertainty caused by Covid-19 has forced the industry to become more creative and to innovate.

Resilience is now the watchword during this sharp downturn. Those hotels and brands able to skilfully navigate these waters will have one feature in common: they will have prepared today to build resilience tomorrow.

## **OIL PRICE**

African oil-producing and -reliant countries have been among the most hard hit by the Covid-19 pandemic and the declining oil price, which has now reached a momentous 18-year low and looks to be unstable for some time as oil price wars take effect. Countries such as Angola and Nigeria, which have been slow to diversify their economic baskets away from crude oil, will unfortunately also see this impact negatively on business travel, as it has in the past. This will also have a hard knock-on effect on Senegal's promising oil and gas future.

## **CLIMATE AND ENVIRONMENTAL FACTORS**

Communities located in high-risk natural disaster regions encounter greater challenges in developing resilient and sustainable tourism economies. Past examples of tsunamis, earthquakes, volcanic eruptions and even locust plagues have all shown that there are two sides to the issue in terms of the tourism sector. First, the devastating effects of the natural disaster slow down the tourism sector. On the other hand, natural disasters are capable of fostering strong feelings of solidarity, luring global interest to the region for further economic opportunities, including tourism and hotel investment.

## **ELECTIONS**

Leading up to government elections, hotels typically benefit from increased traffic from international observers, politicians, officials and others who crisscross the country. Typically, however, international corporate and conference travel is seen to decline during an election year, often due to fears of political unrest and protests against long-serving rulers.

The Kenyan tourism sector, as an example, is particularly vulnerable to this trend as the country's election process can be fraught with violent outbursts. Demand usually declines approximately two months prior to elections, though resurgence in demand usually occurs relatively quickly once a peaceful election process is complete.

## **CRIME AND CIVIL UNREST**

Factors such as civil unrest and international terrorist attacks hamper economic growth and tourism by deterring travel to specific locations. But, whilst the toll of terrorist attacks on hotels and tourism is extensive (take Kenya, for example), post-conflict reforms in countries such as Angola, Rwanda, Nigeria and Ethiopia have seen post-war reconstruction booms. Increasing infrastructure development has rendered these recovering areas ripe for tourism and hotel investment. Figures show travellers



eager to return to popular destinations previously affected by geopolitical instability.

## GOVERNMENT REFORMS AND POLICY CHANGES

In many countries, changing political trends and wider economic policy challenges typically spill over into the highly fragmented tourism industry. Similarly, government reforms can result in issues such as insufficient tourism resourcing or reduced government spending on business or conference tourism.

In 2016, Tanzania imposed the contentious value added tax (VAT) on tourism services and positively reduced unnecessary government spending that resulted in a significant reduction in hotel demand from government, business and conference travel in particular.

South Africa's 2015 stringent immigration laws for those travelling with children also wrought havoc on its tourism sector. On the other hand, the KAZA 'Univisa' initiative by Zambia and Zimbabwe has positively impacted tourism in these countries by granting travellers easy movement between the two (and day trips to Botswana) using just one document.

*Wayne Troughton is Founder & CEO of HTI Consulting, a specialist tourism, hospitality and leisure consulting company focusing on Africa and the Middle East, and with offices in Cape Town and Mauritius. Wayne has worked in the hospitality, leisure and tourism industries for over 30 years and held positions in 5-star hotels in the UK and SA, and later as Associate Director at Grant Thornton. Launching HTI Consulting in 2003, Wayne has worked on more than 450 assignments in 45 countries, on the African continent. He has consulted for IFC and World Bank on investment climate issues and tourism programs in Africa and has extensive Operator Selection, Management Contract and Franchise Contract Negotiation experience.*

**By Wayne Troughton**



CEO of the Tourism Business Council of South Africa, Tshifhiwa Tshivhengwa

# TBCSA CONTINUES WORK ON EXPANDING UIF TERS REACH

The Tourism Business Council of South Africa (TBCSA) is focused on helping freelancers in the tourism sector who are not eligible for the Unemployment Insurance Fund (UIF) Temporary Employee Relief Scheme (TERS), according to its CEO, Tshifhiwa Tshivhengwa.

He highlighted this during a Department of Tourism-hosted webinar focusing on 'The State of the Tourism Sector' featuring CEO of SA Tourism, Sisa Ntshona.

Tshivhengwa acknowledged that the process wasn't easy but noted that the TBCSA was continually working on resolving the challenges. To that end, UIF has increased the number of staff appointed to process applications.

"We are aware of freelancers, such as tourist guides – who are important for our sector that aren't registered for UIF," said Tshivhengwa. "We're looking into this matter and discussing the establishment of a possible fund." He added that while this was on the top of his list, he couldn't make any promises on that.

Tshivhengwa added that, although the TBCSA's memorandum of understanding with UIF was for 12 months – with the TERS programme currently only earmarked for three months – the two parties were already discussing a possible extension.

"We are discussing with UIF the possibility of extending the contract to the end of December 2020 if financially possible as that is when the sector is likely to reopen," explained Tshivhengwa. "We know tourism will be the last sector to open in level 2 and level 1 in the Covid-19 framework for the risk-adjusted strategy."

To date, 50 000 employees have qualified for relief from this fund, from just over 1 000 companies that applied.

**Staff Reporter**

# AIR TRAVEL POST-COVID-19: TWO LIKELY SCENARIOS

Right: Alexandre de Juniac, IATA DG and CEO



A risk-based layered approach of globally harmonised biosecurity measures is critical for the restart of air travel, according to IATA.

The aviation body released new analysis showing that the damage to air travel from Covid-19 extends into the medium-term, with long-haul/international travel being the most severely impacted.

The analysis further highlighted that quarantine measures on arrival would further damage confidence in air travel.

Subsequently, IATA and the Oxford Tourism Economics Company have created two possible air travel scenarios.

## **BASELINE SCENARIO**

**This scenario is** contingent on domestic markets opening in Q3, with a much slower phased opening of international markets. This would limit the air travel recovery, despite most forecasts pointing toward a strong economic rebound late this year and during 2021.

- In 2021 it is expected that global passenger demand (measured in revenue passenger kilometres: RPKs) to be 24% below 2019 levels and 32% lower than IATA's October 2019 Air Passenger forecast for 2021.
- 2019 levels will likely only be exceeded by 2023.
- As international markets open and economies recover, there will be further

growth in air travel from the 2020 low point. But even by 2025, global RPKs are expected to be 10% lower than the previous forecast.

## **PESSIMISTIC SCENARIO**

**This** is based on a slower opening of economies and relaxation of travel restrictions, with lockdowns extending into Q3, possibly due to a second wave of the virus. This would further delay the recovery of air travel.

- In this case, global RPKs in 2021 could be 34% lower than 2019 levels and 41% below our previous forecast for 2021.

"Major stimulus from governments combined with liquidity injections by central banks will boost the economic recovery once the pandemic is under control. But rebuilding passenger confidence will take longer. And even then, individual and corporate travellers are likely to carefully manage travel spend and stay closer to home," said **Alexandre de Juniac**, IATA DG and CEO.

He added that the impact of the crisis on long-haul travel would be much more severe and of a longer duration than what was expected in domestic markets.

"This makes globally agreed and implemented biosecurity standards for the travel process all the more critical. We have a small window to avoid the consequences of uncoordinated unilateral measures that marked the post-9/11 period. We must act fast," said De Juniac.

## **AVOID QUARANTINE MEASURES**

IATA urged governments to find alternatives to maintaining or introducing arrival quarantine measures as part of post-pandemic travel restrictions.

"Even in the best of circumstances this crisis will cost many jobs and rob the economy of years of aviation-stimulated growth. To protect aviation's ability to be a catalyst for the economic recovery, we must not make that prognosis worse by making travel impracticable with quarantine measures," said De Juniac.

"We need a solution for safe travel that addresses two challenges. It must give passengers confidence to travel safely and without undue hassle. And it must give governments confidence that they are protected from importing the virus. Our proposal is for a layering of temporary non-quarantine measures until we have a vaccine, immunity passports or nearly instant COVID-19 testing available at scale."

IATA's proposal for a temporary risk-based layered approach to provide governments with the confidence to open their borders without quarantining arrivals includes:

- Preventing travel by those who are symptomatic, with temperature screening and other measures;
- Addressing the risks of asymptomatic travellers, with governments managing a robust system of health declarations and vigorous contact tracing.

*By Alexandre de Juniac*

# LOCALISING THE POST-COVID-19 TOURISM ECONOMY - **MOBILISATION AND PARTNERSHIP**

Right: Hon. Cllr Thembi Nkadimeng, Executive Mayor of Polokwane and President of SA Local Government Association (SALGA)



Our world has been turned upside down by the Covid-19 Coronavirus outbreak. This crisis calls for innovation, smart governance and government administration as we brace ourselves for the economic and social impact of the outbreak due to the much-needed social isolation and extraordinary public health measures we had to implement.

***"The worldwide Coronavirus pandemic is a challenge we must face together... our response must be calm, consistent and collective. Tourism will once again be there to help people and communities recover from this setback." - Zurab Pololikashvili, UNWTO Secretary-General.***

It is this phrase by Pololikashvili, which has persuaded me to start sit in the Tourism sector's corner and join the call for supporting the sector now and in the future.

Local and regional governments throughout the world are at the core of the Covid-19 crisis. Whether our councils are working to ensure that the services that keep our communities functioning continue to be delivered to the best standards, or joining with a variety of partners at local and national level to address the impact of the outbreak of Covid-19, it is clear that the part played by local governments will be critical over the coming weeks and months.

Cities and communities of all sizes and type need deploy strategies to deal not just with the impact on health, but also on issues such as social cohesion, our economies and infrastructure.

Working together has never been more important. For us as community leaders, driving development and creating sustainable communities that enable us to flourish now, and in the future, local Government is well placed to rise to this challenge.

So far, most governments, businesses, and citizens have rightly focused on saving lives, resulting in a range of responses

from the drastic national lockdown to more gradual (restrictions on public gatherings and the promotion of physical distancing) interventions.

With an understanding of each local and district economic structure, Government can quickly identify places where the economy can be restarted. To do that well, we can assess both the risk of transmission and the relative economic importance of the tourism sector.

Due to its crosscutting economic nature and deep social footprint, tourism is uniquely positioned to help society and affected communities return to growth and stability. For this to happen, local economic development and tourism enterprise support and recovery strategies need to be included in the wider recovery plans and actions of affected economic sectors like transport, arts and culture and technology etc.

With tourism at a standstill, I am reminded of a popular cliché **"There is no place called national"**. This means when there is no tourism activity, the pinch is felt at local level – in the township restaurants and by roadside traders, it is felt by the local B&B and by the tourist guide as well as by the storyteller in the village.

Against this backdrop, as we consolidate a national compact for recovery and rebuilding our economy, we need to come up with measures to ensure that tourism recovers where it happens: at a local level.

Now more than ever and in the coming days, local Government will need to support new creativity and opportunities that will be created in the recovery stages and local economic investment in tourism products will have to be changed entirely to reflect new realities.

As the world slowly returns to normal, it is very likely that international travel restrictions will linger on to avoid "importing" new Covid-19 cases, particularly

amongst those districts and local municipalities with low prevalence.

In the coming weeks and months, proactive leadership will be crucial. To be able to rebuild local tourism economies, we will need to rethink methods, processes, governance structures, social impact initiatives, new technological applications, existing technologies, among other ways of doing the business of tourism.

However, we must all work to support local Government and tourism stakeholders in identifying and mitigating global and local risks related to tourism: mitigation strategies, actions and instruments to evaluate risks of global and local importance.

**Local Government will need to speed up measures to facilitate domestic travel, by ensuring the safe and efficient movement of travellers,** including an exchange of information, development of standards and procedures meant to deter threats, reduce costs and safeguard the movement of travellers.

As we begin to live in the new public health paradigm, our recovery techniques for local destinations will need to fast-track digital applications for tourism-related services like revenue management, crisis communication, crisis management, re-branding, and travel confidence recovery among others.

Once the worst is over, it would definitely be the right thing to support the domestic tourism industry and explore our own country before heading to international destinations.

**These things take time.**

Perhaps some of the planning and implementing can be done by Government agencies working remotely from home. In the meantime, let us stay put, let us stay home today and dream of travel tomorrow.

**By Hon. Cllr Thembi Nkadimeng**





# THE ROAD TO ECONOMIC RECOVERY REQUIRES DELIBERATE BIAS TO THE MOST DISADVANTAGED

*Left: Adv Mthokozisi Xulu, Board Member, SEDA and President of the South African Chamber of Commerce and Industry (SACCI)*

Labelled as a black swan event and likened to the economic scene of World War 2, the outbreak of Covid-19 has had a detrimental effect on global healthcare systems with a ripple effect on every aspect of human life as we know it.

The hospitality and travel industry have perhaps been most hard-hit, with workers facing potential devastating hardships by the hour and with impacts on both travel supply and demand. As a direct consequence of Covid-19, the World Travel and Tourism Council (WTTC) has warned that 50 million jobs in the global travel and tourism sector may be at risk.

Tourism is a major driver of jobs and growth but Covid-19 has dramatically changed this. The impact on tourism enterprises and workers, the majority being young women, is unprecedented.

The pandemic has placed many businesses, mainly SMMEs, in a very precarious position with threats to livelihoods and jobs - and the tourism sector is not spared. The virus has demonstrated the risk associated with tourism investments.

Timely, large-scale and, in particular, coordinated policy efforts both at international and national levels, are needed. There is therefore the need to continue to implement urgent relief measures. These include temporary State aid for the tourism and travel sector from national governments, fast and easy access to short and medium-term loans to overcome liquidity shortages, and fiscal relief and unemployment insurance.

We have lamented the adverse socio-economic impact of the virus on employment and livelihoods, moving beyond lamentation, we as development finance institutions (DFIs) need to commit to

devising measures to support the opening up of the tourism sub-sectors and make sure that our local economies thrive again.

As DFIs, empowerment schemes, equity funds and stokvels, we must collectively demonstrate leadership and be a responsible partner in the recovery phase by being at the forefront new funding and incentive packages aimed at ensuring that we don't roll back years of economic transformation and the leveling of playing fields.

As governments respond to the economic crisis caused by Covid-19, a key question is how the impact will differ across local economies and how policy should respond. In the short term, if we know which areas are hardest hit, this pointed the way in terms of coordinating emergency response and targeted support.

Tourism is not an insignificant sector. Directly and indirectly, it supports 8,6% of South Africa's GDP. Its economic activity encompasses all non-commuter passenger travel, car hire, a wide range of accommodation types, a vast array of activities and attractions, conference centres, retail and restaurants and services such as tour operators, travel agents, conference and event organisers and the like.

Post Covid-19, the travel and tourism industry, like many others, will never be the same again. This means that we cannot go back to 'business as usual', and both private and public stakeholders in the tourism industry will have to rethink many of their practices.

## **What measures can we adopt, to salvage the industry once this crisis blows over?**

Granted, the economic crisis caused by Covid-19 will play out differently in rural vs. urban areas. The same goes for smaller

municipalities vs. our metropolitan areas. Unfortunately, the unusual nature of this crisis makes its local impact hard to predict. This complicates attempts to formulate appropriate area-based policy responses.

This is an opportunity to once again take an unwavering shot at radical transformation of the tourism sector. In the midst of adversity, we must ensure that our small businesses are resilient and agile where possible and start thinking of disruptive approaches in the SMME sector.

Once the pandemic has finally been contained, global travel is likely to slowly recover, allowing the sector to get back on track to meet what the Government hopes will be a growing potential to create more jobs and boost small and medium businesses.

The focus on domestic tourism will entail emphasis on product diversification, of niche markets like heritage tourism and festivals, local events to address seasonality and geographic spread, activation of school and sports tourism and further entrenching a culture of tourism amongst South Africans.

We therefore need to champion a national compact for tourism recovery and to investigate more measures to ensure continuous support to tourism businesses to adapt and thrive in a new post-crisis era, and explore innovative capacity-building programmes to enable the travel and tourism to become more inclusive, robust and resilient.

Political commitment is key to ensure that tourism can experience wider economic and social recovery, as proven in the past with disruptions on the back of the highly resilient nature of the sector and its ability to bounce back boldly.

*By Adv Mthokozisi Xulu*



# THE CHANGING FACE OF **FAMILY TRAVEL**

**T**he definition of 'family' has evolved so much over the past decade – and so has the family travel tourism offering.

According to South African Tourism research into family travel, it's important to redefine the meaning of 'family' in a modern context. Its research presentation, titled *Family Travel Quick Stats*, notes that just as the way the term 'family' has changed over the years, so has family travel.

While the old-fashioned understanding of the term 'nuclear family' generally meant mom, dad and two kids, the research shows that this family structure is very last season.

"Instead of nuclear family households, more people today, even those with children, are living with their parents, other family members or even with other unrelated families," notes the SA Tourism research.

**Lish Kennedy**, VP of global marketing at Vrbo (part of the Expedia Group), who is quoted in the research, says: "Today, family travel encompasses trips that reflect real families – extended families, multigenerational families, skip-generation families and families who travel with families they are friends with."

Taking a look at any of the predicted travel trends for 2020, top of the list is multi-generational travel or inter-generational travel – and tour operators need to ensure that family-friendly packages are good value for money and have something for every age.

**Masa Yamawaki**, Tourvest DMC Market Manager for South East Asia, Japan, Australia, New Zealand and the Nordics, says there has definitely been a shift toward building family-curated itineraries.

He says, "I am starting to see family travel requests from some of the Asian markets. This was hardly requested before."

## **SKIP-GEN**

Yamawaki notes that he has also seen 'generation-skip' travel requests – grandparents travelling with grandchildren, leaving the parents behind, which was hardly requested before.

The '**Skip-Gen**' trip or '**Gramping**' holiday makes perfect sense – grandparents who have time (and disposable income) get to spend time with the grandkids during the school holidays and mum and dad can either get a break or deal with the demands of their work (or any other good reason to offload the kids on the grandparents). Either way, these types of trips are on the rise.

Focusing on niche destination experiences, makes sense – and it's important to make sure that there are facilities in place to support the different generations within one group.

Yamawaki says: "In some of the markets, we created tours that concentrate more on wildlife during the school holidays so that families can consider travel to South Africa as a family holiday." He also says properties have a supervised kids' programme.

He agrees that multi-generational travel – where three generations or more travel – is definitely a theme that is on the rise. Again this means looking at the product offering and asking how it can meet the needs of the travellers.

"When it comes to large families, we try to offer properties that have exclusive-use villas or apartments with more than two bedrooms, instead of offering the normal hotels."

No doubt the rise of the home-tel offering also blends well into this market offering.

Another notable trend (according to Skift), is the **Panks & Punks** type vacation, which refers to the Professional Aunts and Uncles with No Kids of their own taking their nephews and nieces (or friends' kids they are close to) away on holiday away with them.

## **SILVER TOURISM**

Within the scope of family tourism, there has been a rise in Silver tourism, as noted in an article in *Tourism Update* last month.

The article points out that silver tourism is on the rise in South Africa, with elderly tourist numbers showing growth in December. International tourists aged 65 years and older were 9,6% male and 4,5% female. In the SADC region, elderly tourists comprised 21% male and 3,3% female.

*By Denise Slabbert*



# IS 2021 THE NEW 2020? – AN INTROSPECTION OF THE WAY FORWARD...

Since we all have a bit more time available to us than usual, I have written a rather long opinion piece. Logically, the below is my personal opinion and I have to admit that my crystal ball has been slightly out of sync for the last six weeks, so I look forward to hearing from you if you agree with my views and logic and, just as importantly, if you don't and where you think I got it wrong.

## TAKING STOCK

From a Tourvest Destination Management (TDM) perspective, our priorities during this period have revolved around evacuating well over 25 000 passengers from eight countries on the African continent, a task that was most complex, and our teams delivered a phenomenal result, with fewer than 30 of our clients stuck somehow somewhere.

The next challenge was preparing a business that employs well over 800 staff in 11 offices around the world to be able to work in a decentralised home office fashion.

Then we needed to create a view of the future through endless discussions with key stakeholders globally to allow for a balanced opinion on the short-, medium- and long-term impact of this crisis, which, in truth, only started recently when WHO declared Covid-19 a pandemic on March 11. Incredulously, it feels like months ago.

Based on an amalgamation and analysis of many opinions, internal discussions and our

personal experiences we have formed our own view of a likely scenario on how this will pan out in most of, if not all, our destinations, namely Namibia, Botswana, South Africa, Mozambique, Kenya, Tanzania and Uganda.

Not all of the below applies equally in every destination we service, but we believe that the principles are identical across the board.

## SOURCE MARKET DEVELOPMENTS

In our view, all source markets will have a very similar reaction. The only difference will be timing and the absolute impact of Covid-19 on a country and its population. For the purpose of this letter I will focus on Europe and the United States, which in our expectation will behave in a very similar fashion.

It is expected that many civil liberties, including domestic and international travel, will remain severely curtailed for a prolonged period of time, but unlikely to exceed September 2020. The travel industry experts in those countries anticipate a reluctance to book long-haul holidays for the balance of 2020 as a result of the trauma experienced, reduced disposable income, nervousness in terms of 'moving target' travel restrictions and many more.

In our view, these mainstream source markets will start making purchasing decisions on a long-haul exotic holiday no earlier than second quarter 2021, effectively

creating the new volume reality no earlier than third quarter 2021.

A further contributor to the delayed return to some form of normality is the anticipation that governments in those countries will continue to manage imported infections. Hence, once you go on holiday to a country that still has a comparatively high level of infections you might have to self-quarantine for a two-week period on your return, which nobody will want to do. The consequence is a higher demand for domestic and regional holidays in our source markets for the period preceding consumers being ready to apply their minds to long-haul again.

There are a few wildcards here. Some European countries, such as Holland and Sweden, have, to date, taken a more liberal approach to managing this disease and one can rightfully assume that those countries will be early adopters of long-haul travel. The other relevant unpredictability derives from the 'voucher system' that some countries have legislated. In essence it aims to keep liquidity in the market and to force travel within 12 months. Currently this system applies in a few markets only, but if and when volume source markets adopt the same process we might see a switch-on earlier, despite the above-mentioned dampers.

## AIRLINES

In our view it is highly unlikely that airlines will return to their full capacity within



the first 24 months after global travel restrictions are lifted. In the context of our destinations the bulk of the capacity was created by the Middle East hub carriers, in addition to the point-2-point carriers from most core source markets. Of course, there is a consistent question about the likelihood of insolvencies and survival of many airlines. The overall result in our mind is clear: Reduced supply = Increased cost to travel long-haul.

## DESTINATIONS

Our destinations throughout Africa have been hit by the coronavirus wave approximately two months after our source markets, and the full extent of the impact is still unclear. Hence, our logic is that if we went into this challenge two months delayed, we will exit from it both from a health management and from a civil liberty perspective around October this year. Infections will have subsided, borders will have been opened and airlines will start to arrive, but because of the above-described impact on our source markets, volumes will be severely reduced compared with the last four months of 2019.

Our current expectation is that September 2020 will be 40% of the previous year and October to December around 50%. Now, interestingly enough, we currently hold these percentages of bookings in our system already. The interesting part will be what component of those bookings will cancel and are we able to replace the cancellations with new bookings.

Bringing us to 2021, the question revolves around the February to April 2021 high season in Southern Africa as well as July to September 2021 in East Africa. No doubt the source market influences will still impact these periods materially. How much is anybody's guess.

Our view: January to March 2021 will be at no more than 40% of the same period in 2019, April to June 2021 around 50% of the same period in 2019, July to

September 60% and then 80% in the last quarter of 2021.

Again, many wildcards such as the elections in Kenya, economic recession leading to social unrest, escalating crime rates as a result of higher unemployment, and reduced distribution ability/product choice through insolvencies are the downside.

Weakened currencies leading to more competitive destinations, government focus on tourism switch-on and corresponding investment, changed supply-and-demand principles leading to declining prices, and streamlined DMCs are the upside.

## COMPETITOR DESTINATIONS

Let us not forget that we will, more than ever, fight with other destinations over the same, and now rarer, consumer who wants to travel long-haul. Logically, these have taken as much of the bloodbath as we have and I am talking about the US, Australia, New Zealand, most of Asia, and Brazil, to name a few that attract a similar consumer.

As a result of our part-ownership in GoVacation Africa, where our partner DERTOUR has a DMC network throughout the world, we have a clear line of sight of what is happening in most of those destinations. It is very clear that most, if not all, of them are already now positioning themselves to gain maximum traction when life as we knew it returns at least to some extent through creating extraordinary marketing funding, product development and, above all, an extremely aggressive pricing philosophy.

## CONCLUSION

Without rehashing the above details we expect a wipe-out to August, a trickle of business from there to the end of 2020 and a very slow recovery to a reduced new reality during 2021. Getting to our destinations will be more expensive and

our competitor destinations will want to grab our passengers. In our view, the upper market will return more quickly as we see those customers to be more selective in terms of vacation choices; the mainstream tourist will take longer.

But much will change for the better. The traditional distribution channel with DMCs and overseas wholesalers working in tandem have proven themselves through service. We will see a period of reintermediation that will accelerate digital developments, the competitor landscape will change, and interesting contractual challenges will be resolved to name a few.

## RECOMMENDATION

Getting product, availability and pricing into our source markets is critical at this time. The quicker this can be done for the longest possible period, with the most lenient terms and conditions and at the most aggressive price level possible, can be the only conclusion if you agree with our synopsis above.

Now, what that pricing level is the million-dollar question. If you approach this question purely from an economics standpoint, where supply and demand determine the price of a commodity, I think it is fair to assume that we will ultimately see a substantial reduction in achievable rates, even below 2019 levels.

Our recommendation, however, is to use the 2020 rates also for the 2021 period and ideally extended to April 2022 and hence protect the rate in some fashion in the static distribution world. Dynamic rates can then take care of the discounting that, in our view, will no doubt happen.

In this context, please remember that we are a margin-driven business and we would not give recommendations that are detrimental to ourselves if we did not believe that they are the correct way forward.

*By Martin Wiest*



*The Victoria Falls*

## **ZAMBIA**

Zambian President Edgar Lungu has reopened the Victoria Falls to the public, nearly two months after closing the World Heritage Site due to Covid-19. Lungu urged all visitors and tour operators to follow health guidelines by wearing masks and practising social distancing. "The decision to reopen the Victoria Falls was based on the city of Livingstone not recording any cases of the coronavirus," said Lungu.

Livingstone Tourism Association Chairperson, Rodney Sikumba, who accompanied the President on the tour of the Falls, said tour operators were looking forward to a slow recovery of the tourism industry.

## **NAMIBIA**

Namibia's national parks have reopened following their closure in April as a result of Covid-19. Spokesperson for the Ministry of Environment, Forestry and Tourism, Romeo Muyunda, confirmed the reopening in stage two of Namibia's lockdown. "We urge Namibians to visit our remarkable parks as a way to support the country's tourism sector during this difficult time."

He added that the private sector was also offering special packages for Namibians to promote domestic tourism.

## **BOTSWANA**

In line with Botswana's strategy of easing the lockdown restrictions introduced to mitigate the spread of Covid-19, the Government announced phase three from May 15 and national parks have reopened. Game reserves and museums are also open again for business, with commercial guest houses allowed to start welcoming guests.

All these entities must adhere to health guidelines such as daily Covid-19 temperature screening and wearing of face masks at all times.

*Tourism Update*

# **UPDATE FROM SADC COUNTRIES REGARDING COVID-19 RESTRICTIONS**

# THE MIDDLE SEAT DEBATE



Iata opposes the mandatory elimination of middle seats on aircraft, saying evidence shows the risk of on-board transmission is low. It would drastically raise costs, resulting in much higher airfares, ending affordable travel and putting airlines at risk, the association says. Meanwhile, when flights resume, FlySafair will allow pax to pay and block the middle seat.

Iata's assertions make sense and are helpful. If states and other bodies enforce load limits on airlines, the reality will be a massive hike in the cost of operating a 'viable' seat. What this means is that fares will go up (think economy fares climbing to business-class prices), demand will drop and airlines will struggle to claw themselves out of their precarious positions. That's a very high price to pay for confidence, when, in reality, social distancing on aircraft is not particularly effective in meeting the end goal: to limit the spread of the virus.

However, realistically, airlines are faced with two objectives. First and most importantly, we have to implement the right measures that will allow us to sleep at night knowing

that – to the best of our knowledge and research – we are doing everything we can do to prevent transmission on our aircraft. The second challenge is building customer confidence. Unfortunately, in a world of fake news and social media opinionistas – the two do not always align.

Iata has also shared research outlining consumers' biggest fears about flying again. One of the primary fears is to be seated next to someone who is infected. So while there's evidence to suggest that the risk of transmission is low if other more meaningful measures are taken, there's equal evidence to suggest that people are afraid of this.

This is why we have built our policy on the matter quite carefully. We are not applying a blanket block on all middle seats. Instead, as a policy, we will allocate all window and aisle seats to customers first, to allow for more comfort and confidence, but once those have all been allocated, we will start to allocate middle seats. The only exception would be where customers have purchased seats together, e.g. families travelling together.

For a fee, passengers will be able to block the middle seat when making their booking. This gives them the option of peace of mind, without us experiencing the concurrent cost escalation. We hope that, with this mix, we've struck a happy medium between doing the most responsible thing in adding another layer of defence with some distance where possible, but also by addressing customer confidence issues by empowering them to secure that distance.

## **CAN THE IATA SURVEY RESULTS BE USED TO LOBBY FOR AN EARLIER LIFTING OF THE TRAVEL BAN?**

While it illustrates that we can make air travel safer and protect against on-board transmissions, there is another issue that needs consideration: the relocation of potentially infected individuals. An infected individual may not necessarily infect anyone on board, but may potentially infect people at their destination (where perhaps infection rates might be lower). The Iata results may, however, make a strong argument for aligning the opening of flying with the opening of provincial borders.

We'd like to emphasise that while having our aircraft grounded hurts us, we don't want to fly if it's going to contribute irresponsibly to the spread of the virus. We believe the right scenario will be one where we are permitted to fly when it's reasonable to grant that permission, but also where the industry's viability is protected through a State subsidy.

*Kirby Gordon is head of Sales and Distribution at FlySafair. Kirby specialised in the sale and distribution of goods and services through e-commerce platforms and was head of brand at Kalahari.com before joining Safair and the travel trade in February 2015. Kirby holds an MBA from the UCT Graduate School of Business and currently resides in Johannesburg.*

**By Kirby Gordon**





## KNOW YOUR BACKYARD BEFORE YOU GO ABROAD

A Brand South Africa (SA) activation programme saw a group of local travellers embark on a journey to South Africa's Limpopo province to tour, explore, enjoy and #UnpackLimpopo.

Brand SA, represented by Toni Gumede at the time, said, "Our role is to represent and showcase the country, to encourage people to come to visit, as well as to do business; but also to learn about the country. #PlayYourPart.

"We want to showcase Limpopo as a destination of choice. We want people to play their part in rallying behind the environment and sustainability. There is the preservation of wildlife species; the preservation of game reserves and places that need to stay the way they are for future generations, such as the community and the village which we visited earlier today," she said, referring to the tea farm in Gamatlala Ramoshebo Village in the Sekhukhune area, where the organic Setsong Tea is made.

Toni continued, "Can you imagine if one day your grandchildren go back there and found nothing?"

In terms of showcasing Limpopo as a business destination, she said, "We want

to show people that in this very beautiful place that you can go for heritage and tourism, you can also do business. As Brand SA, we are entrusted with the responsibility to position the country as a brand that is competitive and attractive."

### SONTO NDLOVU LEADS BY EXAMPLE

I spoke to Sonto Ndlovu, CEO of Limpopo Tourism Agency. Talking about women in leadership, the first woman CEO for the Limpopo Tourism said, "We want more women to participate in leadership, especially in the tourism sector. The great thing is that in Limpopo we have taken the national initiative of women in tourism very seriously."

"So, there is a very vibrant chapter of women in tourism," Sonto continued. "I am very humbled that I was able to take on this position. I am trying to do my best to inspire other women who look up to me, who say: 'In you, we see some of us, and we have seen it is possible.'"

### #1 DOMESTIC TOURISM DESTINATION

"Thirdly, Limpopo is very big on social/leisure events. We have the Mapungubwe

Arts Festival which celebrates the arts and culture of Limpopo. Limpopo has three diverse cultures (VhaVenda, Bapedi and BaTsonga). And people come from all over SA come to attend these events. Limpopo is also home to the biggest church in Africa, the Zion Christian Church (ZCC). So, in terms of religious tourism, there are millions of people who come to Morija during Easter and when they get here, they stay in our tourism facilities," she said.

"What I always encourage is that whether you are coming to Limpopo for a church event, or a funeral or a wedding, take some time out to experience Limpopo. You can either go and meditate at a nature reserve, go for a walk in a park, or even take the family for a picnic. Because of our proximity to Gauteng, it's easy to get here. When you leave Pretoria, within an hour's time you are in Bela Bela."

Sonto continued, "Lastly, South African corporates do their meetings, conferences and adventure outings in Limpopo. If you work in the concrete jungle of Gauteng, where are you going to rest or inspire your team? You come to Limpopo. It has nature, the resorts, and the facilities. And people get to experience that serene atmosphere that inspires them to strategise. So, we get

a lot of board getaways. Business owners from Gauteng come here to plan about their businesses and to recharge. So, we think those are some of the factors that make Limpopo a number one domestic tourism destination in South Africa."

## PUT LIMPOPO ON YOUR BUCKET LIST

"There are hot springs in Bela Bela, which is apparently a very big tourist attraction in winter. When people can't swim anywhere else in South Africa in Winter, they can go and swim there with the children during the school holidays," Sonto said.

In terms of international arrivals, Limpopo is number two after Gauteng.

Sonto added, "We can still grow. My message to South Africans is: Put Limpopo on your bucket list. Don't go overseas while you have not been to Limpopo. Know your backyard. Know the other provinces."

"When we were coming out of apartheid, people did not really travel much. Now it's our time to get to know other South Africans and other cultures. Mingle and just learn. We get a lot of people from KwaZulu-Natal who go to Thohoyandou in Venda. There is so much to learn there. Before you go to Thailand and Mauritius, every South African has a responsibility to just play their part."

"Knowing your South Africa will empower you to be an ambassador when you meet internationals. You can tell them about your country with confidence. And if we can be ambassadors of South Africa first, it's easy for us to tell our friends who are overseas why they should come to South Africa. Authentic stories of who we are will bring people to our country."

## TRAVEL ENCOURAGES NATION BUILDING

Travel can also encourage tolerance and nation-building. Said Sonto: "It will also help us prevent and avoid xenophobia. People of Limpopo are welcoming. Did you know

that local women in Limpopo can make healthy salt at Lake Fundudzi in Venda? This is what people need to come and learn."

Limpopo is also full of arts and culture events.

"We have the Ribola Art Route that cuts across from Tzaneen, Giyani and all the way to Venda, where you can visit various local art galleries and see the art made by the locals. While other people are excited about Air BnB, we have homestays, where the communities allow foreigners to stay in their houses and learn about them," she added.

Limpopo also has the African Ivory Route, which is made from various camps in the middle of nowhere under the fig trees along the riverside.

Sonto said: "This is where you can come and have a tranquil time. The international tourists come in numbers. We want South Africans to experience this also. For people who don't like camping, we have glamping."

Glamping is where you stay in a glamorous camp, which has an en-suite bathroom/toilet, electricity, and the whole shebang. So you take your glamorous lifestyle with you to the bush.

## AGRI-TOURISM

Agri-tourism is how Limpopo leverages on nature and natural produce to create an interest in people to travel to the province. The alcoholic beverage Amarula comes from the Marula tree, which grows in Limpopo. It's a wild fruit, which means it just grows without being tended to.

"That's what God gave us. He didn't give us the beach, he just decided to give us the Marula fruit, which is loved by elephants. In January when we see elephants not walking straight, we say they are drunk in Marula," she jokes. There is also the indigenous Marula beer.

"What the Government has done here is to create an industry out of Marula. Once

you strip the fruit, you can use the skin to make Marula jams, margarine, butter, hair products and body lotions. We also have the Baobab trees. And from these, people create lotions and massage oils."

## FEEDING THE NATION

Limpopo is the biggest producer of avocado, mangoes, tomatoes, any kind of citrus, and bananas. Sonto said: "Limpopo is a very rich environment. We feed and nourish the nation."

In terms of sporting events, Limpopo hosts the four-day four-stage Tour De Limpopo of about 500 km, which runs from Bela Bela to Tzaneen. "Because we have expansive open spaces and scenic beauty, it's beautiful to create outdoor events where people can see and appreciate the province," said Sonto.

Participants are professional cyclists and they come from different countries. "We also have golf tourism taking place in Waterberg," Sonto concluded.

Park Inn Hotel, which is a stone's throw away from Peter Mokaba Stadium, was our home for the duration of the trip. Thabo Rafuthu, general manager at Radisson Park Inn Polokwane said since opening five years ago, the hotel had grown its occupancy to about 55%.

The market of the hotel, which has created employment for the youth of Polokwane, comprise of mainly government and corporate people. The establishment is busy from February until the end of November and during the Easter Holidays, as well as on weekends because it is next to the stadium.

The trip to Limpopo was not only an eye-opener. Wonderful memories were created. And great fun was had. There is definitely #MoreToEnjoy in Limpopo.

This article was first published on [www.refilwethobega.com](http://www.refilwethobega.com)

*Tourism Update*





# SUPPORT FOR KZN SMMES IN THE INDUSTRY

KwaZulu-Natal, with its rich cultural heritage, offers numerous opportunities for growth for small, medium and micro enterprises (SMMEs).

Some of these opportunities for growth in the tourism industry were recently highlighted by Executive General Manager of Impact Investments at Business Partners Limited, **David Morobe**.

He explained to Tourism Update that, because the sector was a labour-intensive industry and thus drove the creation of jobs and skills, SMMEs would always have an opportunity to establish themselves and grow.

Tourism KZN (TKZN) has a mandate to ensure it facilitates transformation in the province's tourism sector and has invested in SMME development. Acting CEO of Tourism KwaZulu-Natal, **Phindile**

**Makwakwa**, told Tourism Update that TKZN had an Enterprise Development programme, with a number of initiatives already implemented.

*Initiatives such as the Capacity Building & Training, Skills Development, Business Linkages & Networking, and Market Access support are already in place*



*Acting CEO of Tourism KwaZulu-Natal,  
Phindile Makwakwa*

"Initiatives such as the Capacity Building & Training, Skills Development, Business Linkages & Networking, and Market Access support are already in place," said Makwakwa. "In partnership with established tourism business, TKZN is also assisting emerging and black-owned enterprises with market-readiness programmes."

Induna (headman) at Khula Village and Director of Veyane Cultural Village in St Lucia, **Philip Mkhwanazi**, said he had received support from TKZN. "KZN Tourism has trained us to do marketing online, they did brochures for us and they booked the table stand in the Tourism Indaba."

**By Boitumelo Masihleho**



# LUSCIOUS ST LUCIA – ‘JOINT EFFORTS NEEDED TO GROW TOURISM PIE’

Shoreline hippo and croc tours Source: Heritage Tours & Safaris



To grow the tourism pie and overcome obstacles to growth, operators with diverse offerings should work together to promote all tourism product owners and suppliers as a whole.

“If a guest wants to participate in an activity we don’t provide, we should say ‘it’s not a problem’, get on the phone and organise it with a service provider who does,” says Operations Manager of Heritage Tours and Safaris, **Paul Kilham**.

“Helping each other to help tourism as a whole is crucial – St Lucia would collapse without tourism as it’s vital to the employment in the area,” he adds.

One of the local tourism businesses Heritage Tours and Safaris works closely with is the Veyane Cultural Village, with Induna (headman) at Khula Village and Director of Veyane Cultural Village, **Philip Mkhwanazi**, highlighting that the village provides guests with an “authentic experience” of the Zulu culture.

Veyane Cultural Village was established in 2002 and won the National Lilizela Tourism Awards in 2017. “We are



Guests at the Veyane Cultural Village. Source: Veyane Cultural Village

supporting seven different families with school uniforms every year. We teach the traditions of the Zulu culture in local schools,” said Mkhwanazi. “Seasonality has been an issue as it affects the payment of salaries.”

St Lucia is one of the settlements in Umkhanyakude District Municipality that offers a wide range of tourism activities.

The iSimangaliso Wetland Park was South Africa’s first World Heritage Site and includes Lake St Lucia, which is home to huge pods of hippos. With a variety of ecosystems like swamps, beaches, wetlands

and coastal forests, St Lucia provides a number of tourist activities. From whale watching, hippo and crocodile tours to the very popular turtle tours, tourism in St Lucia has a large conservation angle offering not only traditional Big Five game drives but other once-in-a-lifetime experiences.

These include watching the resident turtles lay their eggs and, later, seeing the hatchlings make their way down to the water, according to Kilham, who says these are some of his company’s most popular tours.

**By Boitumelo Masihleho**

# HORN TRIMMING OF RHINOS IN PILANESBERG NATURE RESERVE



Pilanesberg Nature Reserve boasts a very important white rhino population, and it is certainly one of the most important white rhino populations in South Africa, and even the world. Both white and black rhinos have shown to be adapting extremely well in the reserve and excess animals from these populations have been used to establish new populations across South Africa, and in Botswana.

The rhino population in Pilanesberg Nature Reserve has been plagued by poaching for at least the past 7 years. Over this period, the reserve has lost more than 120 rhinos due to poaching. This obviously has had a deteriorating impact on the population, and it is showing a steady decline over the past few years. The current situation has prompted North West Parks Board to take drastic intervention measures to save the species.

The North West Parks Board decided to trim the horns of all rhinos in the reserve with the help of a veterinary services experts who arrived in Pilanesberg on 12 May 2020. The team worked through the park trimming horns of all black and white rhinos, males, and females, and calves they found in the parks. They also kindly tended to old gunshot wounds and injuries of other animals.

Over the years, the procedure of trimming the horns of rhinos has been developed into a detailed protocol with almost no risk to the animal. It has been proven that the risk of loss of an animal, as well as injuries or improper removal of the horn is eliminated when it is conducted by a qualified and experienced veterinarian.

The animal is located, darted and immobilised by a veterinarian from a helicopter. When the animal is down, it is located by the ground team in the shortest possible time, the eyes and ears are immediately covered, and its condition immediately monitored. The cutline is marked, and the horns are cut very close to the base with an electric wood saw.

The stump is then rounded with an angle grinder to remove all excess horn. The whole operation takes less than 15 minutes per animal, followed by the team withdrawing from the animal, and the animal being woken by the veterinarian. He then strolls off, slightly disorientated, but completely healthy and strong without any injuries or fatalities.





“Although we prefer rhinos to have their horns and be able to roam around safely without any threat, the horn trimming operation was necessary to relieve the pressure of poaching of the rhino population to allow it to recover to the levels it was prior to the escalation of poaching in the reserve,” said Pieter Nel, the Chief Conservation Officer.

Strategically, from a security perspective, Pilanesberg has a few severe challenges. However, the size of the reserve, the mountainous terrain, the size of management blocks, provincial roads surrounding, etc. all make this reserve a target for poachers. The motivation behind the operation was to ensure the “reward to poachers is reduced” and “the risks to the poacher are increased”. This was also a key finding in a study commissioned by the National Department of Environmental Affairs on the effectiveness of horn trimming as a deterrent to poaching. The Board is in the process of increasing its security efforts in Pilanesberg and other reserves significantly.

There are fears that horn trimming may have an impact on the behaviour of the animals, specifically in terms of defending territories and exerting dominance over other inferior bulls. However, data from the Zimbabwe Lowveld Conservancies shows that trimmed rhinos are as likely to retain territories as horned individuals. It needs to be acknowledged that a rhino’s horn is its primary defense mechanism. The bulls use it to defend its territory and dominance, and cows to defend their calves from predators and other bulls. For this reason, all animals in a population need to be trimmed in the shortest possible time to prevent horned individuals of displacing or injuring trimmed animals. However, possible ecological or behavioural problems associated with horn trimming can be justified against the imperative of keeping the rhinos alive.

It is estimated that the total cost of this operation is valued at approximately R2 million due to horn trimming being a costly operation. The cost includes veterinary costs, helicopter flying time, as well as veterinary supplies. However, this operation

was made possible by sponsorships from Rhino 911, Rhino Pride Foundation, Pilanesberg Wildlife Trust and Copenhagen Zoo who are all registered non-profit organisations. The Board received additional assistance from Zodiac Dierkliniek, the pilots and ground crew who unselfishly made available their professional time and equipment at no cost to the project who worked hand in glove with the Park staff who supported the operation and whose dedication is acknowledged with pride.

*By Dinah Olive Rangaka,  
PR and Communications Manager:  
North West Parks Board*







# FEDERAL AIRLINES TO EXPAND KRUGER CONNECTIONS

Federal Airlines has announced plans to expand its Nelspruit, Kruger-Mpumalanga (KMIA) shuttle flight offering from July.

“This will be aligned with fastjet Zimbabwe’s new scheduled flights between Victoria Falls, Zimbabwe, and the Kruger Mpumalanga International Airport,” said Federal Air commercial manager, **Nik Lloyd-Roberts**.

He said fastjet Zimbabwe’s network would now include a new international schedule from Victoria Falls (VFA) to Kruger Mpumalanga International Airport (KMIA), Nelspruit, South Africa and a return direct domestic flight from Bulawayo to Victoria Falls.

Offered four times a week the flight will depart Victoria Falls at 11h20 arriving at KMIA at 13h05. The return flight departs at 13h35 arriving at Victoria Falls at 15h15.

“These exciting new flight times will allow southbound guests to undertake a morning activity or partake in a leisurely breakfast in Victoria Falls and arrive at KMIA to connect seamlessly with Federal Airlines to the Sabi Sands, Manyeleti or Timbavati Game Reserves for an afternoon game drive,” Lloyd-Roberts pointed out.

Alternatively, northbound guests will be able to enjoy a morning game drive in their private game reserve or the Kruger National Park, before a quick Federal

Airlines flight to KMIA and onwards to Victoria Falls, landing in time for an evening activity in Vic Falls.

Federal Airlines will continue to offer connections to all other scheduled operators at KMIA as per its published agents’ manual for 2020. It will also act as act as a sales agent for fastjet ticket sales for the VFA-KMIA routing.

“This will allow our travel partners to make one booking with Federal Airlines for their clients’ shuttle flight as well as their scheduled fastjet flight,” said Lloyd-Roberts.

*By Liesl Venter*





*Photo by Gavin Davidson*







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