



tourism

Department:  
Tourism  
REPUBLIC OF SOUTH AFRICA

## **COVID19 Tourism Relief Fund (TRF) demand continues**

**18 June 2021**

The Department of Tourism has continued to receive enquiries since the closure of the Tourism Relief Fund about the prospects of new funding to continue to support enterprises who are facing renewed challenges due to the impact of COVID19.

These enquiries are in most instances from hundreds of enterprises whose applications were unsuccessful either due to not meeting the criteria requirements or limitation in the availability of resources on the part of the Department.

The Fund was dedicated to support Exempted Micro Enterprises in line with the Tourism Broad Based Black Economic Empowerment Codes of Good Practice. To this end, only enterprises with an annual turnover not exceeding R5 million could qualify. These enterprises also had to provide valid proof in relation to the nature of the business, status of operations, COVID19 impact, financials, tax clearance status, amongst others as per the criteria that was set and published by the Department. Another important element of the considerations was to ensure that there was geographic spread across and within the provinces.

It is also important to note that within the tourism value chain, the fund did not cater for business categories such as franchises in the food and beverages, restaurants and conference facilities attached to hotels, Shebeens and Tavern, craft centres amongst others.

The Fund, which also benefited from industry support was rather limited at only R200 million mainly through the redirection of funds to respond to the impact of COVID19 on small tourism enterprises whose cashflows are largely dependent on daily activities. The funds were meant assist with expenses towards fixed costs, operational costs, supplies and other pressure costs items. It aimed to provide support at R50 000 per entity.

Of the 7284 valid applications submitted, only 4,000 businesses in categories such as accommodation establishments, conferencing facilities and venues, safari and car rentals in the tourism and hospitality sector received the funds, with 3284 enterprises unsuccessful, hence the large volume of enquiries about possibilities of a second phase of the TRF.

“The Department took it a step further and published the names of all the beneficiaries on its website to ensure that there was maximum transparency in the administration of public funds.” Said Victor Tharage, the Director General of Tourism. This was followed by a media statement to alert the public to the publication. This approach was also followed in relation to all the department’s expenditure related to COVID19.

Tharage also indicated that “It is regrettable that while there is still a lot of demand for the funds, the Department is not in a position reinstate the Tourism Relief Fund owing to the unavailability of financial resources”. It is for this reason that the focus of the Department is on the implementation of the Tourism Sector Recovery Plan (TSRP) to ensure sustained return to business activities as the mainstay of the recovery efforts.

**Issued by the Department of Tourism**

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