



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



DEPARTMENT OF TOURISM

2020-2025 STRATEGIC PLAN

MID-TERM PROGRESS REPORT

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LIST OF ACRONYMS AND ABBREVIATIONS

ACRONYM / ABBREVIATION	DESCRIPTION
AGSA	Auditor-General of South Africa
B-BBEE	Broad-Based Black Economic Empowerment
CBP	Capacity-Building Programme
COVID-19	Coronavirus disease 2019, also referred to as Coronavirus
DDM	District Development Model
EPWP	Expanded Public Works Programme
ERRP	Economic Reconstruction and Recovery Plan
FET	Further Education and Training
FS	Free State Province
GDP	Gross Domestic Product
GP	Gauteng Province
GTIP	Green Tourism Incentive Programme
IDC	Industrial Development Corporation
IFC	International Finance Corporation
KZN	KwaZulu-Natal Province
MASP	Market Access Support Programme
MICE	Meetings, Incentives, Conferences and Exhibitions
MimMec	Ministers and Members of Executive Councils
MoU	Memorandum of Understanding
MP	Mpumalanga Province
NDP	National Development Plan
NEF	National Empowerment Fund
NGP	New Growth Path
NTCE	National Tourism Careers Expo
NTSF ₁	National Tourism Safety Forum
NTSF ₂	National Tourism Stakeholder Forum
NTSS	National Tourism Sector Strategy
NW	North West Province
RPL	Recognition of Prior Learning
SADC	Southern African Development Community
SAPS	South African Police Service
SA Tourism	South African Tourism
SEFA	Small Enterprise Finance Agency
SMME	Small, Medium and Micro-Enterprises
Stats SA	Statistics South Africa
TBCSA	Tourism Business Council of South Africa
TEF	Tourism Equity Fund
TGSP	Tourism Grading Support Programme
TIA	Technology Innovation Agency
TIP	Tourism Incentive Programme
TRF	Tourism Relief Fund
TRM	Tourism Resilience Model
TSRP	Tourism Sector Recovery Plan
UNWTO	United Nations World Tourism Organisation
WC	Western Cape Province
WEF	World Economic Forum
WiT	Women in Tourism
WTTC	World Travel and Tourism Council

EXECUTIVE AUTHORITY STATEMENT

We stated at the start of the 6th Administration that the underlying goal of our Strategic Plan was the pursuit of the achievement of 21 million tourist arrivals in 2030. We indicated that this would require that we grow the number of international arrivals at 6% annually until 2030. Due to the devastating effects of COVID-19 which led to travel restrictions, economic downturn, etc., increasing the number of international arrivals at 6% annually until 2030 had become a challenge that we needed to reflect on.

We saw the number of visitors who visited our country between January and October 2021 being just 1.7 million, down from 2.5 million in the same period in 2020. About 85 percent of these arrivals, or 1.5 million, were from the African continent. The greater majority of South Africa's tourists in 2021 also came from other African countries, the majority of whom travelled by land. Approximately 48.6 million individuals travelled throughout South Africa between January 2021 and September 2021. There is a decrease of 40.5% compared to the same period in 2020.

We set out to transform the tourism sector through increased participation of blacks, women and youth. Working together with the Tourism Black Economic Empowerment Council, which is working towards becoming an autonomous body within this Medium-Term Strategic Framework (MTSF) period, we committed to implement initiatives to achieve the sector Broad-Based Black Economic Empowerment (B-BBEE) provisions. These would include support for Small, Medium and Micro Enterprises (SMMEs), skills development, market access programmes and incubation programmes

We had committed to improving the transformation levels in the tourism sector in terms of management control, skills development, enterprise and supplier development and socio-economic development. To this end, an impact assessment is being undertaken with regard to the extent of improvement in the transformation levels in the sector, and the result will be available in January 2023.

We have continued to implement programmes that support the most vulnerable in society, including unemployed youth, as well as SMMEs in rural villages and towns nationally through Working for Tourism Programmes, the incentive programmes as well as the skills development programmes. The Department implemented projects that provided various support packages to SMMEs, drive transformation and ensure the development of emerging operators.

While the tourism sector was doing its bit to grow the economy over the years, the emergence of Novel COVID-19 pandemic has had dire socio-economic effects on the sector. This led to the threat of job losses and strained livelihoods of tourism employees, and other stakeholders. As a result, various COVID-19 mitigations were implemented in a phased approach to counter the effect of COVID-19 on the sector. These were put in place and tabled to the government by the Department in collaboration with other sectors. On the other hand, SMME's within the tourism sub-sectors adapted their business models and maintained a presence through innovative ways of operating. This reflected the great potential and opportunity for the tourism industry to operate in an unconventional way in the COVID-19 operating environment.

The adverse impact of COVID-19 was felt within a context of an economy already in a difficult economic situation. Statistics South Africa (StatsSA) had conducted two surveys that assess the impact of COVID-19 on South African businesses. The surveys indicated that a high percentage of businesses experience below normal range turnover as a result of the impact of COVID-19, with 85,4% and 89,6% reporting this between 30 March 2020—13 April 2020 and 14 April 2020—30 April 2020, respectively. As expected, the measures put in place to contain the transmission of the virus led to the closure of some businesses, with 46,4% and

47,9% of businesses having closed their businesses during the two respective time periods of the survey.

The tourism response to the outbreak of COVID-19 was enabled by fairly well-established collaborating mechanisms within the sector. The absence of economic disaster management framework, which was a challenge in response to the unexpected outbreak of COVID-19, necessitated the need to rely on the Disaster Management Act for response. The pre-existing relationships within the tourism sector such as the National Tourism Sector Forum, became readily available infrastructure to manage the COVID-19 crisis situation. The level of participation by the sector stakeholders in these engagements reached far and wide, and were fairly representative. Synchrony was achieved very early between public and private sector on how to approach the disaster. This presented an opportunity to get a better sense of the extent to which different operations were exposed, as well as the vulnerability of the various sub-sectors. The synchrony enabled early issuing of directions, early finalisation of the Tourism Sector Recovery Plan (TSRP), and enabled ongoing and collective monitoring of developments in the tourism space.

The TSRP was a response by the tourism sector to these multiple challenges brought on by the pandemic. To elaborate on the actions that would be undertaken in the tourism sector to support the recovery, the Department together with the private sector and other stakeholders, worked together to develop the Recovery Plan. Albeit still a draft, the TSRP was released on 1 August 2020 for consultation with stakeholders and members of the public. It was subsequently approved by Cabinet on 21 April 2021 and launched on 22 April 2021. The Plan is anchored on three strategic themes: protect and rejuvenate supply, re-igniting demand and strengthening enabling capability for long-term sustainability. Guided by these themes, the Plan proposes implementation of 10 strategic interventions in order to support the revival of the sector.

The Tourism portfolio approaches the second half of the term of the current administrative term with cautious optimism as it observes the green shoots of recovery beginning to emerge. After two years of stunted tourism performance due COVID-19 containment measures globally, we began 2022 with positive signs with tourism activities opening up globally. Locally, the Tourism portfolio is focused on implementing the TSRP to ensure that we put a dent on the COVID-19 which induced 70% losses in arrivals and earnings.

The TSRP also commits to expansion of air access and enhanced transport linkages to support regional mobility; evaluation of airline and route risk to continuously identify attractive partnerships to be pursued and unattractive ones to be avoided; and enhancing efficiency of the NPTR to expedite the processing of licenses (vehicle/tour operators). We appreciated the work led by the Department of Transport in respect of these TSRP actions.

The Department will continue to support the work led by the Department of Home Affairs on rolling out of the proposed e-visa system to simplify the visa and entry process. This includes continued effort to expand visa-free entry agreements to cover more source markets as part of the TSRP actions. We will continue the partnership established with the South African Police Service (SAPS) in the implementation of the Tourism Safety Monitors Programme to ensure we offer best services to tourists. We are looking forward to the work-study investigation report into the establishment of tourist police that was conducted by SAPS to consider ways to jointly achieve tourist safety and in turn economic growth and job creation.

DEPUTY MINISTER STATEMENT

The Tourism Industry has and continues to play an important role in South Africa's economy both in relation to its contribution to economic growth and to employment creation. A rapid and sustained rise in the number of people travelling across the world has led to more attention being given to the tourism sector, not only in terms of its economic output contribution, but also for employment creation and human resource development globally. Growth rate of employment in the tourism industry could be harnessed to a much greater extent if certain conditions are met. These include competitiveness, excellent visitor experience, and safety and security. All of these factors are to a varying extent influenced by the quality of human resource development in the industry. The Tourism Sector Human Resource Development Strategy is driven by a vision of appropriately skilled tourism workforce offering excellent visitor experiences and contributing to the inclusive growth of the tourism economy in South Africa.

Department has implemented youth skills development program nationwide, leaving a dent on the scourge of unemployment and consequential social strife. The various training programmes being offered focus on interventions to improve visitor experience and are based on industry demand for these skills. They are implemented in partnership with private sector, and with the objectives to contribute towards poverty alleviation through payment of stipends; placement of learners in Tourism & Hospitality establishments thereby granting them exposure to job opportunities and income generation. At conclusion of these programmes, learners are provided with accredited or recognised certificates and are well positioned to further their studies at FET Colleges.

The Women in Tourism (WiT) Programme commenced in 2013 as a platform to drive initiatives that support the development and empowerment of women in the tourism sector. This platform recognised the challenges faced by women entrepreneurs who are often found at the bottom end of the tourism economic value chain. It also identified interventions that will assist in realising the WiT agenda. In the previous financial year, to increase the participation of women in the tourism sector and to promote inclusive growth, the Department implements the Women in Tourism Business Development and Support Programme to support 225 women owned SMMEs nationally (25 per province). The focus areas included for the Women development programme included training on personal development, supporting women to develop a competitive advantage in their businesses and provision of capacity building initiatives.

The Department also implemented a pilot project situated in the northern most province in South Africa namely Limpopo in the Vhembe and Mopani Districts with the technical support of the UNWTO. These two projects will continue to be implemented in the 2022/23 financial year to support sites / project and women owned business in the areas of Leadership and Skills Development; Supplier Development and Market Access and also SMME Development and Mentorship.

As a sector, driving excellence must be a habit. Tourists buy experiences. The safety of destinations and public health measures put in place to combat the spread of COVIDS19 and associated pandemics is a consideration. The National Tourism Sector Strategy (NTSS) highlights the importance of delivering memorable experience for all tourists and the sustainable benefits for all South Africans. With the need to make a concerted effort to continually increase the levels of hospitality and friendliness, the general standards of service, the recovery of the sector requires a combined effort from all role players.

The TSRP calls for the implementation of biosecurity norms and standards across the value chain to enable safe travel and rebuild consumer confidence.

The Department is well positioned to achieve these objectives through the implementation of the Tourism Service Excellence (SANS: 1197), the Tourism Norms and Standards for safe Tourism Operations, Responsible Tourism (SANS: 1162) and capacity building programmes to increase the skills level in the sector as a way to directly and significantly enhance the experience of visitors. The Service Excellence initiatives was integrated with the Norms and Standards on safe tourism operation.

The implementation of the Service Excellence Standard commenced in 2012 and has been ongoing since then. Due to the diversity of the standard in nature, it covers various aspects of services. In the previous financial year, the Department has implemented Service Excellence Programme (SANS 1197) in two provinces namely Northern Cape and Limpopo to enhance service levels standards of tourism products. In the current financial year, the Department will continue to create a culture of Service Excellence focusing in small towns supporting tourism products, through the empowerment and participation of tourism value chain, organisations and communities. Sub projects will include among others the cleanest town initiative, and promoting adherence to the tourism safety protocols. This will be done through continued implementation of the SANS: 1197 integrating the Tourism Norms and Standards.

The Department provides financial support through the Tourism Grading Support Programme (TGSP) support to encourage wider participation in the grading system of the Tourism Grading Council of South Africa (TGCSA). The objective of the programme is to ensure uniform and consistent quality standards in facilities and services; to reduce the cost burden on small and medium enterprises; and to enhance the overall visitor experience and improve destination competitiveness. The Department's (TGSP) implemented in collaboration with the TGCSA will continue to offer discounts of up to 90% on grading assessment fees for new and renewal grading applications.

The Department currently has 39 projects in various stages of development across all nine provinces, aimed at benefitting communities. These are mainly in areas close to major attractions and areas with rich tourism potential, as well the development of major attractions with catalytic potential, e.g., wildlife/safari; heritage; scenic beauty. Most of this work is being project managed by the Development Bank of Southern Africa. Some of these projects are near major entrances to the Kruger National Park, in an effort to extend the benefits of these assets to communities living outside of the parks, and who might have been disposed of their land to create the park, e.g., Shongoni Gate and Numbi Gate.

Of the 39 projects mentioned above, some are key heritage related developments, e.g.

- The *Baviaanskloof Interpretative Centre and Leopard Trail* was funded by the European Union (R57 million). Baviaanskloof is a key UNESCO Proclaimed World Heritage Site in the Eastern Cape. Completed and handed over to ECPTA in March 2022, the development will enhance the attractiveness of product offerings, and contribute to the competitiveness of the site. The Leopard Hiking Trail included upgrading of 3 four-sleeper hikers' huts at each of three (3) camps of the Leopard Trail as well as existing services i.e., concrete pool, concrete braai facilities and water pumps. These developments have already received media coverage.
- The *Dinosaur Interpretative Centre (Golden Gate Highlands National Park)* which is currently in progress will be a world class, state-of-the art interpretive center. It will serve as an iconic tourist attraction modelled on the narrative interpretation of the paleontological, archaeological, and geological evidence found at the Golden Gate Highlands National Park in the Free State Province. This addition will enhance and extend the heritage tourism offering of the Free State, as well as nearby tourism establishments and businesses. This project is also funded by European Union (R120 million).

Visitor experience is a critical factor to our ability to attract visitors to our shores and within South Africa. In this regard, we will continue to implement the Service Excellence Standard (SANS: 1197) with a focus on Small Towns and Tourism Product support. Collaboration with partners across government and in the private sector is also central to our efforts to address all facets of visitor experience in South Africa. Therefore, we will ensure that our partnerships in this area are intentional and strategy focused.

The Department will conduct tourist safety campaigns. The objective is to enhance tourism safety awareness at key tourism attractions and within the destination. These campaigns will be conducted jointly with provinces and other stakeholders with interest in tourism safety and security, including SAPS, South African Tourism, Tourism Business Council of South Africa, provinces and municipalities. The initiative is in line with the Tourism Safety Plan which is derived from the Safety Strategy.

Mr. Fish Mahlalela, MP
Deputy Minister of Tourism

ACCOUNTING OFFICER STATEMENT

The National Development Plan (NDP), the Tourism Act, (Act No 3 of 2014) as well as the Re-imagined Industrial Strategy are instructive to the Department's effort to grow tourism such that its contribution to the Growth Domestic Product (GDP) and job creation is increased and that its work has the effect of transforming the sector to broaden participation in and benefits of tourism. For the growth of tourism to and within South Africa, the Department is committed to intervene in order to realise improvements in the tourism offering, the visitor experience, and in access to the destination, while deliberately ensuring that the tourism sector transformation levels improve significantly.

Within the Department, we are committed to ensure that a capable, ethical and efficient organisation is maintained to support effective delivery of our mandate. We remain resolute in our attitude towards clean governance. As custodians of South Africa's aspiration for a growing tourism sector that benefits all South Africans, we are poignantly aware of the importance and weight of our responsibility in this regard. We are, therefore, quite deliberate about how we direct our capabilities and the resources allocated to the Department. We emphasise the need to embrace good governance as well as the culture of accountability within the department and with all our partners and agents.

Our 2020/21-2022/23 Plan was initially developed in the context of subdued projections for global economic performance and declining economic growth; domestically with South Africa entering into a recession in the fourth quarter of 2019. Economic performance was being significantly affected by various factors in the environment including safety concerns, the COVID-19 outbreak, trade tensions between the world's two largest economies and significant events in the aviation sector with the national carrier being placed under business rescue and its cancellation of routes that have a direct impact on the country's tourism markets. South Africa has reported an unemployment rate of 29,1%, significantly affecting youth and women in particular. With regard to our electricity supplier, the national grid is expected to continue experiencing challenges in the foreseeable future.

The COVID-19 pandemic introduced an unprecedented crisis to the global economy. Tourism was one of the first economic sectors to be deeply impacted by the pandemic with measures to contain its spread, including restrictions on movement.

COVID-19's impact on the business of the organisation directly affected the expenditure plans as well. In this regard, as the country reprioritised resources to fight the pandemic, the Department's budget as well as that of its public entity were affected. Significant expenditure items such as international and domestic marketing, incentives such as market access and rollout of infrastructure projects through the EPWP, were unfortunately not feasible in the current environment. This was highly unfortunate as there are a number of communities for whom the Department had to complete either their projects or start new ones in the same financial year.

The TIP was one of those projects that were not feasible in the COVID-19 environment and a number of potential beneficiaries were to be affected. TIP could only resume when the environment had considerably been restored and levels of risks reduced. For this reason, resources were redirected to fighting COVID-19 with the understanding that there would be an opportunity during the adjustment period at a later stage to present the recovery plans for recovery funding.

The Department began the implementation of the Tourism Relief Fund (TRF) as a new activity in response to the COVID-19 pandemic and its impact on SMMEs in the tourism and hospitality sector distressed by decimated tourism activity. The Department has directed the financial and human resources towards the implementation of the project. The impact of redirecting the

resources was cushioned by reduced activity in other Programmes of the Department due to Disaster Management Regulations. The TRF was funded through the reallocation of R200 million. The Department has done extremely well in redirecting these funds in support of the sector. Over 4 000 businesses in the tourism and hospitality sector got the much-needed help through this Fund. Although there were still many more that needed assistance, it was quite comforting to note that the Department was playing a crucial role to assist the sector.

The Department continued to provide leadership and made substantial contribution to government on tourism issues. The Department has continually informed and engaged the government, stakeholders and members of the public on tourism issues. These include, for example, the measures that have been implemented to mitigate against the impact of COVID-19 lockdown restrictions. We have undertaken to assist the tourist guides through setting aside R30 million to provide financial relief for freelance tourist guides over a period of two to three months.

The TSRP was a response by the sector to these multiple challenges brought on by the pandemic. To elaborate on the actions that will be undertaken in the tourism sector to support the recovery, the Department together with the private sector and other stakeholders, worked together to develop the Recovery Plan (that is, TSRP). Albeit still a draft, the TSRP was released on 1 August 2020 for consultation with stakeholders and members of the public. It was subsequently approved by Cabinet on 21 April 2021 and launched on 22 April 2021. The Plan is anchored on three interlinked pillars or strategic themes: protecting and rejuvenating supply, reigniting demand and strengthening enabling capability for long-term sustainability.

Through our Incubation Programme, which is part of our Enterprise and Development Programmes, we have already provided non-financial business support for up to 150 SMMEs operating in three strategic tourism destinations through the Incubation Programmes. We have implemented Manyeleti (Mpumalanga Province), Mier (Northern Cape Province) and Phalaborwa (Limpopo Province), to improve SMMEs sustainability and growth in the tourism sector. These have since been closed and the new ones being supported are the Technology Incubator, Tour Operator Incubator, Food Services Incubator and Community-based enterprises Incubator.

With the inception of the District Development Model (DDM), we have seamlessly incorporated prioritised initiatives from the tourism spatial masterplans into *One Plan* for the following districts: OR Tambo District, eThekweni Metro, Pixley ka Seme District and Namakwa District. We have assisted with coordination and provided support to DDM planning. Assistance and support provided include mapped spatial databases of tourism and data for tourism nodes in Pixley ka Seme and Namakwa Districts, mapped data for tourism concepts under development within two Northern Cape master planned areas. The Department does not implement all aspects of plans. It assists in developing but undertakes certain shared design work that can be used in various areas that have had planning work done (including precincts), as well as undertaking investment promotion where such plans include proposals that require FDI/Investment. The Plans, including their progressive implementation, remain those of the various tiers of government.

The Department is specifically affected by commitments made in Priority 1 (Capable, Ethical and Developmental State); Priority 2 (Economic Transformation and Job Creation); and Priority 7 (A Better Africa and World). Implementation of the Department's mandate to grow tourism so that it also contributes to Gross Domestic Product and job creation, and helps with tourism sector transformation to broaden participation and benefits of tourism, is directed by the NDP, the Tourism Act, and (Act No 3 of 2014), Re-imagined Industrial Strategy, NTSS and the TSRP aligned to the ERRP.

Growth in tourism promises accessible employment opportunities, geographic diversification and increased foreign currency receipts. The tourism sector is therefore a strategic development priority. National Treasury's policy document - "Economic transformation, inclusive growth and competitiveness" towards an Economic Strategy for South Africa, released in September 2019, also regards tourism as one of the sectors that can drive labour intensive growth and help to combat South Africa's high level of unemployment. The policy document considers tourism to be an important economic driver of rural economies and mechanism to create sustainable employment opportunities outside urban and industrial areas.

For the growth of tourism to and within South Africa, the Department needs to provide an enabling environment in order to realise improvements in the tourism offering, the visitor experience, and access to the destination, while deliberately ensuring that the tourism sector transformation levels improve significantly. Amongst others, the Department's plans are purposefully designed to realise progress in the following areas:

- improvement of tourism assets and infrastructure to make South Africa a diverse and unique tourism destination;
- offering excellent service and creating memorable experiences, which meet and exceed the expectations of tourists (including tourists' safety);
- development of a culture of travel amongst South Africans supported by a diverse and responsive product range is necessary in order to fully benefit from the domestic market; and,
- ensuring sustainability of Working for Tourism capital projects to ensure that communities benefit from tourism development.

In support of professionalization the public service, recruitment processes will continue to be directed at sourcing the appointment of suitable qualified and appropriately skilled personnel with a strong ethical disposition. Fair and transparent people management practices were prioritised to support an advanced ethical culture. Visible leadership and organizational commitment to ethics was critical in ensuring that ethics is an integral part of service delivery and daily activities. We committed to ethically intelligent/competent employees developed through ongoing ethics training and awareness to support improved decision making. The implementation of the departmental ethics strategy will continue to prioritise ethics as an important organisational value and the core of our organisational culture.

Collaboration with partners across government and in the private sector is also central to our efforts to address all facets of visitor experience and safety in South Africa. Therefore, we will ensure that our partnerships in this area are intentional and strategy focused.



Mr Nkhumeleni Victor Tharage
Department of Tourism

PART A: OUR MANDATE

1. CONSTITUTIONAL MANDATE

Part A of Schedule 4 to the Constitution of the Republic of South Africa, 1996, lists tourism as a functional area of concurrent national, provincial and local Government legislative competence.

2. LEGISLATIVE AND POLICY MANDATE

2.1 Legislative mandate

The Tourism Act, 2014 (Act No 3 of 2014) aims to promote the practise of responsible tourism for the benefit of the Republic and for the enjoyment of all its residents and foreign visitors; provide for the effective domestic and international marketing of South Africa as a tourist destination; promote quality tourism products and services; promote growth in and development of the tourism sector, and enhance cooperation and coordination between all spheres of Government in developing and managing tourism.

2.2 Policy mandate

- The National Development Plan (NDP) is the 2030 vision for the country. It envisions rising employment, productivity and incomes as a way to ensure a long-term solution to achieve a reduction in inequality, an improvement in living standards and ensuring a dignified existence for all South Africans. The NDP recognises tourism as one of the main drivers of employment and economic growth.
- The White Paper on the Development and Promotion of Tourism in South Africa, 1996, provides a framework and guidelines for tourism development and promotion in South Africa.
- The Re-imagined Industrial Strategy identifies tourism as one of the seven national priority sectors.
- The National Tourism Sector Strategy (NTSS) guides the strategic development and growth on the tourism sector in pursuit of NDP targets.
- Tourism Sector Recovery Plan (TSRP) sets out interventions to ignite the recovery of the tourism sector, and to place it on path to long-term sustainability whilst contributing to the implementation of the Economic Reconstruction and Recovery Plan (ERRP).

3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

- NTSS
- White Paper on the Development and Promotion of Tourism in South Africa, 1996
- Tourism Draft Amendment Bill
- Tourism B-BBEE Charter

4. RELEVANT COURT RULING

- The TEF applications and payments to successful applicants were suspended after a High Court interdict.
- TRF - the Supreme Court of Appeal ruled that the TRF is unconstitutional. However, the Court did not make any order for further action by the Department. The Court decision

effectively suspends application of the B-BBEE Act in the implementation of any business relief measures during a National State of Disaster in terms of the Disaster Management Act. The Department is taking the matter to the Constitutional Court.

A handwritten checkmark or signature mark, consisting of a single continuous stroke that forms a 'V' shape with a horizontal line extending to the right.

PART B: Our Strategic Focus

1. Vision

Leading sustainable tourism development for inclusive economic growth in South Africa.

2. Mission

To grow an inclusive and sustainable tourism economy through:

- good corporate and cooperative governance;
- strategic partnerships and collaboration;
- innovation and knowledge management; and
- effective stakeholder communication.

3. Values

3.1 Performance values

- **Innovative:** Leveraging of resources and partnerships to optimise delivery to our stakeholders and being responsive to change.
- **Ethical (good corporate governance):** Encapsulating the principles of integrity, transparency, and accountability.
- **Customer focus:** Providing services and solutions in a manner that is efficient, effective, and responsive.

3.2 Organisational values

- **Empowerment:** Create an environment conducive to growth and development for our people.
- **Integrity:** Act with integrity by maintaining the highest standards for accountability, serving with respect, honesty, and trustworthiness.
- **Recognition:** Be an organisation that values its own people by ensuring fairness of systems and processes, being supportive as well as recognising and rewarding performance.

2

PART C: Measuring our Performance

1. Impact Statement

1.1 Tourism to and within South Africa grows and increasingly contributes to GDP, job creation, inclusive economic participation, and is enjoyed by all South Africans.

1.2 Progress made towards the achievement of the impact statement. This can include a narrative on various outcomes and initiatives which contribute/d to progress made towards the achievement of the impact statement.

The advent of the COVID-19 pandemic and its impact on the tourism sector had the effect of wiping the gains that had been made in tourism growth, effectively rendering the baseline included in the original Strategic Plan 2019/20 baseline wholly inadequate. Therefore, a proper measure of growth in the tourism sector in South Africa cannot be against the 2019/20 baseline. However, looking at the sector performance following the implementation of the Tourism Sector Recovery Plan, there is evidence that the sector is returning to a growth trajectory that will take it to at least pre-COVID levels by 2024.

2. Progress on the Achievement of Outcomes

2.1 Table of Outcomes, Indicators and Targets

Outcome	Outcome Indicator	2019/20 Baseline	2024/25 Target	Actual achievement as at 30 September 2022	Data Sources (refer to TIDS)	Improvements required for the remainder of the planning period
Increase the tourism sector's contribution to inclusive economic growth.	Increase in international tourist arrivals.	10.4 million in 2019	Increase international tourist arrival with 6% annually by 2024.	<ul style="list-style-type: none"> FY20/21: 760 080 FY21/22: 2 916 320 FY22/23: April-Sep.: 2 841 046 	<ul style="list-style-type: none"> StatsSA Release P0351: Tourism Migration & SA Tourism Reports 	In order to mitigate against overreliance on international arrivals, the Department will strengthen interventions to promote domestic tourism to ensure its increased

Outcome	Outcome Indicator	2019/20 Baseline	2024/25 Target	Actual achievement as at 30 September 2022	Data Sources (refer to TIDS)	Improvements required for the remainder of the planning period
						contribution to economic growth.
	Increase in the number of domestic holiday trips.	7.1 million domestic holiday trips in 2019.	10 million domestic holiday trips.	<ul style="list-style-type: none"> FY20/21: 3 070 698 FY21/22: 4 622 661 FY22/23: April-Sept.: 4 276 728 	South African Tourism Domestic Tourism Survey	The Department will strengthen interventions to promote domestic tourism to ensure its increased contribution to economic growth
	Percentage increase in capital investment in tourism.	R2.21billion increase in capital investment in tourism in 2019.	2.50% increase in capital investment per annum by 2024.	Travel & Tourism Capital Investment is reported to have attracted of R49.3 billion in 2021, resulting in a 6.1% share of total investment in South Africa. This is however a decline of 15.9% compared to the R58.6 billion contributed in 2020 (7.3% of total investment in South Africa).	<ul style="list-style-type: none"> WTTC 2022 South Africa Economic Impact Report SA Tourism Reports 	
	Percentage increase in tourism's direct contribution to employment.	3.19% tourism's direct employment increase in 2019.	Tourism's direct employment increase by a rate of 2.67% per annum by 2024.	Travel & Tourism generated 544,000 jobs directly in 2021 (3.7% of total employment).	<ul style="list-style-type: none"> WTTC. Travel & Tourism Economic Impact (2022) SA Tourism Reports 	

Outcome	Outcome Indicator	2019/20 Baseline	2024/25 Target	Actual achievement as at 30 September 2022	Data Sources (refer to TIDS)	Improvements required for the remainder of the planning period
	Percentage growth in tourism's direct contribution to the GDP.	4.53% growth in tourism's direct contribution to the GDP in 2019.	3.23% growth in tourism's direct contribution to the GDP per annum by 2024.	Direct contribution of Travel & Tourism to GDP in 2021 was ZAR73.5bn (1.2% of GDP).	<ul style="list-style-type: none"> • WTTC. Travel & Tourism – Economic Impact (2022) • SA Tourism Report 	
	Maintain or improve ratings in the Competitiveness Index.	SA ratings in the 2019 WEF Travel and Tourism Competitiveness rankings was 61.	SA ratings improved in the 2021 WEF Competitiveness Index.	SA ranked 68 in the WEF Travel and Tourism Competitiveness rankings for 2021. This represents -0.3% from 2019.	WEF: Travel & Tourism Development Index 2021 Rebuilding for a Sustainable and resilient – Future Insight Report, May 2022.	
	Increase diversification of South Africa's product offering.	There was no reliable information on the level of diversity to use as a baseline.	Set baseline by 2021.	More than 100 infrastructure projects are supported by the Department and they range from development of new facilities, maintenance and upgrading of existing facilities and implementation of universally accessible enhancements.	Department of Tourism Reports	

Outcome	Outcome Indicator	2019/20 Baseline	2024/25 Target	Actual achievement as at 30 September 2022	Data Sources (refer to TIDS)	Improvements required for the remainder of the planning period
	Improved transformation levels in the sector in terms of management control, skills development, enterprise and supplier development and socioeconomic development.	Management control – 18.64.	20.00	Impact assessment is being undertaken and the result will be available in January 2023.	Department of Tourism Reports	N/A
		Skills development – 14.68.	25.00			
		Enterprise and supplier development – 11.30.	50.00			
		Socio-economic development – 2.34.	5.00			
Achieve good corporate and cooperative governance.	Audit outcomes on financial and non-financial performance.	2018/19 Audit outcome – qualified.	Unqualified audit outcomes.	The Department has achieved unqualified audit on Financial Statements and Performance Information in 2020/21 and 2021/22 financial years.	<ul style="list-style-type: none"> Department Annual Report AGSA Reports SA Tourism Annual Reports 	As per Department's Audit Action Plan
	High standard of professional ethics promoted and maintained.	Implementation of the departmental integrity	100% implementation of all initiatives to promote	The Department has achieved 100% of all implementation	Department Annual Reports	As per RMC recommendations

Outcome	Outcome Indicator	2019/20 Baseline	2024/25 Target	Actual achievement as at 30 September 2022	Data Sources (refer to TIDS)	Improvements required for the remainder of the planning period
		management programme (including management of gifts, anti-corruption, code of conduct, remunerative work outside of public service, doing business with the State, financial disclosures).	integrity and ethical conduct (including management of gifts, anti-corruption, code of conduct, remunerative work outside of public service, doing business with the State, financial disclosures).	<p>initiatives to promote integrity and ethical conduct.</p> <p>These included management of gifts, anti-corruption, code of conduct, remunerative work outside of public service, doing business with the State, financial disclosures</p>	<ul style="list-style-type: none"> Risk Management Committee (RMC) Reports 	

2.2 Achieved Performance Over the Mid-Term Period

2.3 Progress made towards the achievement of the impact statement

The 2019/20 baseline was rendered irrelevant by the COVID-19 pandemic. Therefore, a proper measure of growth in the tourism sector in South Africa cannot be against the 2019/20 baseline. There has been significant growth from COVID-19 baseline, rather than 2019/20.

2.4 Progress made so far towards the achievement of the five-year targets for the outcome indicators.

a) Increase international tourist arrival with 6% annually by 2024.

- FY20/21: 760 080
- FY21/22: 2 916 320
- FY22/23: April-September: 2 841 046

b) 10 million domestic holiday trips

- FY20/21: 3 070 698
- FY21/22: 4 622 661
- FY22/23: April-September: 4 276 728

c) 2.50% increase in capital investment per annum by 2024.

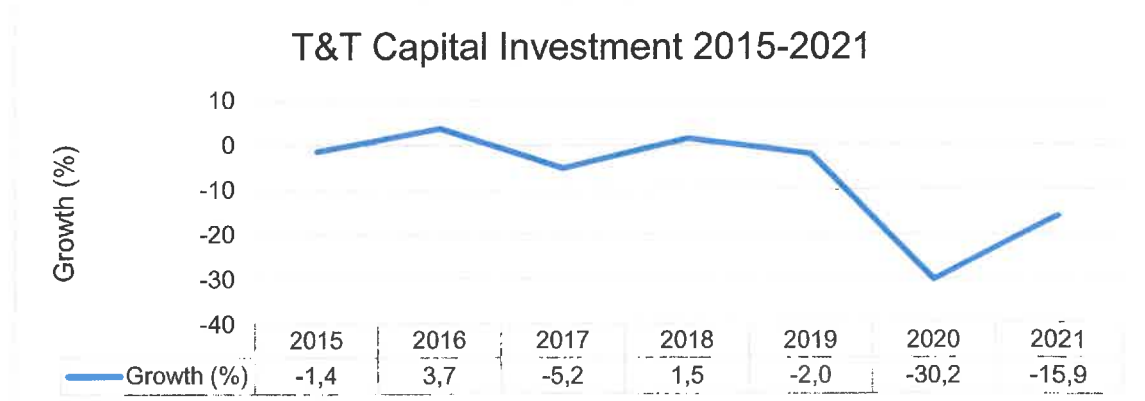
According to the World Travel and Tourism Council (WTTC), Capital investment “includes capital investment spending by all industries directly involved in Travel & Tourism. This also constitutes investment spending by other industries on specific tourism assets such as new visitor accommodation and passenger transport equipment, as well as restaurants and leisure facilities for specific tourism use” (WTTC, 2022:17).

The WTTC (2022:17) reports that in South Africa, South Africa, Travel & Tourism Capital Investment is reported to have attracted of R49.3 billion in 2021, resulting in a 6.1% share of total investment in South Africa. This is however a decline of 15.9% compared to the R58.6 billion contributed in 2020 (7.3% of total investment in South Africa).

Statistical reference and graphs

Capital Investment	2015	2016	2017	2018	2019	2020	2021
(ZARbn, real 2021 prices)	85,8	89,0	84,4	85,6	83,9	58,6	49,3
(USDbn, real 2021 prices)	5,8	6,0	5,7	5,8	5,7	4,0	3,3
Growth (%)	-1,4	3,7	-5,2	1,5	-2,0	-30,2	-15,9

Source: WTTC 2022 South Africa Economic Impact Report



Although Capital investment in Travel and Tourism in real terms has been fluctuating, the figure was relatively consistent between the R80 billion and R90 billion range. In 2020 however, there was a sharp decline of 30.2% which can be attributed to the global COVID-19 pandemic that rendered most business functions stagnant of which the tourism sector was undoubtedly the hardest hit. Although the figure has declined in 2021, it does show a steady recovery in terms of the decline in percentage growth.

Target comparison

	2019 Target	2019 Actual
Percentage increase in capital investment in tourism.	2.88%	-2.0%

Global Travel and Tourism Capital Investment

Travel and Tourism contribution to total capital investment globally was recorded at \$750 billion in 2021 (3.1% share of total capital investment). This is a decline of 6.9% compared to 2020 which recorded \$805.4 billion (3.4% share of total capital investment) (WTTC, 2022).

d) Tourism's direct employment increase by a rate of 2.67% per annum by 2024.

WTTC Travel & Tourism Economic Impact (2022:5) records that the Travel & Tourism generated 544,000 jobs directly in 2021 (3.7% of total employment). This includes employment by hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). It also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists.

e) 3.23% growth in tourism's direct contribution to the GDP per annum by 2024.

WTTC Travel & Tourism Economic Impact 2022 (2022:3-4) records that the direct contribution of Travel & Tourism to GDP reflects the 'internal' spending on Travel & Tourism (total spending within a particular country on Travel & Tourism by residents and non-residents for business and leisure purposes) as well as government 'individual' spending - spending by government on Travel & Tourism services directly linked to visitors, such as cultural (e.g. museums) or recreational (e.g. national parks).

The direct contribution of Travel & Tourism to GDP is calculated to be consistent with the output, as expressed in National Accounting, of tourism-characteristic sectors such as hotels, airlines, airports, travel agents and leisure and recreation services that deal directly with tourists. The direct contribution of Travel & Tourism to GDP is calculated from total internal spending by 'netting out' the purchases made by the different tourism sectors.

This measure is consistent with the definition of Tourism GDP, specified in the 2008 Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF 2008).

WTTC Travel & Tourism Economic Impact 2022 (2022:4) records the direct contribution of Travel & Tourism to GDP in 2021 at ZAR73.5bn (1.2% of GDP). This primarily reflects the economic activity generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). But it also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists.

f) Ratings improved in the 2021 WEF Competitiveness Index.

South Africa ranked 68 in the WEF Travel and Tourism Competitiveness rankings for 2021. This represents -0.3% from 2019.

The WEF (2022)¹ Report analysed historical trends on factors of competitiveness as well as the latest thinking on future priorities. The following are some of the conclusions:

South Africa is included in the G20 economies in the data set in the survey questions.

- In terms of the trends in transparency in securing public contracts for selected economies for 2008–2020, South Africa ranked 30 for a score of 0-100 (0 being very common 100 being never occurs).
- Trust in government and Corruption Perception Index: (0= highly corrupt, 100= least corrupt)
 - Citizens who trust their government: South Africa ranked 48%
 - Corruption Perception Index: South Africa ranked 43%
- Percentage change in the skill sets of graduates, 2016–2020, G20 economies, disaggregated by level of education:
 - Percentage change in skill sets of all graduates: South Africa scored -10
 - Percentage change in skill sets of university graduates: South Africa scored -12
 - Percentage change in skill sets of secondary school graduates: South Africa scored -8
- Banking system indicators:
 - South Africa scored 96.0 on soundness of banks (index, 2019 score relative to 2008).
- Business leaders' opinions on the future of value chains' globalization
 - More globalized than today (53%)
 - Neutral (80%)
 - Less globalized than today (79%)
- Performance on economic transformation priorities, by 2020 score (0–100 scale)
 - Ensure public institutions embed strong governance principles and a long-term vision and build trust by serving their citizens (53.9%)

¹ WEF. 2022. The Global Competitiveness Report Special Edition 2020 How Countries are Performing on the Road to Recovery

- Upgrade infrastructure to accelerate the energy transition and broaden access to electricity and ICT (63.8)
 - Shift to more progressive taxation, rethinking how corporations, wealth and labour are taxed, nationally and in an international cooperative framework (65.2%)
 - Update education curricula and expand investment in the skills needed for jobs and “markets of tomorrow” (42.6%)
 - Rethink labour laws and social protection for the new economy and the new needs of the workforce (42.9%)
- Performance on economic transformation readiness, by aggregated 2020 score: South Africa ranked 50.0 form scale 0–100.

g) Increase diversification of South Africa's product offering.

More than a (100) hundred infrastructure projects are supported by the Department and they range from development of new facilities, maintenance and upgrading of existing facilities and implementation of universally accessible enhancements. These projects are implemented in partnership with various Provincial and National Entities and Implementing Agents. The projects are primarily funded through the Expanded Public Works Programme. However, some projects have been funded through the Presidential Employment Stimulus Programme and donor funding

The infrastructure projects fall into the following categories:

- Community Based Tourism Projects – the bulk of which are the development or upgrading of accommodation facilities
- Maintenance of National Parks or Provincial Tourism Assets - this work involves maintenance, beautification and enhancement e.g. rehabilitation of terrain, landscaping, paving, painting, fencing, electrical etc.
- Destination Enhancement initiatives which include new developments, the upgrading of facilities or the implementation of universal accessibility initiatives

h) Improved transformation levels in the sector in terms of management control, skills development, enterprise and supplier development and socioeconomic development.

Impact assessment is being undertaken with regard to improvement in the transformation levels in the sector, and the result will be available in January 2023.

i) Unqualified audit outcomes.

The Department has received unqualified audit results for 2020/21 and 2021/22 financial years. The Department developed and implemented an Audit Action Plan to address the 2020/2021 audit findings to strengthen controls further. In design, the controls enabled management to fulfil its responsibilities of maintaining an adequate internal control system to provide assurance that the organisational business and operations are conducted in an orderly and efficient manner; that policies are adhered to, that assets are safeguarded against loss and unauthorised use and that transactions are executed in the interest of the public we serve. Where the inherent risks in administration materialised, the Department continued to ensure corrective measures are implemented.

Furthermore, the Department has structures in place for control, institutionalised mechanisms and the necessary capacity to promote good governance and ethical conduct in doing its business. These include preventive, detective and corrective internal

control mechanisms, combined with assurance procedures, promoting good ethical conduct necessary to combat and prevent fraud and corruption, implementing risk management, proper delegation of authority, proper management of information, communication, technology and other mechanisms required to entrench good governance.

j) 100% implementation of all initiatives to promote integrity and ethical conduct (including management of gifts, anti-corruption, code of conduct, remunerative work outside of public service, doing business with the State, financial disclosures).

Implementation of the initiatives to promote integrity and ethical conduct was achieved through the review of the whistle blowing, fraud and gift policies. Awareness raising was done through development and circulation of articles sent to employees through Communications and having Code of Conduct workshops. The departmental SMS members complied 100% with the implementation of the financial disclosure framework. All gifts received by employees were declared in the gift register and assessed by Ethics Officer in line with the approved policy. The Risk Management Team conducts annual assessment and review of the fraud risk register which is monitored quarterly and progress on the implementation of mitigation plans is reported at the Risk Management Committee meeting. Cases of alleged fraud and corruption are monitored through the National Anti-Corruption Hot-line and preliminary investigation is conducted on all reported cases. Applications for requesting permission to perform Other Remunerative Work by employees were processed and reported to the Risk Management Committee quarterly for noting.

The Department undertook a Comprehensive Risk Assessment as an efficient internal control system to root out maladministration. Priority was placed on reviewing inherent risks, existing controls and strengthening mitigation plans in the following areas:

- Areas of weaknesses / vulnerability flagged by Auditor-General and other oversight structures.
- Areas identified to have inadequate procedures, practises or with control weaknesses making them susceptible to fraud and corruption.
- Reviewed and assessed emerging trends periodically and implemented preventative control measures.
- Strengthening of preventative control in business operations to prevent unauthorised, irregular, fruitless and wasteful expenditure.
- Strengthening of compliance to legislative framework, directives, policies and standard operating procedures.
- Institutionalised early warning systems and approved a Combined Assurance Model for Performance Information processes
- Reviewed segregation of duties at operational level (e.g. Supply Chain Management) while ensuring ongoing monitoring and evaluation
- Promotion of sound practices through periodic quality review of high-risk areas and credible reporting mechanism.

2.5 Challenges that may have affected the performance of the institutions in achieving the five-year targets.

The impact of COVID19 was immediate and devastating. In 2020, the sector saw declines of over 72% of pre-COVID value in foreign arrivals and revenue. Estimated declines on direct employment in the sector exceeded 36% in 2020 compared to 2019. On the supply side, losses were observed in key tourism products and services, affecting gains made over the years to diversify South Africa's tourism offering, with particularly painful losses to the SMME sector. These losses can be seen to further negatively impact on the Department's crusade for broad based economic transformation in the tourism sector.

Implementation of the TSRP was affected by several factors. These included the extension of lockdown restrictions from the onset of the third and fourth wave of COVID-19 due to rising infections. These, coupled with the social unrest which mainly affected the KwaZulu-Natal and Gauteng Provinces, also negatively affected the recovery environment and the brand.

Furthermore, the United Kingdom, being the biggest source market for overseas arrivals into South Africa, continued to keep South Africa on the Red List for most of the period, affecting the flow of people between the two countries and undermining demand recovery.

In the NDP tourism is identified as a highly labour-intensive industry which stimulates the development of small businesses and which generates foreign direct investment and significant export earnings. Crisis such as health threats (e.g. COVID -19), natural disasters (e.g. floods) unrest and crime can have a very negative impact on tourism. The experience that a visitor has about a country is important. Ensuring the safety and security of visitors is critical to ensure sustainable growth of tourism and its continued contribution to job creation and economic growth.

2.6 Corrective measures in instances where the five-year targets are likely not to be achieved by 2024/25.

Details for 1 and 2 extracted from SA Tourism Mid-Term Report:

1) Increase international tourist arrival with 6% annually by 2024 (14.8 million) (will not be met)

Indicator and target **revised** to track broader progress towards State of the Nation 2030 target of 21 million arrivals.

Progress:

- FY20/21: 760 080
- FY21/22: 2 916 320
- FY22/23: April-September: 2 841 046

Improvement required for the remainder of the MTSF period: The elevation and enhancement of demand creation will be a key focus area. This will commence with the implementation of the Integrated Brand & Marketing Strategy and the Global Brand Campaigns.

2) Increase in the number of domestic holiday trips.

Target revised downward due to the impact of COVID-19.

- 2019/20 Baseline: 7.3 million
- Old 2024/25 Target: 8.3 million
- New 2024/25 target: 7.1 million

Progress:

- FY20/21: 3 070 698
- FY21/22: 4 622 661
- FY22/23: April-September: 4 276 728

Improvement required for the remainder of the MTSF period: Additional investment will be injected into the domestic tourism area of work in order to increase domestic tourism. A concerted effort will be placed on dealing with air access for more affordable travel.

3) Percentage increase in tourism's direct contribution to employment.

This indicator was removed from the Five-Year Strategic Plan as it is beyond the control of SA Tourism.

4) Percentage growth in tourism's direct contribution to the GDP.

This indicator was removed from the Five-Year Strategic Plan as it is beyond the control of SA Tourism.

True to form, South Africa's tourism sector refused to be paralysed by the devastating effects of COVID-19. In the spirit of our people who have risen to the challenge of every obstacle, the Department has continued to focus on the dream of a diverse, inclusive and transformed sector. With our partners, private and public, the Department has spent considerable amount of time imagining a brighter future, stabilising the sector and strategising for recovery in line with TSRP.

The Department has already implemented projects to ensure protection and rejuvenation the supply through:

- publishing the Norms and Standards for Safe Operation in the Sector, as well as providing training within the sector on these;
- implementation the tourism infrastructure maintenance programme in key tourism assets as well as finalizing the Baviaanskloof Interpretative Centre and Leopard Trail, which was funded by the European Union (R57 million).
- Implementation of initiatives to mobilise resources through investment promotion;
- Rolling out of comprehensive sector skills development programme to ensure that relevant skills are available as the sector recovers.

The Department has invested in ensuring that as the world re-opens, DestinationSA remains top of mind in our key markets and beyond through:

- Launching the Global Advocacy Programme to ensure that consumers, trade partners and the global media are informed about Destination South Africa;
- Hosting Meetings Africa under the theme "Advancing the African Agenda Together";
- Launching of the Global Brand Film inviting everyone to "Live Again", as well as;

- Various campaigns focused on the domestic market to encourage South Africans to enjoy the beauty and heritage our home has to offer.

The turnaround in the performance of the sector, although off of a lowbase, is apparent for all to see. Most sector performance indicators the Department focusing on showed an upturn in the year 2021. It is this glimmer hope that strengthens our resolve to do even more, to plant more seeds that will see tourism growth beyond the 2019 levels.

2.7 The contribution of various programme outputs to the achievement of the outcomes.

Enterprise Development and Transformation Programme

The Department implements **Enterprise Development and Transformation Programme** to transform the tourism sector and provide developmental support to tourism enterprises. The programme forms part of the key strategy aimed at introducing new players in the tourism economy and achieving the transformation objectives. It focuses on various subsectors in the tourism value chain, and has been implemented over a few years. It supports the growth of tourism enterprises in a manner that promotes inclusive participation and job creation that contributes to the competitiveness of tourism destinations. During 2021/ 22, the Department successfully established, managed and exited 3 **incubation programmes** where tourism businesses around the areas of Manyeleti, in Mpumalanga Phalaborwa in Limpopo and Mier in Northern Cape were supported. In all each of the incubation 150 business were supported. The Department will continue to implement the following incubation programmes in 2022/23:

- The **Tour Operator Business Incubation Programme** with the objective to provide business developmental support to emerging operators within the industry by providing non-financial and technical business support. The purpose is to enhance the growth and sustainability of new operators in the subsector, reduce business failure amongst existing small operators, create jobs and increase access to markets for emerging operators.
- The **Community Based Tourism Business Incubation Programme** which seeks to identify viable rural tourism enterprises under the ownership of community institutions and build capacity amongst the local stakeholders to manage and operate of hospitality and tourism establishment. The programme addresses the high failure rate of community enterprises funded by the Department and other State agencies due to business skills, exposure to the industry and people management skills.
- **Food Service Incubation Programme** as an empowerment programme which seeks to build capacity to establish, manage and operate businesses amongst youth trained in various hospitality and food services programme by the Department.
- The **Tourism Technology Innovation Business Incubator Programme** being implemented in partnership with Technology Innovation Agency (TIA), an agency of Department of Science and Innovation is designed to support up to 20 young people in the ideation of ideas for technological solutions within the tourism sector.

Tourism Incentive Programme

The **TIP** is an initiative that was launched as an overarching policy rationale rooted in the NDP and the New Growth Path (NGP) that recognises tourism as a labour intensive and tradable service sector and a catalyst to support 'faster and more inclusive economic growth' as one of the six priorities underpinning South Africa's 2030 vision. The TIP therefore serves as a tool to stimulate the growth, development and transformation of the South African Tourism sector.

All aspects of the TIP are implemented in collaboration with other government departments and entities. In this regard, the department has formal partnerships through memoranda of agreement with entities such as the National Empowerment Fund (NEF), the Industrial Development Corporation (IDC), the TGCSA and the Small Enterprise Finance Agency (SEFA).

TIP therefore serves as a tool that aims to inform a paradigm shift in the sector to bring about greater destination competitiveness, transformation and accelerated tourism and enterprise growth. This in turn will contribute to the achievement of the department's objectives to stimulate enterprise growth, job creation, revenue growth and an enhanced visitor experience. TIP is implemented through the following:

- The tourism sector has the ability to contribute to economic growth through increased export earnings and job creation by increasing the number of international tourist arrivals. In this regard, access to tourism buyers (outbound operators and agents) is critical to unlock market potential, grow the customer base and drive sales. The **Market Access Support Programme (MASP)** offers partial financial support (contribution towards the cost of exhibition space, return airfare and hotel accommodation) to qualifying small tourism enterprises to participate and exhibit at selected tourism marketing platforms. The MASP has unfortunately been suspended temporarily due to the impact of the COVID-19 Pandemic and associated lock down conditions which resulted in most international tourism trade platforms being cancelled. It is anticipated that the MASP will be re-introduced again in the 2022/23 financial year if conditions allow.

Through the MASP, the Departments support small and emerging tourism enterprises at the Meetings Africa and Africa Travel Indaba trade platforms. The Hidden Gems programme. An almost equal number of small and emerging tourism enterprises are selected per each province for support from the group of enterprises enrolled in the department's Enterprise Development and Incubator programme. Focus is placed on majority black-, women- and youth- owned small and emerging tourism enterprises. the average value of support provided to each emerging enterprise works out to just over R77 400 per enterprise and anecdotal reporting from emerging enterprises suggest that the programme is valuable in terms of both capacity building and new business generation.

- As part of TIP and supporting sector transformation, we had placed greater emphasis on the introduction and implementation of the Tourism Equity Fund (TEF) pilot programme. The objective of the TEF are to fund commercially viable and sustainable majority Black owned (minimum 51%) tourism enterprises including enterprises in rural areas and townships, to promote alleviation of poverty, inequality and growth of black controlled tourism enterprises, de-risk the funding provided to tourism enterprises through patient capital that will ease the debt repayment ability of black controlled enterprises, to facilitate the participation of targeted groups such as women and youth in the priority tourism sectors as defined by the B-BBEE sector codes. Even though initially the budget allocated towards grant funding for the TEF was R180 million over three years, it was subsequently adjusted through the National Treasury, which now allowed the TEF to be capitalised with a contribution for grant funding by the Department of Tourism to the value of R540 million over the 2021/22 to 2023/24 MTEF period.

The department's contribution of R540 million is to be split as R405 million set aside for grant funding and R135 million as a concessionary rated loan that, which when repaid will be utilised to recapitalise the fund in future. The funding from the Department will be matched through a SEFA contribution of R120 million and R594 million from other commercial banks to be used as senior debt or loans for the fund. The senior debt portion will be priced according to SEFA's pricing matrix. This combination allowed a TEF fund valued at R1 254 million (One billion and two hundred and fifty-four million Rands). The

minimum project value for TEF applications is R10 million. The TEF programme was launched in January 2021. Implementation of the TEF is unfortunately currently suspended due to a court interdict issued in April 2021. At the time when the court order was issued against the TEF, the implementing agent for the TEF, sefa, had recorded that there is a huge interest of the TEF by the targeted market. We are certain therefore that the TEF, once implemented will contribute towards changing the land scape of ownership levels within the sector.

- Continue with implementation of **the Green Tourism Incentive Programme (GTIP)**. The GTIP is meant to provide financial support to encourage and assist privately-owned tourism enterprises to adopt responsible tourism practices, through installing solutions for sustainable management and usage of electricity and water resources. It is anticipated that the implementation of the GTIP will assist to reduce reliance and pressure on the national electricity grid and scarce water resources.
- Implement **TGSP** in collaboration with the Tourism Grading Council of South Africa, offering discounts of up to 90% on grading assessment fees for new and renewal grading applications.

As part of the Expanded Public Works Program (EPWP), the Department has implemented **Skills Development** opportunities through various programmes targeting retrenched workers and unemployed youth. Qualification offered is a learnership programme for the duration of 12 months targeting 80% retrenched employees and 20% of unemployed youth beneficiaries. Training on norms and standards for safe tourism operations, including COVID-19 Protocols are integrated into these learnership to ensure confidence to travelers that South Africa is a safe destination.

The **WiT Programme** commenced in 2013 as a platform to drive initiatives that support the development and empowerment of women in the tourism sector. This platform recognised the challenges faced by women entrepreneurs who are often found at the bottom end of the tourism economic value chain. It also identified interventions that will assist in realising the WiT agenda. In the previous financial year, to increase the participation of women in the tourism sector and to promote inclusive growth, the Department implements the Women in Tourism Business Development and Support Programme to support 225 women owned SMMEs nationally (25 per province). The focus areas included for the Women development programme included training on personal development, supporting women to develop a competitive advantage in their businesses and provision of capacity building initiatives.

The Department also implemented a pilot project situated in the northern most province in South Africa namely Limpopo in the Vhembe and Mopani Districts with the technical support of the UNWTO. These two projects will continue to be implemented in the 2022/23 financial year to support sites / project and women owned business in the areas of Leadership and Skills Development; Supplier Development and Market Access and also SMME Development and Mentorship.

Department is implementing **youth skills development program nationwide**, leaving a dent on the scourge of unemployment and consequential social strife. The various training programmes being offered focus on interventions to improve visitor experience and are based on industry demand for these skills. They are implemented in partnership with private sector, and with the objectives to contribute towards poverty alleviation through payment of stipends; placement of learners in Tourism & Hospitality establishments thereby granting them exposure to job opportunities and income generation. At conclusion of these programmes, learners are provided with accredited or recognised certificates and are well positioned to further their studies at FET Colleges. These include the following:

- The Department was implementing **CHEF / Professional Cookery** with training on norms and standards for safe tourism operations, including COVID-19 Protocols in Free State and Northern Cape provinces in line with projects plans, targeting 300 for unemployed and retrenched youth in 2021/22 financial year.
- For 2022/23 financial year, implementation of the same Programme with training on norms and standards for safe tourism operations, including COVID-19 Protocols is planned for North West, Free State and Northern Cape.
- **Hospitality Youth Programme Food and Beverage** was being implemented in the KwaZulu-Natal, Western Cape (Cluster 1 and 2), North West, Gauteng and Mpumalanga provinces was finalised. 340 youth are currently being trained or active in the Programme in the following provinces: Western Cape, Eastern Cape and Northern Cape. Hospitality Youth Programme Food and beverage with training on norms and standards for safe tourism operations, including COVID-19 Protocols implemented in all nice provinces. 1000 youth are targeted for 2022/23.
- **Wine Service Training Programme (Sommelier)** with training on norms and standards for safe tourism operations, including COVID-19 Protocols was implemented in Kwazulu Natal, Western Cape and Northern Cape provinces in line with projects plans for 252 unemployed and retrenched youth. The Department will continue to implement in 2022/23 financial year, the Wine Service Training Programme (Sommelier) with training on norms and standards for safe tourism operations, including COVID-19 Protocols in the KwaZulu-Natal and Western Cape, targeting 252 unemployed and retrenched youth.
- Thirty (30) Chefs were taken through a **Recognition of Prior Learning** process for a qualification or designation. The project is aimed at recognizing the experience of Chefs who do not have formal qualifications. The Chefs undergo an RPL process and get awarded an NOF Level 5 Artisan Chef qualification or designation by SA Chefs Association. About 80% candidates succeeded in the programme. and will be awarded an NQF Level 5 Artisan Chef qualification or designation. Thirty Chefs will be enrolled for the 2022/23 financial year.
- **Capacity building workshops** focusing on a number of critical tourism issues such as raising awareness on tourism programmes, incentives and business support programmes were conducted for rural communities in Limpopo (3 Waterberg and Vhembe and Mopani District) and Mpumalanga (2 Gert Sibande and Nkangala Districts), Western Cape (1 Overberg District). In total nine sessions covering 395 participants were held. These initiatives will be expanded to cover other provinces during this current financial year.
- Over 3000 learners and students participated at the **National Tourism Careers Expo (NTCE) 2021**. Eighty percent (80%) of the learners came from Gauteng as the host province. About 45 schools from Gauteng attended, with 15 schools attending each day of the 3 days of the event. The NTCE 2021 was Hosted on 25-27 March 2022 at NASREC. The NTCE positions tourism as a career of choice to learners and students. The dates for the NTCE 2022 has been announce and the Department stands ready to work with provinces for their own provincial careers' expos. In 2023/22 a total number of 1178 of educators participated in the Educator Development Programme. The objective of the programme is to ensure that tourism and hospitality educators are capacitated on latest tourism issues and exposed to the sector.
- To **Capacitate Tourist Guides**, the Department completed Phase I of the implementation of the Mandarin language training programme for 55 tourist guide Implementation of Phase 2 of the Mandarin language training programme for tourist guides will target 38 tourist

guides in 2022/23. These are guides who have made it for Phase 1 and selected for Phase 2. Plans are already underway to develop an integrated central database to enable the management of tourist guides at both national and provincial levels. The database is critical for the discharging of legislated mandates of the two spheres of government in respect of growing and transforming this subsector.

District Development Model

For a country such as South Africa which has placed economic transformation at the centre of its programmes, tourism is a vital sector towards achieving this goal. It is in this context that the 6th Administration has placed economic transformation as the second most important priority in the South African economy. The impact this industry can have in the different provinces and communities in our country depends on the specific characteristics of each area. Thus, the Department of Tourism sought to implement its programmes with the framework of the DDM led by the Department of Cooperative Governance and Traditional Affairs.

The DDM advances the joint planning, budgeting and implementation of prioritised government programmes through One Plans for each district. To operationalise this, the tourism spatial master plans with immediate-to longer term institutional plans for the development of specific geographic areas with tourism potential form the basis for our collaboration through the DDM. To this end, the Department has planned to finalise prioritised tourism concepts and initiatives to support the implementation of DDM One Plans for OR Tambo District, eThekweni Metro, Pixley Ka Seme District and Namakwa District. We will continue to implement the turnaround strategy for our infrastructure programme.

Safety

Tourism is the pillar of our economy and it immensely contributes towards economic growth, job creation and poverty alleviations. Since 2018, the Department of Tourism has been implementing the **National Tourism Safety Strategy** with an intend to foster public private sector partnership in addressing issues of tourism safety in a more coordinated manner in order to provide an enhanced visitor experience and in the long term to change perceptions of South Africa as an unsafe destination. Currently, the focus is on the following to promote the safety of our local and international tourists:

- Conduct Embassy Briefings in partnership with the Department of International Relations and Cooperation to inform both our diplomats abroad and those accredited to South Africa about the current and future tourism safety initiatives;
- Work with the National Prosecuting Authority to ensure that the cases involving the tourist's management within a reasonable period of time and not overlap the VISA duration;
- Continue to implement the Tourism Monitors Programme to ensure that our tourists are safe in various attractions
- To continue working with the SAPS in order to realise the establishment of the Tourist Police and the implementation of the Memorandum of Understanding (MoU) signed;
- Continue to engage the sector through the National Tourism Safety Forum with a view to create fresh ideas on how to curb tourist threats;
- To continue to conduct joint tourism awareness campaigns to promote tourist safety in our country and by implication promote economic growth; job creation and poverty alleviation.

Safety messages have been provided on Airport TV and which are still running currently. Continuously writing articles, opinion pieces and adverts in various media platform about tourism safety as we are now more than ever aware that personal safety determines a tourist's choice of a destination.

The **Tourism Monitors Programme**, as part of the EPWP and PES is part of the broader government intervention that involves training, mentorship and deployment of unemployed youth in identified tourism attractions. The aim thereof is to enhance tourism safety awareness at key tourism attractions and reduce tourist vulnerabilities. In terms of achievements to date, the Department has trained and deployed two thousand, two hundred (2 200) Tourism Monitors in 354 tourism attractions across eight provinces, three tourism entities including SANParks, Isimangaliso and SANBI. The Tourism Monitors have also been deployed in seven border posts including OR Tambo and Cape Town International Airports as well as Lady brand and Ficksburg (FS) Tlokwen and Kopforntien (NW); and Lebombo (MP).

Responsible Tourism, Excellence and Quality

As a sector, driving excellence must be a habit. Tourists buy experiences. The safety of destinations and public health measures put in place to combat the spread of COVID-19 and associated pandemics is a consideration. The NTSS Strategy highlights the importance of delivering memorable experience for all tourists and the sustainable benefits for all South Africans. With the need to make a concerted effort to continually increase the levels of hospitality and friendliness, the general standards of service, the recovery of the sector requires a combined effort from all role players.

The TSRP calls for the implementation of biosecurity norms and standards across the value chain to enable safe travel and rebuild consumer confidence.

The Department is well positioned to achieve these objectives through the implementation of the Tourism Service Excellence (SANS: 1197) with a focus on Small Towns and Tourism Product support, the Tourism Norms and Standards for safe Tourism Operations, Responsible Tourism (SANS: 1162) and capacity building programmes to increase the skills level in the sector as a way to directly and significantly enhance the experience of visitors. The **Service Excellence** initiatives was integrated with the Norms and Standards on safe tourism operation.

The implementation of the Service Excellence Standard commenced in 2012 and has been ongoing since then. Due to the diversity of the standard in nature, it covers various aspects of services. In the previous financial year, the Department has implemented Service Excellence Programme (SANS 1197) in two provinces namely Northern Cape and Limpopo to enhance service levels standards of tourism products. In the current financial year, the Department will continue to create a culture of Service Excellence focusing in small towns supporting tourism products, through the empowerment and participation of tourism value chain, organisations and communities. Sub projects will include among others the cleanest town initiative, and promoting adherence to the tourism safety protocols. This will be done through continued implementation of the SANS: 1197 integrating the Tourism Norms and Standards.

The Department provides financial support through the TGSP support to encourage wider participation in the grading system of the TGCSA. The objective of the programme is to ensure uniform and consistent quality standards in facilities and services; to reduce the cost burden on small and medium enterprises; and to enhance the overall visitor experience and improve destination competitiveness. The Department's TGSP implemented in collaboration with the TGCSA will continue to offer discounts of up to 90% on grading assessment fees for new and renewal grading applications.

In the previous financial year, the Department was implementing **Food Safety Quality Assurer Programme** with training on norms and standards for safe tourism operations, including COVID-19 Protocols in the Western Cape and Gauteng provinces in line with projects plans, targeting 300 unemployed and retrenched youth. For the 2022/23 financial year, the Department will continue with implementation of the Programme with training on norms and standards for safe tourism operations, including COVID-19 Protocols in the following three provinces: KZN, WC and GP. Target: 300 unemployed and retrenched youth.

Responsible Tourism is of paramount importance to the tourism sector. In 1996, South Africa was the first country to include “Responsible Tourism” in its national tourism policy. The 1996 White Paper on the Development and Promotion of Tourism in South Africa guides the sustainable development of tourism in the country. Sustainability of the tourism sector will also be a guiding principle that will inform the review of the White Paper and other policies in the 2020/2021 financial year.

To advance and protect the objectives of responsible tourism, The Department implements the GTIP. This project is meant to provide financial support to encourage and assist privately-owned tourism enterprises to adopt responsible tourism practices through installing solutions for the sustainable management and usage of electricity and water resources. Amongst the objectives, the project is meant to reduce reliance and pressure on the national electricity grid and scarce water resources. The GTIP was revised in 2021/22 to simplify eligibility criteria, streamline the application process and improve the benefits offered to encourage more small tourism enterprises to adopt responsible tourism practices. The GTIP application window that was open from 1 October 2021 to 31 March 2022 yielded a high number of new applications. The pipeline of applications currently stands at 241. Our improved and streamlined processing of applications under the revised GTIP is anticipated to result in an increase in the number of approvals. The GTIP programme is still sufficiently capitalised to ensure continued to ensure continued implementation and no specific budget allocation is required in 2022/23.

Destination Planning initiatives

As previously reported, the Department has in previous years completed several destination planning projects in support of and in collaboration with provinces and local municipalities. These include the World Coast masterplan, and 3 masterplans in the Northern Cape. These regions were selected as some of the most economically depressed in the country, as well as least serviced and least visited. We have also completed several precinct planning exercises in support of local municipalities, including Kleinsee, Khayelitsha, Carnarvon, Mdantsane, Galeshewe and Port St Johns. Subsequent to this work, the Department has completed the following planning work: -

- *Tourism concept development* for clustered experiences within the completed masterplan areas. These concepts comprise more detailed technical planning, market analysis. The concepts seek to identify potential community based/owned products, as well as potentially privately owned developments, including investment opportunities. Gaps in services and infrastructure are also identified for attention of the relevant tiers of government and entities. Concepts completed include for Magwa Tea Estate and Waterfalls, Orange River Mouth and Carnarvon/Karoo.
- As a contribution to *implementation of the precincts plans* completed, the Department has commissioned (completed) *technical design work* for the following: -
 - Amphitheatre – Mdantsane Township
 - Places of Remembrance - Galeshewe
 - Public seating/eating - Khayelitsha
 - Temporary market stalls – Vilakazi Street, Soweto
 - Permanent points of sale and arts& craft workspaces - Galeshewe

While this technical work is targeted initially at specific precincts, the intention is that they should be a shared resource that can be used in various combinations in any space. This work is guided by placemaking philosophy, which is a progressive urban design approach. Ultimately, the use of the designs will be guided by local development processes.

The Department will begin construction of elements of the technical design work completed planned precincts in Mdantsane, Galeshewe and Vilakazi Street in Soweto. Two further concepts will be developed, viz for Ntambalala 'Resort' outside of Port St Johns, and an Astro-Tourism concept in the Karoo, which would include stargazing, astronomy and Khoi story telling events.

Regional Integration and International Cooperation

Global Tourism Politics

The Department aims to increase the tourism sector's contribution to inclusive economic growth and to enhance regional and continental tourism cooperation through some of its programmes, and by signing the MoU with the African countries in strengthening regional integration. In advancing our national priorities, the Department continues to sign MoUs with the countries that are prioritised as the potential markets for increasing the tourist arrivals to South Africa.

Africa and Middle East

To date the Department has signed 18 MoUs with various countries in the continent Africa and the Middle East. The latest to be signed being the MoU signed in November 2021 with the Republic of Kenya on cooperation in the field of tourism. The overall objective of the MoU is to establish a structural mechanism that will monitor and guide the conduct of bilateral relations between the Republic of South Africa and the Republic of Kenya. Cooperation within this framework is to develop co-operation in the field of tourism between the two countries.

The MoU outlines broad areas of cooperation between the Government of the Republic of South Africa and the Government of the Republic of Kenya focusing on the following tourism matters:

- Exchange of Scholarship and Fellowships.
- Education and Training.
- Private Sector Cooperation and Joint Committee.
- Coordination and Cooperation.

In overall, the MoUs signed with counterparts are meant to strengthen regional cooperation in the field of tourism and also advancing South Africa's national priorities. When MoUs are implemented effectively, they indirectly contribute to job creation, and empower women and youth in the tourism industry. Through the partnerships established in implementing the MoUs, there are internship programmes where young South Africans are placed within the tourism and hospitality industry at foreign countries where some of them end up being absorbed in those country's employment system permanent, such as in Seychelles where Chefs were on a placement programme.

South Africa, as one of the giant economies in the continent when compared to the other states in Africa such as Nigeria, is one where most of the countries in the continent rely on, and seek support from, on such matters as capacity building and skills development in a range

of areas in the tourism field. Many of our MoUs are implemented through collaboration with the private sector and the provincial and local government spheres.

There are few MoUs that are at tail end of negotiation stages and could be signed before the end of the current financial year (2022/23). The Department has just finalised the MoU with Uganda that will be signed during Africa's Travel Indaba in May 2022 in Durban. Amongst others are the MoUs that have been widely consulted and are at final stages and would soon be ready for signature and such are: Mauritius, United Arab Emirates, Qatar, Botswana, Namibia and Tanzania.

World Tourism Organisation (UNWTO)

South Africa participated in the 24th Session of the UNWTO General Assembly held in Madrid, Spain in November / December 2021. South Africa supported the call made by the UNWTO General Assembly where countries from all global regions expressed their solidarity with Southern African states, calling for the immediate lifting of travel bans imposed on specific countries as a result of the Omicron COVID-19 variant and for freedom of international travel to be upheld. The UNWTO General Assembly echoed World Health Organisation advice that travel restrictions should only be imposed as a very last resort in response to changing circumstances. Furthermore, it was stressed that if restrictions are introduced, they must be proportionate, transparent, and scientifically based. They must also only be introduced with a full appreciation of what halting international travel would mean for the most vulnerable, including those developing countries and individuals who depend on tourism for their economies and livelihoods.

The UNWTO General Assembly requested the Secretary-General to continue monitoring the impact of the COVID-19 crisis as well as its recovery providing global guidance to the Member States and the sector at large, considering the key relevance of market intelligence to support an effective evidence-based recovery.

UNWTO Executive Council

South Africa was elected to serve on the UNWTO Executive Council for the period 2021-2025 at the 24th Session of the UNWTO General Assembly. The Executive Council is the UNWTO's governing board, responsible for ensuring that the organisation carries out its work and adheres to its budget. The Executive Council also takes all necessary measures, in consultation with the Secretary-General, for the implementation of the decisions and resolutions of the General Assembly and report thereon to the General Assembly.

The election of South Africa to the UNWTO Executive Council has positioned South Africa in the global system of tourism governance to enhance international response to the needs of South Africa and the developing countries. It will also intensify South Africa's cooperation with the global tourism sector to position tourism as a key driver for economic recovery from COVID-19 pandemic, job creation, poverty eradication and sustainable development.

South Africa will continue to support the implementation of the UNWTO's Programme of Work, and drive South Africa's involvement in the UNWTO Women in Tourism Initiative.

As South Africa attaches great importance to promoting multilateralism, the Executive Council seat provides an opportunity for South Africa to contribute to the implementation of the UNWTO's Programme of Work as a response to the needs of the developing world.

South Africa's approach to the UNWTO and other organisations is to promote unity and ensure that they focus on the primary mandate of promoting tourism and peace.

Regional integration through Southern African Development Community (SADC)

South Africa's development is linked with that of the SADC region. South Africa has been actively involved in the development of a SADC Tourism Programme 2020-2030 which serves as a roadmap to guide and coordinate the development of a sustainable tourism industry in the region and to facilitate the removal of barriers to tourism development and growth. South Africa will continue to support the implementation of the SADC Tourism Programme.

Collaboration with SA Tourism

Progress on Red List

The Department and SA Tourism) have led a campaign, which led to the review or removal of travel restrictions against South Africa in key markets in North America and Western Europe, including the United Kingdom.

The Department has held successful four Outreach Programmes targeting our Diplomatic representatives in the following regions: the Americas and Europe, Asia and Australasia, Middle East and the Southern African Development Community. The sole purpose of the Outreach Programme to the Diplomatic Community was to empower South African Ambassadors and Diplomats with key information, which they could use to keep South Africa off the Red List. The CEO of the TBCSA also participated in the Outreach Programme to give a perspective from the private sector.

On the marketing side, SA Tourism launched the Global Advocacy Programme, with the purpose to ramp up advocacy efforts in key source markets around the world. This advocacy programme forms part of the TSRP, which was adopted by government and the tourism sector, and also approved by the Cabinet.

Examples of programmes implemented by SA Tourism since October 2021:

- **Regional and Globally:**

- SA Tourism Hubs worked with their in-market communications agencies, with the assistance of Department of International Relations and Cooperation to address the barriers.
- Locally, the business kept in close contact with the ambassadors in South Africa to ensure which they had access to the information required to lift the ban as quickly as possible.
- Post-State of the Nation, SA Tourism hosted the European Union ambassadors to share insights on South Africa and to further lobby for advocacy for the destination.
- Destination clips were produced for usage on the SA Tourism platforms and those of their embassies and related government institutions to inform their citizens about South Africa as a destination of to consider.
- All always-on communication and campaigns carry the message of South Africa's readiness and our COVID-19 protocols.

- **Regional**

- ***Festive Deal Driven and Brand Campaign:*** This is a 360° marketing campaign promoting travel deals to drive travel during the festive season. It further promotes experiences and activities that can be enjoyed in South Africa during this time.

- **Global Advocacy Programme**

- As part of the Global Advocacy Programme, interaction and partnership with the private sector as presented by TBCSA was intensified. This especially following South Africa's announcement of the discovery of the Omicron variant (which was already present in other countries). As part of this work, a joint statement between TBCSA and SA Tourism was issued following the announcement of the new variant. Over and above this, a statement on behalf of the Minister was also drafted and shared extensively with in-country teams and other global media. The in-country teams also shared these statements with trade partners who then share with travellers. From these efforts the following media interviews were done on the following media platforms: SABC News Channel, BBC, Newzroom Afrika, CNN, SKY News and eNCA.
- Subsequently, and as a means to ensure consistent positive messaging, the Global Advocacy Programme project management team has set up the content information newsroom. This will be putting out newsworthy information everyday addressing the key source markets that SA Tourism is targeting. The content generated in the newsroom includes, audiovisual content, photography. The newsroom is guided by a detailed and deliberate content plan for both pro-active messaging as well as reactive messaging.

2.8 Contribution of government and non-government partners to the achievement of the outcomes.

During the State of the Nation Address on 13 February 2020, the President of the Republic of South Africa, His Excellency Mr MC Ramaphosa announced that the SAPS will increase visibility at identified tourist attraction sites, train Tourist Safety Monitors and establish a reserve police capacity to focus on the policing of tourist attraction areas in an endeavour to support growth in the tourism industry.

The threat posed to the tourism industry by crime is addressed through the National Tourism Safety Forum (NTSF₁), which is a public/private sector forum responsible for the coordination and integration of the Tourism Safety Programme and the implementation of a multidisciplinary Integrated Tourist Safety Action Plan. These efforts are led by the SAPS. As part of the MoU signed, it was agreed that tourism will be suited to be a part of the NATJOINTS sub-committee on Crime and Migration. Being a part of this sub-committee could ensure that tourism issues also find favour in the agenda and where necessary, intelligence can be conducted to ascertain certain crimes committed against tourist.

The Department Convenes the National Tourism Stakeholder Forum (NTSF₂) meetings twice in a year. The NTSF is a Forum which serves as a platform to deliberate on pertinent issues affecting the tourism sector including COVID-19 impacts. It is attended by the tourism stakeholders from both public and private sectors.

The Department submits matters for consideration at MinMec, and leads discussions on specific matters at Joint MinMec meetings. MinMEC is established in terms of the Intergovernmental Relations Framework Act, 2005. Part 2, subsection 15 of the Act, give effect to the Joint meetings by stating that "Two or more national intergovernmental forums established in terms of section 9 may meet jointly when necessary to discuss and consult on issues which are intersectoral in nature". The Ministers of Tourism, Trade, Industry and Competition and Small Business Development guided by the same Act, resolved to hold Joint MINMEC meetings going forward as the three portfolios are talking to the same provincial executives and are pursuing the same interest. This was seen as an integrated move that will improve coordination of activities and reduce stakeholder fatigue as the nine provincial executives attends MINMEC meetings hosted by the three ministries, and are required to report on same or related matters to the three portfolios. The joint MINMEC improves reporting

and feedback as the three portfolios are present at the same meetings. Some of the matters presented, and led by the Department of Tourism at MinMec include the TSRP and the TEF.

Together with all the stakeholders within the value chain, the Department has continued to implement the TSRP to facilitate amongst others, protection and creation of jobs, greater diversification of the supply side of the tourism market; increased quantum and focus on infrastructure investments in the tourism sector; greater confidence in South Africa as a safe destination and an improved South African Brand; increased international arrivals and most importantly turning domestic tourism into an anchor of the tourism sector.

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2.9 Findings of the evaluation of institutional programmes.

Evaluations Conducted: 2019/20 – 2021/22

Evaluation	Aim of the Evaluation	Key Findings
Impact Evaluation of Capacity Building Programmes (CBP) - (S24 Business Group (Pty) Ltd)	<p>In the 2019/20 financial year, the Department of Tourism appointed S24 Business Group (Pty) Ltd to conduct an Impact Evaluation of the Capacity Building Programmes implemented by the Department in the five (5) year period from 2012/13 to 2018/19. The focus of the Impact Evaluation was on the following six (6) programmes/interventions:</p> <ul style="list-style-type: none"> a) Blue Flag Programme; b) Executive Development Programme for Women in Tourism; c) Hospitality Youth Programme (including Tourism Buddies and Tourism Ambassadors); d) Tourist Guiding Programme; e) Tourism Safety Monitors; and f) Wine Service Training Programme. 	<p>An overwhelming majority of the learners who were the primary beneficiaries of the CBPs as well as host employers and service/training providers that participated in the impact evaluation were unequivocally of the view that the Department of Tourism's CBPs that they had participated in; had positively impacted them as individuals one way or another.</p> <p>Evidence from the study also revealed that, this perceived positive impact is not only the sole responsibility of the Department of Tourism that produced the positive outcomes, but also the joint input of other players (such as training providers, and host employers, in the value chain. However, this does not detract from the finding that the Department of Tourism's role is critical as an enabler in the process.</p>
Impact Evaluation of the TRF, October-December 2020.	<p>The main objective of the evaluation was to assess how the funds sourced from the TRF by tourism enterprises were utilized, and to what extent have they provided relief for tourism enterprises. The aim of the evaluation included, amongst others, to determine the impact made on enterprise sustainability during the COVID-19 pandemic.</p>	<p>The evaluation was conducted with about 4 000 tourism businesses that were approved for financial assistance from the TRF. An Online questionnaire was developed in SurveyMonkey platform and administered with tourism businesses. At the end about 1 417 enterprises completed the survey, which represents 35.4% of total enterprises that were approved for funding.</p> <p>The following were some of the findings:</p>

Evaluation	Aim of the Evaluation	Key Findings
	<p>The results of the impact evaluation would assist management within the Department to get a better understanding from the enterprises who participated in the evaluation and on how they found the application process and financial assistance. It was important for the Department to have an insight on how the financial assistance was used by the enterprises that were funded. Results from this evaluation would assist the Department to improve similar funding interventions.</p>	<ul style="list-style-type: none"> • In terms of the size of businesses that took part in the survey, an overwhelming majority, 86.4% (1 224), were micro businesses, followed by small businesses at 13.1% (186), medium businesses at 0.4% (6) and large businesses at 0.1% (1). From the information provided above, it is evident that most businesses that benefited from the TRF are micro businesses and this is in line with the conceptualization of the project. • The TRF was intended to mitigate the impact of COVID-19 in order to ensure the sustainability of businesses. The results from the survey indicate that 68.2% (967) of businesses used the Fund for business operation; 56.4% (799) used it to pay salaries/wages; 39.1% (554) used it to pay rent for land and buildings; 17.5% (248) used it for PPE's; 15.9% (225) used it for "other" and 12.6% (178) used it to service mortgage. • About 33.0% (468) of respondents indicated that more funding was needed since the R50 000 once-off payment was not enough. Furthermore, about 4.2% (60) of tourism businesses said that financial assistance should be given in line with the needs of enterprises. The needs of enterprises differ since enterprises are different in terms of size, cost and their

Evaluation	Aim of the Evaluation	Key Findings
		<p>nature. For a small enterprise, R50 000 might be enough. However, this amount might not be enough to a big enterprise since their cost component is huge. This implies that the Department of Tourism needs to understand tourism enterprises and their needs at the time of a national disaster well.</p> <ul style="list-style-type: none"> • Almost half, 47.4% (672) of the respondents who took part in the survey, indicated that their businesses will only survive the COVID-19 crisis for 1-6 months; 16.0% (227) indicated that their businesses will survive for 7 months to 1 year; 13.3% (188) said for more than a year; 11.7% (166) selected "other" whereas 11.6% (164) indicated that their businesses will survive for less than a month.
Impact Evaluation of the Tourism Relief Fund, January-March 2021.	<p>The second evaluation of the Tourism Relief Fund was done so to assess if tourism enterprises are still facing the same problems or if the challenges faced in the third quarter have been minimized. The survey was conducted during the second wave of COVID-19 in South Africa, from the 16 February to 5 March 2021. This is the period when the country was on Level 3 lockdown with some associated restrictions.</p>	<p>The 2020/21 financial year second evaluation was also conducted with about 4 000 tourism businesses that were approved for financial assistance from the TRF. At the end, a total of 1 312 enterprises participated in the evaluation.</p> <p>The following are some of the findings:</p> <ul style="list-style-type: none"> • In terms of the size of the tourism businesses that took part in the survey, an overwhelming majority, 85.4% (1 120) were micro businesses, followed by small

Evaluation	Aim of the Evaluation	Key Findings
		<p>businesses at 14.0% (183) and medium sized businesses at 0.7% (9). From the information provided above, it is evident that most businesses that benefited from the TRF were micro and this is in line with the concept of the project. The results indicate that most of the funds from the Tourism Relief Fund was received by enterprises at a micro and small levels, which is what the fund was actually targeting.</p> <ul style="list-style-type: none"> • The TRF was intended to mitigate the impact of COVID-19 to ensure the sustainability of businesses. The results from the survey indicate that 59.2% (776) of businesses used the fund to pay salaries/wages; 53.1% (697) used it to pay operational overheads costs; 44.8% (588) used it to cover business operational costs; 33.5% (440) used it to pay rent for land and buildings; 25.0% (328) used it to pay for utilities; 16.0% (210) used it to pay for Private Protective Equipment (PPEs); 13.3% (174) used it to cover household expenses; 12.5% (164) used it to maintain buildings; 8.9% (117) used it to service mortgage loan and 8.5% (112) indicated other issues; • A majority, 32.2% (423) of the respondents who took part in the survey, indicated that their businesses will only survive the COVID-19 crisis for 1-6

Evaluation	Aim of the Evaluation	Key Findings
		<p>months; 24.8% (325) indicated that they do not know; 13.1% (172) indicated that their businesses will survive for 7 months to 1 year; 8.4% (110) said for more than a year; 7.9% (104) indicated that their businesses will survive for less than a month; 5.2% (68) said they will not survive COVID-19; 4.6% (60) indicated that their businesses will survive indefinitely and 3.8% (50) indicated "other" which includes it depends on international travellers, secured a government contract, surviving so far, until savings and loans run out etc.;</p>
<p>First Report on the Impact Evaluation of COVID-19 on the Tourism Sector, July-September 2021 (HS Business Solutions).</p>	<p>To evaluate the Impact of COVID-19 on the tourism sector, July-September 2021.</p>	<p>The survey targeted an estimate of 71 875 tourism businesses which yielded a response from 618 enterprises. Almost all the businesses (99.6 per cent) that completed the survey reported that they were affected by the COVID-19 pandemic.</p> <ul style="list-style-type: none"> Between September 2020 and November 2020, the majority of the tourism businesses were operating at 25 per cent or less. Many tourism businesses began to adjust to the COVID-19 conditions. Therefore, a larger portion of the businesses began to operate at 50 per cent capacity compared to the period June 2020 to August 2020. The number of businesses not operational between September 2020 to November 2020 decreased across all provinces compared to the period between June 2020 to

Evaluation	Aim of the Evaluation	Key Findings
		<p>August 2020. This indicated how the lowering of lockdown restrictions influenced the operations of tourism businesses across all provinces positively.</p> <ul style="list-style-type: none"> Tourism enterprises were mostly aware of the Unemployment Insurance Fund (UIF) scheme (86.6 per cent) and the TRF of the Department of Tourism (73.8 per cent). Over 60 per cent of the businesses were aware of the SMME Relief Fund and support offered by commercial banks. About 51 per cent were aware of the Solidarity Fund. Overall, 96.4 per cent of tourism enterprises were aware of at least one type of support measure available. About 4 per cent of tourism businesses were not aware of any support available to them. The results correlate with previous surveys conducted by the Department of Tourism in collaboration with IFC (World Bank Group) and TBCSA.
<p>Second Report on the Impact Evaluation of COVID-19 on the Tourism Sector, January-March 2022 (HS Business Solutions).</p>	<p>To evaluate the Impact of COVID-19 on the tourism sector,</p>	<p>The survey targeted over 70 000 tourism businesses which yielded a total number of 396 responses. Almost all the businesses (97.0 per cent; 384 responses) that completed the survey reported that they were affected by the COVID-19 pandemic.</p> <p>The following are some of the findings:</p> <ul style="list-style-type: none"> The majority (77.7 per cent; 272 responses) of tourism businesses

Evaluation	Aim of the Evaluation	Key Findings
		<p>indicated that their customer use declined between March 2021 and February 2022, while 22.3 per cent (78 responses) reported an increase. In the first survey, 94.3 per cent of tourism businesses reported that customer use declined between March 2020 and February 2021. Although some tourism businesses experienced an increase in customer use compared to the previous period, most tourism businesses were still experiencing a decline in customer use;</p> <ul style="list-style-type: none"> • The majority of the tourism business in South Africa (58.1 per cent; 230 responses) reported an annual turnover of less than R1 million in February 2022, followed by 6.6 per cent (26 responses) of tourism businesses that reported their annual turnover of between R1m and R3 million. This confirms that the majority of the tourism businesses in the sample were exempted micro-enterprises. By contrast, 27.8 per cent (110 responses) of tourism businesses reported an expected turnover of zero for February 2022. • General comments for tourism businesses included that the government was not doing enough to encourage international travellers to visit South Africa, marketing local tourism, collaborating with tourism businesses and improving infrastructure to

Evaluation	Aim of the Evaluation	Key Findings
Impact Evaluation of the Pilanesberg Tourism Incubator Programme, 2021.	To provide management and project implementers with empirical evidence on the impact of the Tourism Incubator Programme on the incubated SMMEs who participated in the evaluation.	<p>attract visitors. Most tourism businesses will only survive and be sustainable if they receive additional financial support and assistance with marketing and recovery strategies. Tourism should be marketed domestically and internationally. Domestic tourism is not enough to fill the gap left by international tourists, especially considering the high dependence on international travellers. The primary source market for over half of tourism businesses was reported as the international market. Only a third of tourism businesses indicated their primary source market as domestic</p>
		<p>Just over half (54%, 15) of the respondents indicated that the programme had a positive impact on their businesses, whereas 46% (13) indicated that the programme did not have any impact on their businesses. When respondents were asked how important has the support provided by the Incubator Programme been to the development of their enterprises, the majority 57% (16) indicated that it was important and helpful, but not critical to their business success. About 32% (9) of enterprises indicated that it was not very important, since they would have done well without the programme as well. Approximately 11% (3) of the enterprises indicated that the support was critical, as without it, the enterprise would have not been successful. These patterns of responses</p>

Evaluation	Aim of the Evaluation	Key Findings
		might be attributed to the fact that the programme focused on those enterprises that were already operating;

2.10 Findings of internal and external research in relations to achievement of outcomes.

Summary of 2020/2021 Research Studies:

Research Theme	Research Topic	Aim of the study	Key Findings
Revolutionising Domestic Tourism (University of Johannesburg).	Impact of COVID-19 on Tourism Sector demand and supply in South Africa.	Assess the impact of COVID-19 on the demand and supply of tourism products, with a view to propose interventions to meet the needs of tourists post-COVID-19 through the approach of undertaking case studies of local destinations which offer a differing mix of tourism products.	<p>The opportunities for SMME development linked to procurement for state assets are limited. The limitations are made worse by weaknesses relating to tourism and local economic development planning.</p> <p>The under-performance of municipalities in relation to maximising the impacts of potentially valuable tourism assets cannot be understood only as the result of problems at municipal level or inability to implement tourism or local economic development planning.</p> <p>There is an under-performance of state assets in relation to goals of inclusive tourism development. Hence, there is a need for improved asset management for tourism and for the development of an asset management framework specifically for tourism assets in South Africa.</p> <p>Although asset management applies across all levels of the state – national and sub-national – for the tourism sector the municipal level is especially important. An asset management framework for tourism would be an important basis for supporting local economic development planning for tourism.</p>

Research Theme	Research Topic	Aim of the study	Key Findings
Tourism Interface (University of Pretoria).	The impact of covid-19 on the tourism transport interface in south Africa	The study aims to explore the impact of COVID-19 on the Tourism-Transport Interface with a view to proposing a scenario where this relationship might create opportunities for tourism to prosper post COVID-19.	<p>Transport modes generally experienced low to declining growth prior to COVID</p> <p>COVID lockdown measures have been devastating to the tourism transport sectors, across all modes, both domestic and international.</p> <p>Sectors continue to experience a “worst case scenario”</p> <p>Recovery scenarios require:</p> <ul style="list-style-type: none"> • Economic growth - Government agility to create an enabling environment for rapid growth - Renewed tourist confidence amidst continued health safety uncertainty - Sector streamlining and consolidation - Innovative strategies for recovery and sustainability (new business models; new technologies).

Summary of 2021/2022 Research Studies:

Research Theme	Research Topic	Aim of the study	Key Findings
Revolutionising Domestic Tourism (University of KwaZulu-Natal (UKZN)).	Re-examining perspectives on the recovery of South Africa's domestic tourism in a COVID- environment	Examine how domestic tourism in South Africa can be reignited as part of the sector's recovery plan	<p>Effective targeted marketing and providing incentives/ packages to promote domestic tourism are critical to unlock potential to encourage domestic travel and increase demand.</p> <p>Government and the private sector need to work together to develop affordable and quality domestic tourism products/ packages and services for local consumption while transitioning the tourism sector to be sustainable and resilient to deal with future disruptions.</p> <p>A Domestic Tourism Recovery Framework for embracing an ecosystem operating model is proposed highlighting four key steps: re-evaluate, reconfigure, respond and stimulate domestic tourism demand.</p>
Revolutionising Domestic Tourism (University of Pretoria).	Re-modelling the local domestic tourism market in South Africa within a covid-19 environment	Examine how domestic tourism in South Africa can be fundamentally reconceptualised, recontextualised and remodelled.	<p>Tourism recovery needs to be both different and innovative, especially from a product (supply) point of view given the renewed attempts to increase tourists (demand) to destinations. This will help to elevate domestic tourism.</p> <p>The study proposed a Domestic Tourism Remodelling Model with four pillars namely, iconic, uniconic, multi-culturalism and senses to encourage and stimulate the development of a tourism product that considers other dimensions and aspects that were not conventionally regarded as part of the tourism offering.</p>

Research Theme	Research Topic	Aim of the study	Key Findings
Tourism Sector Demand and Supply (North-West University and University of Venda).	South African tourism sector demand and supply-towards COVID-19 resilience	Develop a Tourism Resilience Model (TRM) for the sustainable recovery of the sector, thereby optimising tourism demand and supply post COVID-19.	A TRM, which is a data-driven decision support model is proposed. The model should be implemented by the tourism sector to direct and improve quick decisions. The model is premised on the idea that predicting tourism demand through frequent assessments of “intention to travel” can direct the implementation of corrective measures/decisions proactively.
Tourism Sector Demand and Supply (University of Johannesburg).	Stimulating demand and supply through niche tourism development: the case of rural tourism in selected provinces	Examine how niche tourism may be leveraged as part of the tourism sector's recovery plan to rejuvenate supply and ignite demand post COVID-19.	The study points to critical failings by local governments to maintain essential basic infrastructure – especially roads and water – that must be addressed before rural tourism development becomes a realistic option. Stimulating a recovery in tourism for promoting local economic development as well as for evolving a policy framework for rural tourism revival should not be a one-size-fits-all policy but should be anchored on the nuances and challenges of often markedly different rural tourism spaces.
Transformation and tourism value chain (Council for Scientific and Industrial Research).	Transformation of the South African tourism value chain towards sustainable, resource efficient and inclusive growth path post COVID-19	Explore how the tourism sector may be transformed towards a sustainable, resource efficient and inclusive growth as part of the recovery plan to create opportunities for SMMEs, particularly black owned enterprises, post COVID-19.	The following interventions are identified as being important to support the sustainable transition of hotspots along the rural tourism value chain (e.g. greenhouse gas emissions, food waste; lack of capacity in waste infrastructure to deal with solid and hazardous waste; water use; and unsustainable harvesting of natural resources) <ul style="list-style-type: none"> Intervention 1: Green transportation options for rural tourism Intervention 2: Powering rural tourism enterprises with sustainable energy options

Research Theme	Research Topic	Aim of the study	Key Findings
			<ul style="list-style-type: none"> Intervention 3: Sustainable sourcing of food and beverage by rural tourism enterprises Intervention 4: Reducing food waste from rural tourism enterprises Intervention 5: Waste reduction and management by rural tourism enterprises Intervention 6: Saving water by rural tourism enterprises Intervention 7: Sustainable harvesting of natural resources for curios <p>A road map/framework developed with input from key tourism stakeholders is required in order to make the interventions a reality.</p>
Transformation and tourism value chain (KZN).	Enabling SMMEs survival and growth during/post COVID-19.	Assess measures and tools used to enable the survival and growth of tourism SMMEs during economic hardships and particularly during COVID-19	<p>The profiles of SMMEs differ considerably in relation to the location operating from, turnover, status of the business in terms of formality; number of employees and number of years in operation.</p> <p>Tourism SMMEs traverse a range of activities, with many engaging in multiple activities. This reflects the diversity of the tourism landscape in South Africa. Most SMMEs experienced severe turnover and staff losses associated with the pandemic. Restrictions on travel, social interactions and consumption (including alcohol bans) were key reasons that impacts on demand and thereby the revenues of SMMEs.</p>

2.11 CONCLUSION

As the outbreak was unexpected, it had also created a gap in data to quantify the actual magnitude of the pandemic to facilitate a recovering plan. It was not clear what was happening to tourism enterprises, especially micro and small enterprises. There was also uncertainty about what was happening with the affected employees who were employed before the crisis, whether they had been put on furlough, if their wages had been reduced or if they had lost their jobs completely after the closure of numerous enterprises.

The impact of COVID-19 has not spared the South African economy. It should be noted that the South African economy was already reeling from two consecutive quarters of negative growth and a series of downgrades from rating agencies prior to the virus hitting our shores. The South African economy contracted by 0,8% and 1,4% in third quarter of 2019 and the fourth quarter of 2019, respectively². The unemployment rate has remained at 29,1% for both the third and fourth quarter of 2019³. Trade experienced the highest fall in employment between the third and fourth quarter of 2019 which stood at 159 000, followed by the manufacturing sector at 39 000 and lastly utilities at 14 000.

In early 2020, South Africa; like other countries, adopted necessary measures to contain the spread of the virus so that the rate of infections does not overwhelm the health system. This meant that the economic activity of the South African economy experienced a further decline from the supply side followed by the demand side. The International Monetary Fund projected the South African economy to contract by 5,8% in 2020, and expected it to recover, albeit from a lower base, in 2021 with an expected growth rate of 4%.⁵ As with other economies around the world, the South African financial markets experienced liquidity challenges.

In order to further understand the impact of COVID-19 pandemic on the tourism sector, the Department of Tourism in collaboration with the Tourism Business Council of South Africa (TBCSA) and International Finance Corporation (IFC) conducted a **survey** to quantify the impact of COVID-19 on the tourism sector with a focus on SMMEs between 11 - 16 April 2020. The tourism supply side experienced drastic revenue decline with 83% of firms reporting revenue decline of more than 50% and 34% reporting that revenues were 100% less in March 2020, respectively. Such a severe drop in revenue naturally implies that businesses in the sector have little room to absorb their variable and fixed costs. To this end, the survey found that 58% of businesses in the tourism sector could not service their debt in March 2020, and 54% of the businesses were unable to cover their fixed costs. A greater proportion of medium-sized businesses indicated that they had cut wages in response to the impact of COVID-19, with the Meetings, Incentives, Conferences and Exhibitions (MICE) and conservancy sub-sectors being the most active in reducing wages. The survey also found that a greater proportion of small businesses in the tourism sector applied redundancies to its employees, a similar finding to short-term employment in the Stats SA General Business Impact Survey.

The outbreak of COVID-19 in South Africa disrupted economic activities and increased hardship for households and businesses in an already depressed economic environment, with the tourism sector experiencing the hardest shock. Operations were halted under various phases of lockdown and tourism revenues were severely diminished. The sector was thus facing profound and simultaneous demand and supply shocks. Among other things, the pandemic had the following impact on the tourism sector: closure of businesses; businesses operating at drastically reduced capacity; massive job losses; collapse of supply and demand on the domestic and international markets; persistent pressure on the South African tourism brand due the country's association with the 501.v2 variant of the COVID-19 virus; and regression of transformation in the tourism sector.

² StatsSA. 2020. Gross Domestic Product Statistical Publication. 3 March 2020.

³ StatsSA. 2020. The Quarterly Labour Force Survey. 11 February 2020.

The TSRP is aligned to the Economic Reconstruction and Recovery Plan (ERRP), the country's plan for overall economic recovery published in late 2020. The ERRP re-affirms tourism's position as a major contributor to the South African economy and its envisaged role in the broader economic reconstruction and recovery effort. The ERRP aims to build a new economy and unlock South and identified tourism as one of the priority areas of intervention with regards with infrastructure development, public employment, green economy interventions, the inclusion of women and youth as well as skills development as levers of reconstruction and growth

The Department would like to acknowledge the collaborative effort with key stakeholders from government, the sector and other social partners in the Department of Tourism initiated development of the TSRP to response to COVID-19 pandemic.

The collaboration between International Finance Corporation (IFC), our Department and TBCSA, and all its member associations, through which surveys were undertaken, have assisted us to understand the impact of COVID-19 pandemic on the tourism sector. Through these, tourism stakeholders were able to gauge the depth of the crisis in the tourism sector in South Africa.

~

Official Sign-Off by the Executives

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