



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Minister Kubayi-Ngubane concerned about performance and audit outcome at the Department and SAT

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The Minister of Tourism, Mmamoloko Kubayi-Ngubane, received with concern the Annual Performance Report of South African Tourism (SAT) and the audit outcome of the department. While the department received a qualified audit, it has managed to achieve above 80% performance. The Minister wishes to thank the Director General Mr. Victor Tharage and the entire departmental staff.

She also expressed concern on the underperformance of the Expanded Public Works Programme (EPWP) as flagged by the Auditor-General, particularly as this is a crucial programme of the department which focuses on job creation linked to the development of tourism infrastructure and skills development within the tourism sector. The EPWP capital projects have experienced many challenges, amongst them, is poor project implementation and other systems failures. These challenges in the EPWP capital projects led to the department incurring fruitless and wasteful expenditure.

The sixth administration has committed itself to clean governance, accountability and transparency. More significantly, is the importance of consequence management where things have gone wrong. We have taken a decision as the department to conduct forensic investigation so that we are able to deal with this fully. It must be noted that in cases where clear information of wrong doing is available, criminal cases and civil claims have been instituted against service providers by the Accounting Officer. Furthermore, as a department, we have placed two senior managers on precautionary suspension while the investigation is being conducted.

On South African Tourism

The Minister expressed further concern at the audit report received showing performance of 56% of the annual performance target, as reflected in the audited SAT 2018/2019 Annual Performance Report and about R98 million irregular expenditure as reflected in the Auditor General's report. The Minister held a meeting with SAT staff and the board on Friday the 4th October 2019, where a number of issues were raised including how to turn the corner and ensure improved performance in the current financial year and the following years.

Minister Kubayi-Ngubane confirms to the public that the CEO of SAT Sisa Ntshona is currently going through a disciplinary process as instituted against him by the board. This was after an investigation by Bowmans. Following the investigation report being shared with the Minister, and having noted the seriousness of the findings, she gave concurrence for the disciplinary process to be instituted as she believed that Mr Ntshona must be afforded his day to answer on these serious investigation findings. This process must be allowed to take its course and the board appointed an independent chairperson to ensure fairness of the process.

"The stability and well-functioning of South African Tourism remains an urgent priority, and as such, I will in the coming weeks embark on a process to replace both Board Chairperson and Deputy Chairperson of the board. This is after SAT Board Chairperson Ms Pam Yako stepped down as board chairperson and Deputy Chairperson Dr Tanya Abrahamse resigned from the board," said Minister Kubayi-Ngubane.

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Minister Kubayi-Ngubane expressed confidence in the men and women at SAT under the leadership of Acting CEO, Ms. Sthembiso Dlamini and Interim Board Chairperson Mr. Ravi Nadasen, to help turn the tide of performance at SAT.

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