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**DATE: 11 OCTOBER 2024**

## **MINISTER OF TOURISM PATRICIA DE LILLE REPORTS ON 100 DAYS IN OFFICE IN THE 7<sup>TH</sup> ADMINISTRATION**

Yesterday marked 100 days since the appointment of Members of the Executive in the Government of National Unity (GNU).

As a member of the GOOD Party, I am a proud member of the GNU and the only female political party leader out of the 18 parties in the seventh parliament.

### **GNU priorities:**

The Government of National Unity has resolved to dedicate the next five years to actions that will advance three strategic priorities:

- Firstly, to drive inclusive growth and job creation.
- Secondly, to reduce poverty and tackle the high cost of living.
- Thirdly, to build a capable, ethical and developmental state.

In July, days after my reappointment, together with the Deputy Minister we held meetings with the entire Department and SA Tourism, the department's entity.

During these meetings, I engaged staff to brief them about the three priorities of the GNU for the next 5 years and to improve internal communication.

I communicated to all staff that it is no longer business as usual and that we need to accelerate delivery to ensure that we elevate the profile of tourism and its contribution to the economy and job creation.

### **JOINT LEKGOTLA**

On 1 and 2 August, as part of our goal to bring greater synergy between the Department of Tourism and its entity, SA Tourism, we held a joint lekgotla to assess where we are now in terms of our work and to set the targets for the next five years.

We discussed how implementation will happen in terms of the what, the how, who and when and budget. We have to do more with less.

This session saw us taking an honest reflection of where we are now and what we need to do to grow tourism to its full potential.

Our primary goal for the next five years is to achieve 15million tourism arrivals to our country by 2030, as per the National Development Plan.

What is needed is to develop the action plans to achieve this, which will be part of government's Medium Term Development Plan (MTDP) for the next five years.

**In summary, to achieve the NDP and GNU priorities, we will:**

- Continue working in close partnership with social partners – the private sector and communities to address all aspects of tourism that will drive greater growth in arrivals
- We will continue working with Operation Vulindlela in the Presidency and Departments of Home Affairs, Transport and Sport, Arts and Culture to:
- Facilitate improvements in the visa regime
- Grow the number of direct flights to and from South Africa by establishing an Air Access Tourism Marketing arm within SA Tourism as mandated by Cabinet in November 2023
- Continue efforts for a more seamless tour operator license process and
- Invest in infrastructure and tourism sites that reflect and showcase our diverse culture and heritage for visitors to enjoy
- To build a capable, ethical and developmental state and sector, our five year plan and targets will implement programmes for demand-led skills and a greater use of technology such as AI to enhance our tourism offering.

The Department of Tourism is currently working on finalising our 5 year plan which will align to the GNU priorities, the National Development Plan, the Tourism Sector Master Plan and the National Tourism Sector Strategy.

As the NDP states: Tourism is one of the fastest growing economic sectors and there is an opportunity to increase employment in this sector.

**CABINET**

We have completed two key policy and strategy processes in the first 100 days.

On 4 October, we gazetted the White Paper on the Development and Promotion of Tourism in South Africa, following Cabinet approval on 18 September.

The White Paper will provide guidance to the next phase of tourism development and ensure that the country as a tourism destination moves towards reaching its full potential.

The policy envisages a sustainable, competitive and inclusive tourism sector that leverages on innovation, digital technology, addresses barriers to tourism growth, builds partnerships and responds to the social imperatives of the country.

It further will enable the tourism sector's contribution to the broader economy, employment and entrepreneurship whilst ensuring that the sector becomes resilient as it better responds to the future needs of the tourism sector.

The Tourism White Paper focusses on, promoting safety and security; facilitating ease of access; domestic tourism; crises management; promoting transformation; enabling technological developments and recommits to the responsible tourism agenda.

I would like to thank all stakeholders and the public who took the time to review and make input into the policy process.

The Tourism White Paper is available on the Department's website.

## **ASTRO TOURISM**

Another important niche to drive the growth of tourism in South Africa is Astro-tourism.

On 27 September, following Cabinet approval on 18 September, we gazetted the draft National Astro-Tourism Strategy Implementation Plan for a 30 day public comment period.

Through close collaboration with the Department of Science and Innovation, the Department of Tourism produced the draft Astro Tourism Strategy which recognises the importance of this niche area of the sector in diversifying the tourism experience and competitiveness of our destination.

South Africa can be proud of the unique advantages it has in astronomy and the opportunity these present to boost economic development and employment in the tourism sector.

In September we also celebrated Tourism Month and World Tourism Day on 27 September in Carnarvon in the Northern Cape as we focussed on Astro Tourism.

In developing the Astro Tourism Strategy together with the Department of Science and Innovation, we became the first country on the African continent to do so.

The Astro Tourism Strategy aims to position South Africa as a world-class astro-tourism destination, focusing on:

- Infrastructure development,
- The optimal functioning of astronomy-tourism streams,
- And community transformation.

We want to use the SKA and the Astro Tourism as a catalyst to develop the Karoo and provide opportunities for rural tourism as well as agri-tourism to develop rural areas further.

Our next matter to take to Cabinet is the Air Access Tourism Marketing Strategy.

## **FINANCIAL AUDITS**

I am also pleased to report that the Department of Tourism received a clean audit for the financial year 2023/24.

SA Tourism received a qualified audit. The entity has faced serious governance difficulties but we are working on the remedial actions as recommended by the Auditor General to get SA Tourism to an unqualified audit.

## **VISAS**

On another crucial matter where we have made great progress, Cabinet established an Inter-Ministerial Committee (IMC) comprising Home Affairs, Tourism and the State Security Agency and Operation Vulindlela in the Presidency to finalise improvements to the visa regime for key source markets, India and China.

These markets are prioritised as they have been assessed as having the greatest potential to grow numbers.

Following collaboration between various Ministers and Departments, the Trusted Tour Operator Scheme (TTOS) was adopted.

The TTOS is a critical step to reform the visa system that will enable economic growth.

The innovative new Trusted Tour Operator Scheme (TTOS) is about to be finalised and an announcement will be made soon.

This major development was achieved through collaboration between the Department of Home Affairs, the Department of Tourism, as well as the Presidency and Operation Vulindlela. The research was funded by the Tourism Business Council of South Africa (TBCSA).

With an initial focus on targeting travellers from China and India, the TTOS will remove some of the key obstacles standing in the way of South Africa becoming a favoured tourism destination for the second and fifth largest economies in the world.

The Department of Tourism provided input on the criteria for selection of tour operators for India and China.

Tourist visa applications processed through TTOS will be handled by a dedicated and skilled team of adjudicators to ensure swift and reliable processing, and will also benefit from the removal of restrictive red tape that currently suffocates South Africa's tourism potential.

The IMC on Visa Matters have also agreed to reduce and standardise requirements for visa applications across all missions.

This will streamline the process and remove inconsistencies at the discretion of individual missions.

We welcome this progress and the directive issued by Home Affairs this week to all South African missions abroad regarding standardised submission of visa entry requirements

## **TOURISM PERFORMANCE**

In 2023, international tourism spend contributed R95 billion to the economy, while domestic tourism generated an impressive R121 billion in spend.

This underscores that domestic tourism is the bedrock of our sector. Employment in the tourism sector is projected to grow to 1.7 million jobs in 2024.

In the first quarter of this year, tourism's direct and indirect contribution to the GDP was 8.8%, more than the construction, transport and mining sectors. This is an achievement we are very proud of.

The tourism sector has continued to grow significantly as we welcomed over 5.8million international arrivals between January and August this year, up by more than 385 000 or 7, 0% compared to the same period in 2023.

Of the more than 5.8million arrivals between January and August this year, 4.4million were from the rest of the African continent, up by more than 326 800 or 7, 9% compared to the same period in 2023.

Overall for the full calendar year of 2023, we welcomed more than 8.4million arrivals up by 2.7million or 48.9%.

Of the 8.4million arrivals in 2023, 6.4million were from the African continent, up by 51.3% compared to 2022.

The growth has been promising but we remain resolute to work harder on marketing initiatives and building our tourism offering to attract even more visitors.

This performance demonstrates the significant impact that the tourism sector has on the country's economy.

## **TOURISM INFRASTRUCTURE PROJECTS**

A variety of the infrastructure projects by the department, ranging from maintenance to construction, are spread across the country are underway, focusing on community projects and in less visited areas to improve geographic spread.

Six construction projects valued at almost R140 million and 27 maintenance projects valued at almost R128 million have been finalised.

Some of the completed projects in the first 100 days include the Mapate Recreational Social Tourism Facility in Limpopo which saw the construction of restaurant, a swimming pool, braai facilities, camping site and other facilities. This project valued at over R25.6million reached practical completion in September.

The LP Tisane facility also in Limpopo included the refurbishment of chalets, completion of restaurant and other works. This R30million project also reached practical completion in September.

In terms of maintenance projects, the project comprising various upgrades at the Anton Lembede Museum in the eThekweni Municipality (KZN) reached practical completion in August to the value of R22million.

Maintenance work at the Thomas Baines Nature Reserve in the Eastern Cape has also been completed to the value of R4million.

Maintenance work at the Double Mouth Nature Reserve in the Eastern Cape was also completed to the value of R3.2million.

## **TOURISM INCENTIVE PROGRAMME**

The Department's Tourism Incentive Programme remained a key intervention to incentivise sustainability and inclusive growth of SMMEs in the tourism sector.

The suite of incentives implemented to support SMMEs included:

- The Tourism Grading Support Programme which provided discounts valued at R2.2 million to 509 establishments graded by the Tourism Grading Council of South Africa in the first Quarter.
- The Green Tourism Incentive Programme (GTIP), since April 2024, we have approved grant funding of R34.4 million to 49 establishments to adopt responsible tourism practices through sustainable technology such as solar PV panels.
- The uptake of the GTIP has been inspiring with private-sector tourism enterprises receiving grants from the department to reduce the cost of investing in energy and water-efficient solutions.
- This has long-term benefits of reducing the overall operational cost of the enterprise and contributing to the sustainability of the sector.
- The GTIP is a resource efficiency incentive programme developed by the Department of Tourism in collaboration with the Industrial Development Corporation (IDC), to respond directly to the escalation of electricity prices, energy supply challenges and general water scarcity which pose a significant risk to the future growth potential and sustainability of the tourism sector.
- The 10<sup>th</sup> GTIP application window opened on 2 September 2024 and will remain open until 28 February 2025.
- Since the GTIP is implemented by the IDC on behalf of the Department of Tourism, all applications and approvals are managed by the IDC.
- In September, I visited two of the GTIP beneficiaries in Ekurhuleni, the Timosha Guest House and The View Guest House to inspect the solar PV installations at these establishments, which were funded by the Department's GTIP. They are seeing great benefits through this project.
- The Market Access Support Programme (MASP) is another key incentive programme which since April this year already approved financial support in excess of R15 million to more than 160 tourism SMEs to participate in various international and domestic trade shows to engage with tourism buyers.
- The MASP is geared towards supporting tourism SMEs by removing financial barriers to allow them to access new markets and networking at national and international trade shows.
- The MASP funding sees the department covering the travel costs to exhibit at national and international tourism trade shows such as Africa Travel Indaba, World Travel Market Africa,

Meetings Africa, World Travel Market London and ITB in Berlin to approved MASP applicants.

- Since the start of this financial year, the MASP programme has already supported 120 SMEs to exhibit at Africa's Travel Indaba in Durban, 10 enterprises at the World Youth and Student Travel Conference in Portugal, and 15 enterprises at IMEX America, currently underway in Las Vegas, USA.
- A further 10 SMEs have already been approved for MASP support to exhibit at the upcoming WTM London, and another 6 SMEs to exhibit at the IBTM event, a global MICE conference, taking place in Barcelona in November.
- For the latest round of MASP support, tourism businesses from Limpopo, KwaZulu Natal, the Western Cape, Gauteng, the Free State, Mpumalanga and the Eastern Cape have been approved for financial support to attend the global travel trade shows.
- We encourage tourism businesses to keep an eye on the Department's website and social media pages for regular calls for applications and the application processes for various national and international tourism trade shows.

## **TOURISM EQUITY FUND**

Another key incentive programme is the Tourism Equity Fund which was relaunched in 2023 to provide capital financial support to new and existing businesses.

We opened the applications for the TEF on 6 November 2023 and to date 14 TEF applications have been approved to date to the value of nearly R200million in grant and loan funding.

These are for existing and start-up businesses in various provinces.

The R1.2 billion TEF is managed by the Small Enterprise Finance Agency (sefa) on behalf of the Department and was tailored to provide a combination of debt finance and grant to facilitate equity acquisition and new project development in the tourism sector by black entrepreneurs.

Unfortunately the administration of this fund is painfully slow and I have engaged the Department, Sefa and with the Minister of Small Business Development to impress on them the urgency that needs to be put into these application adjudication process.

I have also written to the Minister of Finance this week requesting intervention to ensure that SEFA assists us to achieve the objectives of the TEF.

This is an extremely important fund for us to help grow businesses and transform the sector.

## **DIGITAL TRANSFORMATION**

We are also prioritising building a capable, ethical, and developmental state to improve the delivery of services.

We have started work on a digital transformation in the Department focused on using on technology and AI to make the department and entity more efficient and innovative, adapting to the developments in the rest of the world.

The Department has commenced the journey for digital transformation and finalised a needs analysis.

This process will be implemented to develop and launch a unified digital platform to increase efficiencies and enhance citizen experiences in the department.

## **NATIONAL TOURISM CAREER EXPO (NTCE)**

This week the Department of Tourism also hosted the annual National Tourism Careers Expo at the new Peter Mokaba Stadium in Polokwane, in the Limpopo Province.

We attracted close to 10 000 learners, educators and unemployed youth participating in the NTCE.

The NTCE is an interactive three-day event that is held annually to promote tourism as a career, profession, and business of choice to learners from high schools, TVET College and University students, out-of-school youth, and unemployed graduates.

The NTCE finds its credence in the objectives of the National Tourism Sector Strategy (NTSS) and the Tourism Sector Human Resource Development (TSHRD) Strategy.

These strategies seek to address the needs of the sector in relation to human resource development planning, coordination & information management; skills and capacity development, and the enhancement of tourism, hospitality, conservation education and training systems.

Over the years, the NTCE has adapted to evolving technological trends to include information on career paths in digital transformation such as artificial intelligence (AI), and further training for demand-led skills. Inversely, the expo becomes a platform for the industry to present itself as a business and employer of choice.

As part of the National Tourism Safety Strategy which we implement in collaboration with the security cluster and the private sector, the department recruited and trained 2 245 Tourism Monitors to be deployed to key tourist sites to enhance tourist safety.

We have also prioritised addressing the backlog in the issuing of Tour Operator Licenses.

The Department of Transport, has implemented a process to expedite adjudication of applications for licenses and we have cleared the historic backlog completely.

## **SA TOURISM**

During the first 100 days in office, SA Tourism successfully concluded the implementation of its first-quarter targets as outlined in the 2024/2025 financial year Annual Performance Plan.

The first quarter saw the entity achieve a remarkable 98% success rate, delivering 48 of its 49 planned targets.



In September, SA Tourism ran another successful Sho't Left Travel Week which sees various tourism establishments offer discounted deals to South Africans to encourage locals to explore our beautiful country.

During Sho't Left Travel Week, we saw tremendous engagement as the Sho't Left site attracted more than 254 000 visitors, a substantial increase from 94,660 in 2023.

A total of 13,866 deals were booked, up from 10,481 in the previous year.

In line with our regional strategy, SA Tourism showcased South Africa at key tourism expos, including Fikani Tourism Expo (Mozambique), Sanganai Tourism Expo (Zimbabwe), and Magical Kenya Tourism Expo.

These platforms allowed us to engage with buyers and exhibitors through the digital "Get-Connected" business platform, further strengthening South Africa's presence.

## **SAT BOARD**

There have been a number of changes and issues related to the SA Tourism Board.

In recent months, I had become concerned with the excessive number of meetings the board held.

For the first six months of this financial year, close to R900 000 of the R1.44million budget for board fees was accrued by the SAT Board for 54 meetings.

I have launched an independent investigation into the matter.

On Friday 27 September, I gazetted the appointment of 6 new board members who bring with them a wealth of experience in the tourism sector.

I wish the new Chairperson and board members well and continue to impress on them the importance of their fiduciary duties to ensure proper oversight of SA Tourism without undue interference.

## **GOING FORWARD**

### **G20**

The Tourism Chairmanship of the G20 will be handed over to South Africa in December following the meeting of the heads of state at the G20 Meeting.

The Department of Tourism will host three meetings in 2025, culminating in the Ministerial meeting with Tourism Ministers from G20 countries in September 2025.

We are going to use the opportunity to sell the beauty of South Africa to all G20 delegates through offering packages and support, encouraging them to stay longer and enjoy more of South Africa.

A few weeks ago, I attended the G20 Tourism Ministerial Meeting in Brazil where all Minister's engaged on the importance of growing a sustainable and inclusive tourism sector.

During the G20 meeting, I held bi-lateral meetings with several Minister of Tourism for Brazil, Spain, India and the United Arab Emirates.

Following the G20 meeting, I also held an engagement with several tour operators in Sao Paulo who are some of the top sellers of packages for Brazilians to travel to South Africa.

The relaunch of direct flights between South Africa and Brazil by South African Airways and LATAM Airlines late last year has contributed to impressive growth in arrivals from Brazil to South Africa.

In a few weeks, we will be launching the summer campaign to encourage and welcome travellers from all over the world for our peak tourism period.

We also want to use this opportunity to encourage South Africans to explore their country as there are so many hidden gems and unexplored parts of our country.

We want to showcase to tourists that South Africa is more than just Safaris and Table Mountain.

We have so many diverse offerings in our townships, little villages and dorpiess and I want to encourage all travellers to go somewhere you have never been before and look at the diverse offerings in all 9 provinces.

We have a wide variety of offerings from family style offerings, luxury destinations, vibrant cities and townships, the best culinary experiences in Africa and adventure tourism.

## **INTERNATIONAL OUTREACH**

As part of our international outreach to grow tourism arrivals between various markets and South Africa and in line with our current Annual Performance Plan, I will be undertaking an international outreach to India in December.

We will be engaging the government and private sector tourism stakeholders in India to see how we can grow tourism between our countries.

We will use the engagements to market South Africa and all our many diverse offerings in all nine provinces and work with tour operators to ensure that they sell packages for travellers to visit different parts of the country.

Early in the New Year, we will undertake the same mission to Ghana as promoting intra- Africa travel is a key priority for us.

Whenever I engage tour operators from around the world selling packages for South Africa I always promote the idea for them to sell packages where tourists can travel to South Africa and from South Africa visit other African countries.

## **CONCLUSION**

In closing, it has been a busy start to the 7<sup>th</sup> administration and I remain committed to working with all partners in the GNU and in the tourism sector to continue growing this important sector for our country.

Our mission remains to grow arrivals to South Africa, grow the economic performance of the tourism sector, grow the number of jobs provided by the sector and ensure that public funds are spent for the good of the people of South Africa.

Thank you

**/Ends**

**Media Queries**

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