



MINISTRY
TOURISM
REPUBLIC OF SOUTH AFRICA

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Budget Vote Speech to the National Council of Provinces (NCOP) by Minister of Tourism, Patricia de Lille

Tourism budget reflects investment and support for tourism sector in all provinces

Date: 25 May 2023

- National Council of Provinces Chairperson
- Honourable members of the Select Committee on Trade and Industry, Economic Development, Small Business Development, Tourism, Employment and labour
- Honourable MECs
- Honourable member of the NCOP
- Tourism stakeholders
- Members of the media and public

Good afternoon, goeie middag, molweni, sanibonani, dumelang, As-salamu alaikum

It gives me great pleasure to address the NCOP on the Department of Tourism's Budget vote for the 2023/24 financial year as we look ahead with renewed passion for this important sector for our economy.

Chairperson, our country remains one of the most sought after travel destinations and my mission is clear: we cannot become complacent and we must work much harder to grow the tourist numbers beyond pre COVID 19 levels.

Over the past three months, I have been engaging with players from across the tourism sector focussed on how government and all partners in the private sector can implement solutions to grow tourism exponentially.

I also held a MINMEC meeting with MECs for tourism two weeks ago and impressed on them the level of urgency and partnerships we need to act on to grow tourism.

One of the key issues we need to address is safety in tourism and I will be hosting a safety forum meeting on Monday 29 May 2023 with the MECs, private sector representatives and government departments to work on a plan of action to improve safety measures for visitors.

As we celebrate Africa Day, to create the Africa we want, This year marks the 60th anniversary of the establishment of the Organisation of African Unity (OAU) now the African Union (AU).

Celebrated as Africa Day, this year we celebrate under them theme: “Our Africa Our Future”.

As a proud member of the AU, we must accelerate actions that will move the country and continent towards achieving its socio-economic and political development for “The Africa We Want”.

We must enhance collaboration to see greater implementation of the African Continental Free Trade Area Agreement to bring greater prosperity to the continent.

Tourism has a key role to play in this regard as Africa is a diverse continent, with vibrant cities and rich cultures.

The United Nations World Travel Organisation (UNWTO) has shared in its Africa Day message that Africa is also a hub of entrepreneurship and innovation and boasts some of the most exciting tourism destinations on the planet.

In support of UNWTO African member states to respond to the current challenges of tourism, particularly the need for more trained workers, more decent jobs and more and better-targeted tourism investments, the UNWTO has realigned its Agenda for Africa: Tourism for Inclusive Growth.

BUDGET

Honourable Chairperson, the Department of Tourism’s Budget for the 2023/24 financial year which is R2.524billion.

The main allocations of the budget are as follows:

- R1.344billion to the Department’s main entity - SA Tourism
- R347million on the compensation for employees
- R303million for the Expanded Public Works Programme
- R225million for the various Tourism Incentives Programmes

The largest portion of the Department’s budget allocation in the past and over the medium is allocated to its public entity, South African Tourism (SAT) whose primary mandate is the marketing of South Africa as a tourist destination to local and international tourists.

The Department is left with R1.1180billion to implement Programmes which support the most vulnerable in society, including unemployed youth, as well as SMMEs in rural villages and towns, and are targeted nationally.

In summary, the Department implements Programmes which support the most vulnerable in society, including unemployed youth, as well as SMMEs in rural villages and towns, and are targeted nationally.

These Programmes include Working for Tourism Programme through EPWP, Tourism Incentive Programme which supports greater destination competitiveness, transformation and accelerated tourism and enterprise growth.

The EPWP is allocated R 303 million for the 23/24 Financial Year in the Destination Development programme.

The Department's Enterprise Development and Transformation Programme also enables us to implement projects that provide various support packages to SMMEs, drive transformation and ensure the development of emerging operators.

SA TOURISM

Key activities for SA Tourism in the 2023/24 financial year includes:

Continuing to prioritise domestic tourism, followed by regional and then international tourism as per the Tourism Sector Recovery Plan.

Key to this will be the Global Tourism Brand Campaign that seeks to ensure that South Africa is embedded as a top-of-mind destination for all potential tourists.

Through the Global Trade component, SA Tourism will continue to participate in various local and intentional platforms to connect and promote South Africa as a lucrative destination to international airlines.

Department of Tourism's key programmes to support the sector:

The following are the key interventions by the department's budget for this financial year:

INTERVENTION 1: SAFETY AND SECURITY

Chairperson, safety and security are critical for tourism in South Africa, impacting visitor safety, destination reputation, economic growth, regulatory compliance, and community support.

We need to confront the safety issues and in this regard we need collaboration, ideas and solutions from the public and private sector.

We are reviewing the curriculum of the Department's Tourism Safety Monitors programmes, where they are recruited from and where they are deployed to in terms of priority areas.

The current budget to train and deploy 1 845 Tourism Monitors across the country is estimated to be R147.6million. We are working with the private sector to increase these numbers.

We must also work hand in hand with communities in tourist attraction areas for them to take ownership of the tourism assets and understand the value and need to protect the tourist spaces around them.

INTERVENTION 2: MARKET ACCESS SUPPORT PROGRAMME (MASP):

In terms of the key programmes by the Department to support the growth of the sector, one of the key programme by the Department is the Tourism Incentive Programme (TIP) which is a tool to stimulate the growth, development and transformation of the South African Tourism sector.

The TIP has been allocated R225.6million in this financial year for implementation of the following interventions: The Market Access Support Programme, The Green Tourism Incentive Programme, The Tourism Transformation Fund and the Tourism Grading Support Programme to name a few.

The MASP offers partial financial support towards the cost of exhibition space, return airfare, hotel accommodation to qualifying small tourism enterprises that wish to participate and exhibit at selected tourism trade platforms.

For the first two months of this financial year, the Department has already supported 152 small enterprises to exhibit at the World Travel Market Africa and the Africa Travel Indaba to the value of R11.8million.

These enterprises came from all nine provinces.

For the MASP for this financial year, between R3million and R8million is still available for this financial year to support enterprises at travel trade shows.

INTERVENTION 3: GREEN TOURISM INCENTIVE PROGRAMME (GTIP):

The GTIP offers partial grant funding on the cost of retrofitting tourism facilities with energy and water efficiency equipment/ systems based on the outcome of a resource efficiency audit.

The total GTIP Budget for the current financial year is R76million.

The 8th application window opened on 2 May and is open until 30 June and I encourage tourism establishments to apply for this funding to retrofit their establishments with energy and water efficient measures. All information on the GTIP is available on the department's website.

The value of support for GTIP applications approved between 1 April 2022 and 31 March 2023 amounted to R21million.

INTERVENTION 4: TOWNSHIP TOURISM

The township tourism sector is a vital one for our economy and I had a fruitful engagement with the South African Township and Village Tourism Association (SATOVITO).

Working with them and other stakeholders, the Department of Tourism is finalizing plans to ensure our communities enjoy the full economic benefits of tourism.

We will do this by broadening participation in the tourism value chain for SATOVITO members and other businesses to develop new tour programs into Townships and Villages while focusing on skills development and business acumen training.

INTERVENTION 5: INFRASTRUCTURE AND MAINTENANCE PROJECTS

Tourism infrastructure and maintenance of the assets are aligned to both the "Protect and rejuvenate" and the "Reignite Demand" Pillars of the Tourism Sector Recovery Plan and in this regard, the Department has rolled out an infrastructure and maintenance programme.

The infrastructure maintenance programme is aimed at refurbishing tourism assets, increasing visitor experience, supporting the sustainability of tourism attractions and providing employment opportunities.

The 2023/24 Annual Performance Plan contains a target to monitor the implementation of 29 Community Based Tourism Projects in the following provinces:

- 11 in Limpopo including the Tshahogwe Game Farm, the Mapate Recreational Social Tourism Facility and the Matsila Lodge
- 5 in Eastern Cape including Maluti Hiking and Horse Trail, Mthonsi Lodge and the Chalets at Nyandeni Great Place
- 3 in the Free State including the QwaQwa Guesthouse and infrastructure through Mononstha and Vredefort Dome
- 2 each in KwaZulu Natal and Mpumalanga including the Isibhubhu project, Muzi Pan Canoeing, Numbi Gate: Nkambeni Tourism project and Numbi Gate: Mdluli Tourism project
- 3 each in the North West and Northern Cape including Lotlamoreng Dam, Manyane Lodge, Platfontein Lodge and the Mcgregor Museum

The maintenance programme in Provincial State-Owned attractions, implemented by the DBSA, has a total budget of R 124.4million.

The infrastructure maintenance programme is aimed at refurbishing tourism assets, increasing visitor experience, supporting the sustainability of tourism attractions and providing employment opportunities.

The Department also has a total budget of R95 million for 25 maintenance projects for the 2023/24 financial year to diversify tourism offerings and enhance visitors experience in identified priority areas:

Maintenance Project Sites per Province

No	Province	Projects
1	Mpumalanga	<ul style="list-style-type: none"> • Manyeleti Nature Reserve • Andover Nature Reserve • Songimvelo Nature Reserve • SS Skosana Nature Reserve
2.	Limpopo	<ul style="list-style-type: none"> • Makapans Valley World Heritage Site • Nwanedi Nature Reserve • Blouberg Nature Reserve • Musina Nature Reserve • Modjadji Nature Reserve
3.	Eastern Cape	<ul style="list-style-type: none"> • Thomas Baines Nature Reserve • Baviaanskloof Nature Reserve • Double Mouth Nature Reserve • Oviston Nature Reserve • Mpfu and Fordyce Nature Reserve

No	Province	Projects
		<ul style="list-style-type: none"> • Cwebe and Dwesa Nature Reserves
4.	Free State	<ul style="list-style-type: none"> • Gariiep Dam Resort • Maria Moroka Resort • Phillip Saunders Resort • Sterkfontein Dam Nature Reserve
5.	Western Cape	<ul style="list-style-type: none"> • Khayelitsha Lookout Hill • De Hoop Nature Reserve • Wolvekloof Nature Reserve • Cedarberg Wilderness • Goukamma Nature Reserve • Kogelberg Nature Reserve

DOMESTIC TOURISM

Domestic Tourism has performed well and we must continue to put attractive packages together so that South Africans can make bookings and explore their own country's vast beauty and tourist offerings.

Domestic Travel January-March of 2023 saw domestic overnight trips exceed pre-pandemic levels as well as 2022 levels by 41,0%.

Overnight domestic spend was also up 24,4% compared to Q1 2022.

The expenditure from local holiday trips in Q1 of 2023 was R9,5 billion compared to R7.9billion in 2022.

South Africa offers a diverse range of captivating destinations for international travellers, with Gauteng taking the lead in international arrivals, spend and bed nights.

International visitors tend to spend most of their nights in the Western Cape, followed by Gauteng. The Eastern Cape, Northern Cape, KZN, and the North West also draw tourists to their unique charms.

While smaller provinces currently see fewer visitors, we encourage tourists to explore these hidden gems, as they too boast unparalleled beauty and value.

Domestic tourists are important to South Africa's tourism sector has mainly been sustained by domestic tourism as the world gradually recovered from travel restrictions.

SA Tourism continues to encourage South African Product Owners (SAPO) to cater for domestic travellers' needs through their various products and offerings.

The Sho't Left Travel Campaign must be accelerated to encourage South Africans to explore their own country.

By offering discounts of up to 50% off during the week starting from the 4th to the 10th of September, we will be encouraging South Africans to travel our beautiful, vibrant and diverse country.

SA Tourism will promote all Sho't Left Travel Week deals on various marketing platforms, so make sure you don't miss out on this chance to market your products or services.

I encourage all tourism businesses to register on deals.southafrica.net by no later than end of August 2023 and be part of this campaign to promote domestic travel.

This initiative in collaboration with local tourism trade partners and SA Tourism offers travel deals of up to 50% discount on various tourism products and experiences to make tourism accessible to all South Africans.

I encourage all local tourism agencies and provincial department's to amplify this campaign.

Honourable chairperson, all tourism stakeholders, MECS and government tourism departments must focus our efforts to implement the Economic Reconstruction and Recovery Plan and the Tourism Recovery Plan.

Our goal this year must be to surpass pre COVID arrival numbers. I urge members and MECs to supplement the programmes by the Department of Tourism aimed at supporting tourism enterprises so that we can spread the benefits and growth in all provinces. I thank you

Ends/

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