



tourism

Department:

Tourism

REPUBLIC OF SOUTH AFRICA

Strategic Plan and Annual Performance Plan

2014/15 to 2018/19

JUNE 2014

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LIST OF ACRONYMS

AU	African Union	FTE	full-time equivalent
APDT	Airport Passenger Duty Tax	GCC	Gulf Corporation Council
AIDS	acquired immune deficiency syndrome	GCIS	Government Communication Information System
APP	Annual Performance Plan	GDP	gross domestic product
BBBEE	Broad-Based Black Economic Empowerment	GWEA	Government Wide Enterprise Architecture
BEE	Black Economic Empowerment	HDE	historical disadvantaged enterprises
BRICS	Brazil, Russia, India, China and South Africa	HIV	human immunodeficiency virus
CATHSETA	Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority	HOD	head of department
CD	chief director	ICT	information communication technology
CFO	chief financial officer	ICTSP	Information Communication Technology Strategic Plan
CGICTPF	Corporate Governance of Information Communication Technology Policy Framework	ICTS	International Corporation Trade and Security
COO	chief operating officer	IDC	Industrial Development Corporation
CTP	Chief Training Programme	IDP	Integrated Development Plan
D	director	IORARC	Indian Ocean Rim Association for Regional Cooperation
DDG	deputy-director general	IPAP	Industrial Policy Action Plan
DHA	Department of Home Affairs	IT	information technology
DIRCO	Department of International Relations and Cooperation	ITB	International Tourism Bourse (German)
DOT	Department of Transport	ITM	International Tourism Management
DTI	Department of Trade and Industry	ITSP	Information Technology Strategic Plan
DTM	Domestic Tourism Management	J2SE	Journey to Service Excellence
DPE	Department Public Enterprises	KMF	Knowledge Management Framework
DPME	Department of Performance Monitoring and Evaluation	KZN	KwaZulu-Natal
DPW	Department of Public Works	MDR	Maloti Drakensberg Route
EE	employment equity	M&E	monitoring and evaluation
EHW	employee health wellness	MISS	Minimum Information Security Standards
EPWP	Expanded Public Works Programme	MITT	Moscow International Travel and Tourism memorandum of agreement
ETEYA	Emerging Tourism Entrepreneur of the Year Awards	MoA	memorandum of agreement
FGASA	Field Guides Association of South Africa	MoU	memorandum of understanding
FOSAD	Forum of South African Directors-General	MTEF	Medium Term Expenditure Framework
FEDHASA	Federated Hospitality Association of Southern Africa	NDT	National Department of Tourism
FET	Further Education and Training	NDP	National Development Plan
		Nepad	New Partnership for Africa's Development
		NGP	New Growth Path
		NMSRT	National Minimum Standards for Responsible Tourism
		NT	National Treasury
		NTIG	National Tourism Information Gateway

NTCE	National Tourism Career Expo	SE	service excellence
NTSS	National Tourism Sector Strategy	SLA	service level agreement
NTSF	National Tourism Sector Framework	SMMEs	small, medium and micro-enterprises
NVIF	National Visitors Information Framework	SRI	Social Responsibility Initiatives
OECD	Organisation for Economic Cooperation and Development	Stats SA	Statistics South Africa
ORTIA	OR Tambo International Airport	STR	State of Tourism Report
PGDS	Provincial Growth Development Strategies	SWOT	strengths weaknesses opportunities and threats
PFMA	Public Finance Management Act, 1999 (Act 1 of 1999 as amended by Act 29 of 1999)	TEP	Tourism Enterprise Partnership
PoA	Plan of Action	TGCSA	Tourism Grading Council of South Africa
PMDS	Performance Management Development System	TKP	Tourism Knowledge Portal
PPI	Programme Performance Indicator	TLD	tourism leadership dialogues
PPP	public-private partnership	TSA	Tourism Satellite Account
PPFA	Preferential Procurement Policy Framework Act	TS&AS	Tourism Safety & Awareness Strategy
RMC	Risk Management Committee	TSP	Tourism Support Programme
RTMC	Road Traffic Management Corporation	TUR	Swedish International Travel and Tourism
RETOSA	Regional Tourism Organisation of Southern Africa	T20	Tourism Ministers of the G20 countries
SA	South Africa	UA	universal access
SADC	Southern African Development Community	UAT	universal accessibility in tourism
SANS	South African National Standards	UNWTO	United Nations World Tourism Organization
SANMSRT	South African National Minimum Standards for Responsible Tourism	VIC	visitor information centre
SAT	South African Tourism	WHS	World Heritage Sites
SATSA	Southern Africa Tourism Service Association	WSP	Workplace Skills Plan
		WTTC:	World Travel and Tourism Council

FOREWORD BY THE MINISTER OF TOURISM

The development of this Strategic Plan and Annual Performance Plan to give effect to our mandate of tourism growth and development has taken cognisance of the triple challenges of poverty, unemployment and inequality, as expressed by the President in his State of the Nation address on 17 June 2014. The focus of the department is on inclusive economic growth and job creation in order to address the challenges as outlined in the National Development Plan (NDP), which recognises tourism as one of the main drivers of the country's economy and employment.

The NDP also envisage the promotion of South Africa as a major tourism destination with unique features to increase tourism numbers and enable tourism to contribute to sustainable economic growth and poverty reduction.

Tourism is one of the fastest growing sectors in the world. It now plays an even greater role than ever before, both on the global stage and in the lives of ordinary South Africans. This relates to tourism's contribution to gross domestic product (GDP); job creation; its stimulation of infrastructure; comparatively low barriers to entry; foreign exchange earnings; potential contribution to nation building; and rural development and community benefits, as well as opportunities for the empowerment of small, medium and micro-enterprises (SMMEs), women and young people.

The development and growth of the tourism industry will take cognisance of the inclusion of poor communities at grassroots level. This is in order to unlock tourism development at local government level, through cooperation with municipalities to promote tourism growth, and also identify priorities that present good growth opportunities which can be exploited for the benefit of our people.

The Domestic Tourism Growth Strategy 2012-2020 provides for a capacity building programme in certain nodes within identified high poverty rural nodes. Through this, we aim to create a platform to foster relations between municipalities and tourism product owners. The strategy also provides for support to the existing tourism capacity building initiatives in identified municipalities.

This tourism sector is a fertile breeding ground for entrepreneurs and SMMEs. To ensure achievement of an increased contribution of the tourism sector to inclusive economic participation the department will provide support to SMMEs for economic development and job creation through the provision of funds for the Tourism Enterprise Partnership (TEP), and monitor its performance. In the medium-term, the department will focus on supporting rural enterprises; historically disadvantaged enterprises (HDE), and the training of enterprises on tourism opportunities and competitiveness, amongst others. A total number of 489 rural enterprises, will be supported, 1 263 of the HDE, and 2 475 full-time equivalent jobs will be supported through TEP in 2014/15. A total number of 4 369 full-time equivalent (FTE) jobs will be supported and created through the Social Responsibility Implementation (SRI) Programme of the Expanded Public Works Programme (EPWP) in 2014/15.

The importance of provision of excellent services in the tourism value chain and enhancing our country's tourism competitiveness remains one of our key priorities in the department. In 2014/15 financial year the department will implement programmes for prioritised pillars – upskilling service delivery, public awareness and service standards and norms, in terms of the National Tourism Service Excellence Strategy.

Our Strategic Plan is realistic, action oriented and attuned to the global realities. It is designed to ensure that South Africa continues to walk the path towards being amongst the top 20 destinations of choice by 2020.

We will continue to work towards achieving the objectives enshrined in the National Tourism Sector Strategy (NTSS), one of which is to entrench a tourism culture amongst ordinary South Africans.

I convey my gratitude for the commitment and dedication of all staff in the National Department of Tourism, under the leadership of the Director-General, for the development of this Strategic Plan and Annual Performance Plan.

Derek Hanekom, MP
Minister of Tourism

MESSAGE BY THE DEPUTY MINISTER OF TOURISM

The National Department of Tourism's Strategic Plan and Annual Performance Plan 2010/11 – 2015/16 will build on an already auspicious base. Our country has recently registered growth in the number of international arrivals. This suggested a country well on its path towards being a sought-after tourist destination, with a vast array of unique experiences to offer in both products and services. The result would be a significant direct and indirect contribution to the economy and creation of more decent and sustainable jobs.

Acceleration of transformation within tourism is at the centre of our programmes in the medium-term. We will continue to promote industry transformation and economic participation, especially by the historically marginalised. We will also promote the growth of small medium and micro-enterprises (SMMEs). Our objective is to ensure that the benefits of tourism are equitably shared amongst the citizens of our country.

The department will continue to promote partnership with private and public sector to ensure that the South Africa's tourism sector has the necessary capacity and gains recognition in service excellence. This is one of the most crucial competitiveness factors on skilled and capacitated workforce in the tourism sector.

The department will continue work with all spheres of government to ensure the implementation and integration of tourism priorities into Integrated Development Plans (IDPs) and provincial growth development strategies. Our work will continue to focus on ensuring that tourism is rooted at local government level to promote ownership by local communities with bias to rural communities.

Improvement in the quality of life in general and the people working in tourism in particular, calls for a strategy that is focused on people development and transformation. Through the Social Responsibility Implementation (SRI) Programme, which is our contribution to the Expanded Public Works Programme (EPWP), we will continue to provide tourism infrastructure through labour intensive means, and thereby contributing to the creation of job opportunities, skills development and poverty alleviation. We will implement a variety of programmes, including the Tourism Incentive Programme to support enterprises to grow, tourism development and management capacity building for rural nodes.

This domestic tourism marketing campaign is vital if we are determined to continuously grow the tourism sector and surpass the 10.5 per cent growth of foreign visitor arrivals we achieved in 2013. For this to happen, we need a healthy and vibrant domestic tourism drive that will make it possible to achieve our objectives as set out in the National Tourism Sector Strategy (NTSS). Growth in the industry is testimony towards the creation of a better South Africa, a better Africa and the World. Such growth has been perpetuated by the healthy relations we have with the private sector, thus making it possible to develop a sustainable tourism industry. However, we can never be able to sustain a favourable tourism industry if we do not pay serious attention to skills development and training, putting our youth first.

In partnership with Department of Economic Development, Environmental Affairs and Tourism in the Eastern Cape (DEDEAT) and the Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority (CATHSSETA), we are on the drive to expose young people from high schools, further education and training (FET) colleges and universities to existing professions and career opportunities within the tourism industry. We do this through our annual National Tourism Careers EXPO (NTCE), where our objective is to promote career guidance and stimulate interest to the youth of South Africa that are interested in pursuing tourism as a career and employer of choice.

The NTCE strategy calls for robust interventions to change the historical realities and the negative perceptions associated with tourism and elevate it as a vibrant profession that it creates and attracts people of high caliber. The NTCE therefore plays a central and integral role in ensuring that a balance between demand and supply is given special attention.

Our human capital remains one the most significant capabilities of the department. This is demonstrated by all contributions from the strategy crafting process to professional civil service rendering in the implementation of the same strategy, and therefore the government mandate, on the basis of sound legal and regulatory environment, as well as the existence of enabling policies and regulations. The role of the Director-General, management and all other staff personnel is greatly appreciated.

Successful translation of the recognition of the tourism as one of the six pillars of economic growth into reality depends on the collective effort and commitment by all the multiple agencies in the tourism sector. In this regard, the critical role played by all of our stakeholders both within and outside of government cannot be overstated. It is through collaboration and partnerships that, tourism can also make significant contribution to economic growth and development.

Tokozile Xasa, MP
Deputy Minister of Tourism

INTRODUCTION AND STRATEGIC OVERVIEW BY THE DIRECTOR-GENERAL

This Strategic Plan and Annual Performance Plan builds on our strengths to ensure that we continue to develop a sustainable tourism industry in South Africa. The plans establish priorities in tourism, and align the means to achieve these informed by the lessons learned in the past financial year.

The core mandate of our department is to create conducive conditions for sustainable tourism growth and development in South Africa. The Tourism Act, 2014 (Act No 3 of 2014) makes provision for the promotion of tourism to and within South Africa, and for further rationalisation of the tourism industry. The White Paper on the Development and Promotion of Tourism in South Africa (Tourism White Paper of 1996) provides a framework and guidelines for the development and promotion of tourism in South Africa. This is in line with the vision to develop the tourism sector as a national priority in a sustainable manner, so that it can contribute significantly to the improvement of the quality of life of every South African.

As a department we will continue to contribute to national priorities by creating decent employment through inclusive economic growth. In line with its vision of growing and developing an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities, the department's key priorities include increasing investment in the tourism sector, addressing people development, supporting sustainable and responsible tourism, increasing the number of foreign tourists into the country, fostering effective cooperative partnerships, improving service levels, quality, innovative, unique and authentic products which meet market needs, providing value for money and inspiring more South Africans to enjoy the tourism experiences of our country.

Implementation of our National Tourism Sector Strategy (NTSS) and a carefully considered tourism marketing policy that focuses on priority markets is therefore critical in the realisation of the tourism sector's contribution to economic growth, job creation and the gross domestic product (GDP) in the medium to long-term. This marketing drive will be managed by our public entity, South African Tourism. Our priorities for this year would also contribute to the achievement of the tourism objectives in the National Development Plan. The focus will be on facilitating the growth of the tourism industry by providing support to the public and private sectors, and the broader community on their initiatives to create new jobs and sustain existing jobs, tapping into broader government initiatives on job creation.

The department will promote sustainable and responsible tourism as a way of strengthening competitive advantage for South Africa as a tourism destination of choice. We will work with relevant stakeholders to improve service levels in the tourism sector, including ensuring availability of a skilled workforce.

The department will continue to promote sector transformation as well as the participation and growth of small, medium and micro-enterprises in the tourism sector. The Tourism Broad-Based Black Economic Empowerment (BBBEE) Codes provide us with the tools to promote transformation and compliance by the sector. The department will amend the Tourism BBBEE Codes to align with the recently revised generic BBBEE Codes.

A critical area for sustainable growth and global competitiveness of the sector is the development and improvement of public and private tourism infrastructure. More investment still needs to be made to grow the sector, by addressing crucial basic and tourism infrastructure that enables access and services for tourists. The department will support development of tourism products in rural and less visited provinces. Focus will also be placed on the implementation of interventions to facilitate, guide and support tourism product development. To increase competitiveness of the tourism sector in South Africa the department will focus on supporting the development of quality, innovative and authentic products that meet market needs and provide value for money.

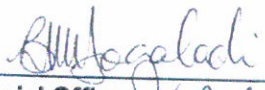
Our relationships in Africa provide a significant opportunity for growing the African market. We will continue to use international bilateral and multilateral platforms to promote South Africa's tourism agenda and to support the regional tourism agenda. The expansion of the Tourism Indaba into a Pan-African event beginning with the 2014 Indaba is one of our major projects in this regard.

I wish to thank the staff at the Department of Tourism for all the hard work made from the start until end of the planning phase to ensure that we develop the Strategic Plan and Annual Performance Plan. The involvement of our staff in the planning processes is indicative of the premium we place in our human capital as one of the strategic capabilities of the department. The strategic leadership and oversight provided by our executive authority throughout the period cannot be overstated, to ensure that we remain focused on the mandate and create a strategy that is aligned to the programmes of our government.

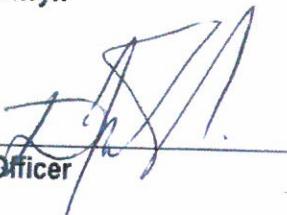
Ambassador LM Makhubela
Director-General

OFFICIAL SIGN-OFF

Mr. Ralph Ackermann

Signature: 
Chief Financial Officer (Acting)

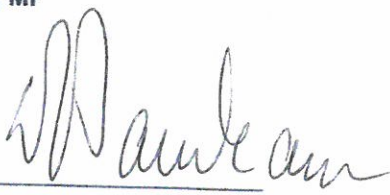
Mr. Dirk van Schalkwyk

Signature: 
Chief Operations Officer

Ambassador LM Makhubela

Signature: 
Accounting Officer

Approved by:
Mr. Derek Hanekom, MP

Signature: 
Executive Authority

SECTION 1: STRATEGIC PLAN 2014/15 – 2018/19



PART A: STRATEGIC OVERVIEW

1. VISION

A catalyst for tourism growth and development in South Africa.

2. MISSION

A strategy focused department, committed to creating a conducive environment for growing and developing tourism through:

- Innovation;
- Strategic partnerships and collaboration;
- Providing information and knowledge management service; and
- Strengthening institutional capacity

3. VALUES

3.1 Performance values and descriptions

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

3.2 People's values and descriptions

- **Empowerment** (growth, training, develop skills): Create an environment conducive for our people's growth and development.
- **Integrity:** We will act with integrity by being accountable, showing respect and serving with honesty, respect and trustworthiness.
- **Recognition** (appreciated, get support, and fairness): We want to be an organisation that values its own people by ensuring fairness of the systems and processes, supportive, recognising and rewarding performance.

4. LEGISLATIVE AND OTHER MANDATES

4.1 Constitutional mandate

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

4.2 Legislative mandates

Tourism Act, 2014 (Act No 3 of 2014) to promote the practising 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.

4.3 Policy mandates

- The White Paper on the Development and Promotion of Tourism in South Africa, 1996 provides framework and guidelines for tourism development and promotion in South Africa.
- National Tourism Sector Strategy (NTSS) which provides a blueprint for the tourism sector in the pursuit of growth targets contained in the New Growth Path (NGP).
- National Development Plan (NDP) is the blueprint of government and it recognises tourism as one of the main drivers of employment and economic growth.

4.4 Relevant court rulings

Not applicable.

4.5 Planned policy initiatives

Table 1: Departmental planned policy initiatives per programme:

No.	Programme	Planned policy initiatives
1.	Administration: Chief Operating Officer	None
2.	Policy Knowledge and Services	<ul style="list-style-type: none"> • Draft regulatory frameworks: Tourist Guides and Business Information • Development of norms and standards for visitor information services • Review of Tourism BBBEE Sector Codes
3.	International Tourism Management	None
4.	Domestic Tourism Management	None

5. SITUATIONAL ANALYSIS

5.1 Performance environment

Tourism's potential to stimulate economic growth and create jobs has been demonstrated globally. The South African Government has recognised the capacity of tourism to contribute to equitable economic growth and has prioritised the tourism sector. This provides political and administrative support to the tourism agenda allowing the government machinery to collectively work on putting in place elements that support tourism growth. We are optimistic that this will also encourage flow of resources into tourism development. In 2014, commitment by the new administration to the National Development Plan will mean that the policy environment continue to support tourism growth and development.

As a politically stable country since the advent of democracy in 1994, South Africa is regarded as being fully aligned to the United Nations international conventions and an integral part of the international community. Our foreign policy earns South Africa a good reputation globally. The involvement of South Africa in Brazil, Russia, India, China and South Africa (BRICS) presents opportunities for the country not only in economic, political and social relations among South-South countries but also holds the potential of growth in tourism to South Africa. This can contribute to increase in arrivals, supporting the department's objectives of increasing tourism contribution to the South African economy.

South Africa's approach to cooperative governance, within and across spheres of government, provides an important vehicle for the tourism mandate. Coordination between government departments that have mandates with a direct and indirect effect on tourism growth improved in the recent past. This, and the capacity of the different spheres of government to develop tourism can be improved further.

There is a need for strong political and economic regional coordinating structures for the long-term growth of tourism on the African continent. Currently there is limited support and coordination within the AU agenda and other structures for tourism on the continent. Improved tourism coordination within Africa can provide benefits for tourism growth in the region, which in turn can benefit South Africa's tourism agenda.

South Africa established trade relations with important global tourism markets and provides an opportunity to expand South Africa's share of the global outbound tourists. The sustained growth in Africa's economy in recent years is positive for development of regional tourism. The notable increases in tourist arrivals from the African continent will present an added boon to economic growth and investment in South Africa. Tourist arrivals from other emerging economies e.g. China, is a growing economic market with an outbound market of more than 80 million tourists annually. The capture of a sizeable percentage of this market for tourism to South Africa may lead to significant increases in tourism's contribution to the country's gross domestic product (GDP). In much the same vein, emerging economies also hold the potential for increasing tourist arrivals to South Africa leading to increases in tourists' spend in the economy.

The fact that the tourism sector has relatively low barriers for entry to new entrepreneurs gives expression to the government's policy of expanding access to economic opportunities for previously disadvantaged individuals. This coupled with the multiplier effect of tourism, provides opportunities for job creation in other sectors of the country's economy, thereby supporting government's mission of reducing poverty and unemployment. Supportive policies e.g. the National Development Plan, place more emphasis on growth and jobs, education and skills, and a capable and developmental state. The New Growth Path, which emphasise the creation of decent work will be at the centre of our economic policies and will influence our investment attraction and job creation initiatives. The manner in which the tourism sector has been organised (tourism associations) enables the development of a common approach and synergies when implementing

tourism projects. Sector transformation is vital to ensure the sustainable growth and development of the tourism industry.

South Africa boasts a broad and exceptional natural and cultural tourism resource base for leisure and business tourism. It provides further opportunities for product development. South African Tourism creates a strong focus on the marketing of South Africa as a destination.

South Africa's economic infrastructure provides the necessary supporting platform for the development of tourism, and allows the sector to provide essential services to tourists. Areas for further infrastructure development for tourism growth were identified. Population growth has an impact on infrastructure if the maintenance and capacity does not keep pace with the population growth. This can impact on the quality of the tourist's experience in South Africa. Where tourism infrastructure is lacking, the growth and spread of tourism is affected negatively. Service ethics and culture must continue to improve to ensure return tourists and good word of mouth to friends and family.

Tourists' decision to travel to and within South Africa is affected by perceptions about safety, crime and security in the country. Negative travel advisories add to the above perceptions thus reducing South Africa's competitiveness as a preferred tourist destination. The trend in cross-border international crime poses a serious challenge to maintaining a balance between security and encouraging the growth of inbound tourists to South Africa through enabling visa facilitation conditions. The global economy which has shown signs of weakness in some of our key markets affects decisions of tourists who may tend to take shorter trips or stay for shorter periods, affecting tourism earnings for South Africa.

The unemployment rate in South Africa and a low culture of travel amongst South Africans reduces the size of the domestic market, affecting its growth. The perceived lack of tourism skills impacts on the perception of what quality of service the sector can provide, thereby influencing the decision of tourists to travel to and within South Africa. Skills development is a crucial contributor to tourism growth. There is a need to improve the skills development initiatives with the sector. This can be strengthened by expanding the quality assurance system in the tourism service value chain.

South Africa's cultural diversity and spirit provides a unique selling point for both international and domestic tourism. However, the cultural resources of our country remain little known and are not adequately integrated into tourism products and experiences. This is the focus of the departmental Domestic Tourism Strategy, which continues to build a culture that results in increased awareness of tourism and its value for the country as well as an increase in the levels of community participation in the tourism sector. Through the Implementation Plan of the strategy, the department seeks to direct a consolidated and integrated approach to address the challenges of geographic spread and seasonality, which offer opportunities for enhanced levels of domestic tourism.

The increasing use of internet worldwide by tourists for online travel arrangements is growing. South Africa is advanced in the provision of internet and communication technology. This provides South Africa with the potential to migrate to services such as electronic permitting for tourists in the medium to long term and could lead to positive developments in arrivals especially from the advanced industrial Western and Asian countries. The spread of social media increases our capacity to reach our markets. It provides a marketing platform and also can be used as an information platform, a critical service for tourists. Despite its advanced technology developments in internet and communication, the cost of access to broad band in South Africa still hampers the development of faster and quicker cross-border travel arrangements. Cases of cybercrime have an impact on tourists using the internet platforms, particularly relating to transacting to access tourism services.

Technologies that are becoming available for tourism establishments to reduce their environmental footprint support the department's objectives of responsible tourism development. However, the multiplicity of data sources on same the indicators results in negative perception of data and information integrity.

South Africa's policy in the management of natural resources and protected areas, and the growing interest in responsible tourism and eco-tourism increase our competitive edge against other destinations. Natural disasters, climate change and irregular weather patterns can have a dramatic effect on tourist arrivals to a country. Climate change and the position of South Africa as a long haul destination in key markets, impacts on some international tourists' decision to travel to South Africa. The unsustainable use of natural resources (e.g. deforestation and rhino poaching) could damage South Africa's image and erode the diversity of South Africa's products.

Tax, legal and travel restrictions imposed on citizens prevent the unhindered flow of tourist across countries. Pollution related taxes such the Carbon Taxes, aviation costs, increases in Airport Passenger Duty Tax (APDT), and the pricing of oil contribute to the increases in the cost of travel. These trends have the potential to negatively impact on tourism to developing countries and emerging industrial economies, such as South Africa.

Since the establishment of the National Department of Tourism, essential tourism development policies and strategies have been developed to guide our choices and to focus our actions. Recently, focus has been on the implementation of these strategies and monitoring progress to inform our decisions. As a department we continue to enjoy a good working relationship with stakeholders. The National Tourism Stakeholder Forum provides an invaluable platform for coordination of the implementation of our National Tourism Sector Strategy (NTSS). Our capacity to implement the NTSS can be further strengthened. Established systems for performance management allow the department to measure its performance and progress towards its objectives. This is further supported by political and executive oversight on the governance systems. The department has the organisational design, human resource capacity and skills for the functional areas that support tourism growth and development. The regular review of the department's training programme strengthens our ability to bridge gaps, improve professionalism and management competence.

5.2 Organisational environment

Initially the department's establishment was structured around existing functions which served the tourism industry to a large extent. The new strategic direction of government required the reconsideration of the department's composition.

The department continues to implement and of the National Tourism Sector Strategy (NTSS) and Tourism Act, 2014 (Act No 3 of 2014). The mission of the NTSS is to grow a sustainable tourism economy in South Africa, with domestic, regional and international components, based on innovation, service excellence, meaningful participation and partnerships.

The following new focal areas are further included in the Tourism Act, 2014 (Act No 3 of 2014);

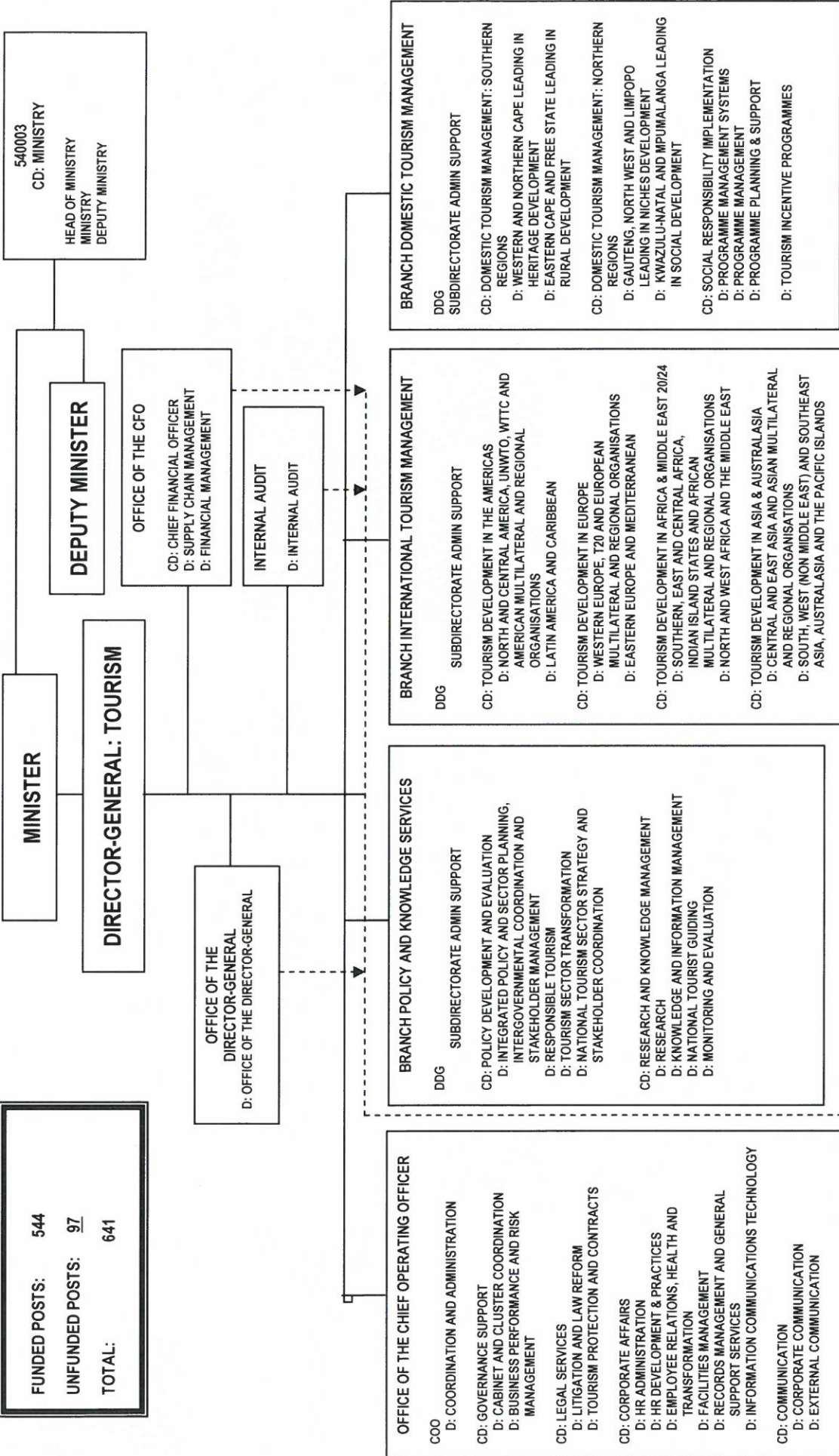
- (i) National Tourism Sector Strategy.
- (ii) National tourism information and monitoring system.
- (iii) Information by tourism businesses.
- (iv) Norms and standards for tourism.
- (v) Codes of good practice for tourism.
- (vi) Tourism complaints

These can only be developed through proper collaboration between the department and the provinces.

The organisational structure was therefore redesigned to improve access to the various regions of the world through the Branch: International Tourism Management; and to provide guidance and coordination for the development of the tourism sector, focusing on each of the nine provinces through Branch: Domestic Tourism Management.

DEPARTMENT OF TOURISM (54)

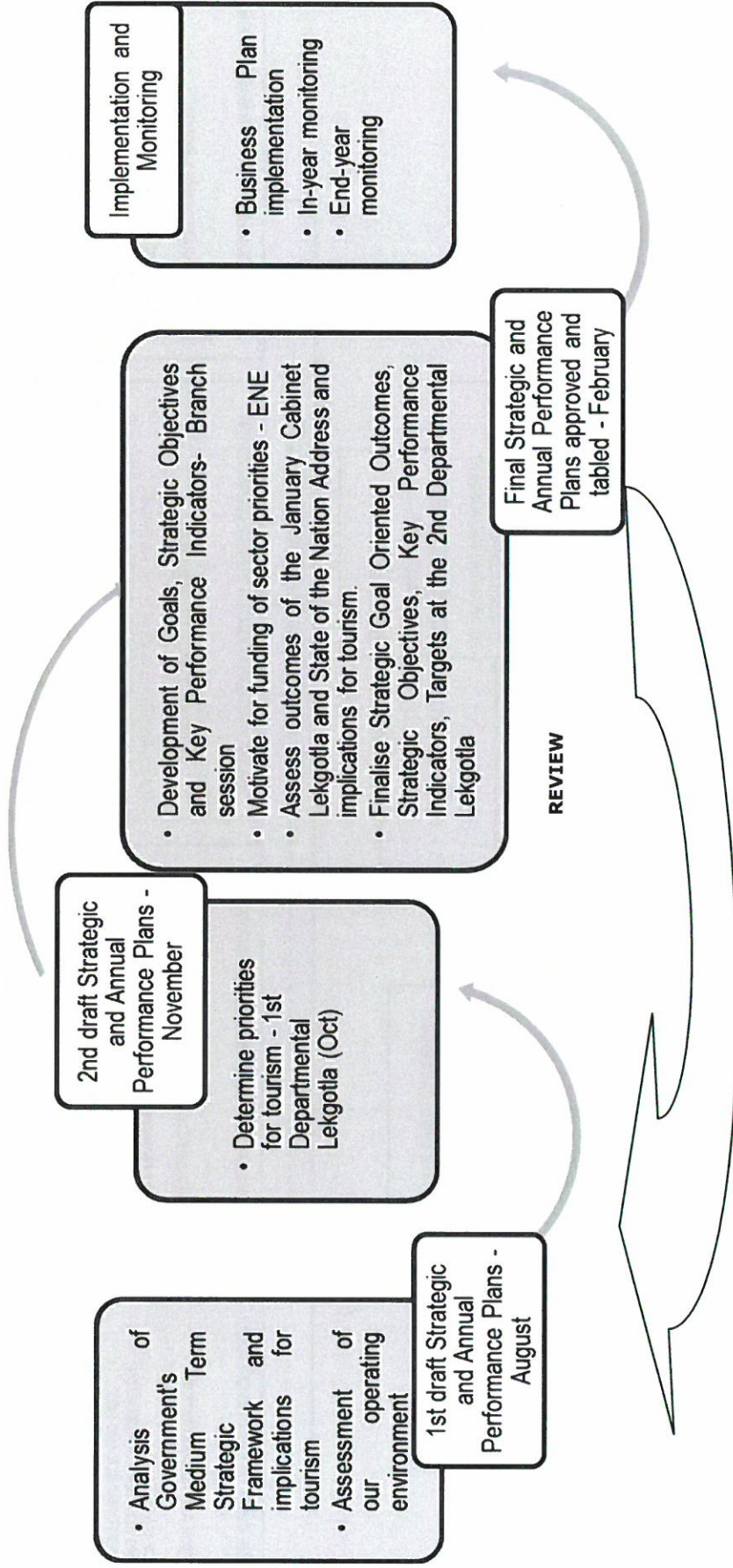
FUNDED POSTS:	544
UNFUNDED POSTS:	97
TOTAL:	641



5.3 Description of the strategic planning process

The diagram below describes the participative process undertaken to develop the Strategic Plan.

Diagram 1: Process – Compilation of Strategic Plan



6. ORGANISATIONAL STRATEGIC OUTCOME ORIENTED GOALS

Table 3: Organisational strategic goals

Strategic outcome oriented goals	Goal statements	Government outcomes
1. Achieve good corporate and cooperative governance.	Provide comprehensive corporate support service to the department to ensure good governance.	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.
2. Integration of tourism priorities within private sector stakeholders and the three spheres of government's planning.	Render policy frameworks, stakeholder management and planning related support services at local government level by analysing and participating in their planning processes.	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.
3. Improved levels of competitiveness and sustainability in the tourism sector.	To promote responsible tourism best practices to inculcate a culture of responsible tourism in South Africa.	Outcome 4: Decent employment through inclusive economic growth. Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced.
4. Improved tourism sector knowledge services.	To advance research, information and knowledge management within the tourism sector.	Outcome 4: Decent employment through inclusive economic growth.
5. Increased contribution of tourism sector to inclusive economic growth.	Facilitation of compliance to the gazetted tourism charter by identified tourism sub-sectors.	Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all. Outcome 4: Decent employment through inclusive economic growth.
	To provide international tourism market (country and/or region) analysis to inform strategic intervention.	
	Profile regions and develop appropriate integrated support packages that respond to tourism development and growth needs.	
6. Strengthened regional, Africa and international collaboration and partnerships.	Strengthen regional, Africa and international collaboration and partnerships through bilateral and multilateral engagements.	Outcome 11: Creating a better South Africa, and contributing to a better and safer Africa in a better world.

PART B: STRATEGIC OBJECTIVES

7. DEPARTMENTAL PROGRAMMES

7.1 PROGRAMME 1: ADMINISTRATION

7.1.1 Strategic objectives

Table 4: Overview of administration branch

Programme	Sub-programmes	Purpose
Administration: <ul style="list-style-type: none"> Includes Ministry, Office of the Director-General and Internal Audit Programme leader: Chief Operating Officer 	<ul style="list-style-type: none"> Governance Support Chief Financial Officer Corporate Affairs Communication Information Communications Technology Legal Services 	To provide strategic governance and risk management, legal, corporate affairs, information technology, internal audit, financial management and strategic communication support services to the department.

Table 5: Administration strategic objectives

Strategic objective	Objective statement	Baseline	Justification	Links
1. Provide an effective organisational performance management system.	To review and implement a planning, risk, monitoring and reporting system and provide a support service to NDT engagement in FOSAD Clusters and Cabinet to enhance departmental performance.	<ul style="list-style-type: none"> 2012/13 Annual performance report developed Four quarterly organisational performance reports 2013/14 Strategic and Annual Performance Plan Four quarterly risk mitigation reports 2013 Organisational performance management guidelines 2013 Cabinet and Cluster Coordination Protocol Three South African Tourism oversight reports 	A proper functioning organisational performance management system will provide confidence to all our stakeholders on the adequacy of the department's plans and provide information on progress with the implementation of those plans. It will promote the integration of government priorities into the work of the department. It will also promote the development and implementation of accountability measures that go beyond compliance to enhance performance. The system provides for proactive management of risks threatening the department's ability to achieve its objectives, by enhancing and maintaining the system of risk management to avoid adverse outcomes and optimise opportunities.	Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship.

Strategic objective	Objective statement	Baseline	Justification	Links
2. Provide corporate Legal Support	To provide corporate legal support and create an enabling policy and legislative environment for tourism growth and development.	<p>100% compliance with:</p> <ul style="list-style-type: none"> • Legal service case management requirements • Legal service delivery standards • Legislative programme of the NDT • Tourist complaints referred to appropriate authorities for a resolution within agreed timeframe 	It will support the promotion of good governance.	Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship.
3. Provide a capable and skilled workforce	Attract, develop and retain a capable and skilled workforce in a caring work environment.	<ul style="list-style-type: none"> • Vacancy rate: 9.1% as per Quarter 3 • 55.1% women representation as per Quarter 3. • 4.3% disability rate as per Quarter 3 • 93.73 % black representation as per Quarter 3 • 100% implementation of Q3 requirements PMDS • 80% implementation of Workplace Skills Plan as per Quarter 3 • 100% Management of labour relations cases • Four employee health and wellness interventions conducted 	Adequate organisational design and human capital management is crucial to the department's capacity to deliver on its mandate. This objective is pursued to ensure that the right people are in the right place at the right time and with the right skills. In doing so, other public service imperatives on employment equity, employee health and wellness and sound labour relations will be managed.	Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship.
4. Provide and maintain measures to protect people, property and information.	To implement security screening, security investigations, physical security, information security personnel security and ICT security (information communications technology).	Three security threats and risk assessments	Proactive management of security threats and risks that could result in the compromise of information and safety of people and property. To ensure protection of assets, information, systems and processes which support the day-to-day operations of the department. Increased awareness that serves to reinforce the knowledge and to produce acceptable security behaviour.	Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship. Minimum Information Security Standards and Minimum Physical

Strategic objective	Objective statement	Baseline	Justification	Links
5. Provide effective governance of ICT	Provision of optimal ICT services to enable efficient service delivery	<ul style="list-style-type: none"> Maintain 94.23% uptime and 5.77% service time as per Quarter 3 	Maximising the use of ICT, provide platforms to increase productivity and enhance service delivery.	<p>Security Standards.</p> <p>Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.</p>
6. Ensure economic, efficient and effective use of departmental resources.	Advocate for departmental resources and ensure economic, efficient and effective use for the achievement of government priorities and empowerment.	<ul style="list-style-type: none"> Three quarterly interim financial statements submitted to National Treasury as per Quarter 3 100% compliance with procurement from enterprises with BBBEE status level 1-8 contributor 	This objective is pursued to ensure financial resourcing of the strategy and maintain adequate systems to manage public funds.	<p>Outcome 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship. Public Finance Management Act and Treasury Regulations.</p>
7. Provide effective internal audit services	To ensure compliance with the PFMA and good corporate governance practices within the department.	<ul style="list-style-type: none"> 24% implementation of the 2012/13 internal audit operational plan as per Quarter 3 	This objective will contribute to maintaining an efficient and effective internal control environment within the department.	<p>Outcome 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship.</p>
8. Reach out to tourism stakeholders through targeted communication.	To support tourism growth and development by reaching out to stakeholders through increased access to tourism information.	<ul style="list-style-type: none"> 86% implementation of requirements of the annual implementation plan of the NDT Communication strategy as per Quarter 3 	This objective will contribute to an increased awareness of the programmes and projects of the department.	<p>Outcome 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship. Government Communication Strategy.</p>

7.1.2 Resource considerations

7.1.2.1 Expenditure trends

Expenditure in the Administration Programme grew significantly between 2010/11 and 2013/14 and was the main contributor to the increase in total departmental expenditure over this period. This was due to the establishment of the department of tourism as a standalone department in 2010/11, and the subsequent need for new personnel, premises and fittings. This also accounted for the increase in expenditure on compensation of employees and goods and services over the period.

The spending focus over the medium term will be on enhancing management oversight to create and support an enabling policy and legislative environment. This is the main responsibility of Corporate Affairs subprogramme, which accounts for 62.7 per cent of the total programme budget and is expected to grow at an average annual rate of 8.3 per cent over the medium term. Over the MTEF period, the key items of expenditure are advertising, audits, communication, computer services for data lines and servers, contractors for maintenance, office accommodation and domestic travel for support and reporting to Parliament and the tourism Portfolio Committee. Spending on these items is expected to increase to support service delivery.

Over the medium term, expenditure is expected to grow because of inflation related increases in the cost of office accommodation, computer services and domestic travel by tourism officials and external auditing. The inflation related upward trend in the cost of office accommodation is expected to be offset by the savings from the completion of refurbishments. The programme had achieved 90 per cent of its targets for 2013/14 as at the end of September 2013. For example, all tourist complaints were referred to appropriate authorities and the performance management and development system was implemented across the board.

The increase in spending over the medium term will enable the programme to improve on achieving its outputs. The programme had a funded and filled establishment of 291 at the end of November 2013.

7.2 PROGRAMME 2: POLICY AND KNOWLEDGE SERVICES

7.2.1 Strategic objectives

Table 6: Overview of Policy and Knowledge Services

Programme	Sub-programmes	Purpose
Policy and Knowledge Services: Programme Leader: Deputy Director-General	<ul style="list-style-type: none"> Policy development and evaluation Research, information and knowledge management 	To support sector policy development and evaluation, research and knowledge management, promotion of transformation and responsible tourism.

Table 7: Policy and Knowledge Services strategic objectives

Strategic objective	Objective statement	Baseline	Justification	Links
1. Develop, implement and update tourism policies, strategies, programmes and plans.	To provide support to local government, through policy direction and programs. Implement programmes to support the growth, development, promotion and the regulation of the tourist guiding sector.	As per 2013/14 Quarter 3 Performance Report: <ul style="list-style-type: none"> Local Government tourism training has recommenced and training was conducted As per 2013/14 Quarter 3 Performance Report: <ul style="list-style-type: none"> One capacity building workshop for provincial registrars/registration officials was implemented Three quarterly provincial registrar's workshops were arranged 	To capacitate Municipalities on Tourism matters and promote cooperative governance Implementation of Tourism Act, 2014 and the Strategy to Professionalise Tourist Guiding and to strengthen the tourist guiding profession as they are at the forefront of service provision in the tourism sector which impacts on the brand and the image of the country.	Constitutional Cooperative Governance Principle. NTSS and Tourism Act No 72 of 1993 (Tourist Guiding Regulation).
2. Promote responsible tourism best practice	To provide a framework for implementation of responsible tourism and effective tourism response to climate change.	As per 2013/14 Quarter 3 Performance Report: <ul style="list-style-type: none"> Audit of key tourism points for UA done Progress report on UA in Tourism City Destination Framework developed Assessment of provincial government owned parks conducted Progress report on assessment of provincial government owned parks is in place 	Programme facilitates implementation of White Paper which endorsed responsible tourism as a guiding principle.	National Tourism Sector Strategy Theme 3 and Cluster 2.2 (iv).

Strategic objective	Objective statement	Baseline	Justification	Links
<p>3. Monitoring and evaluation of tourism sector performance, strategies, policies and initiatives.</p>	<p>To continuously monitor and evaluate performance of the tourism industry, tourism strategies and policies to inform decision making.</p>	<p>As per 2013/14 Quarter 3 Performance Report:</p> <ul style="list-style-type: none"> • Draft 2012 State of Tourism Report has been developed • Consultation on the 2012/13 NTSS draft report done • Draft NTCE Evaluation Report has been developed • Draft Evaluation Report has been developed 	<p>To monitor and evaluate the implementation of the NTSS as well as other policies and strategies implicated by the NTSS for reporting purposes as well as to assist in identifying challenges experienced in achieving tourism targets set in time for interventions.</p>	<p>NTSS and government outcome approach.</p>
<p>4. Provide research and knowledge management services to inform policy and decision making.</p>	<p>To provide adequate tourism sector knowledge and information services.</p>	<p>As per 2013/14 Quarter 3 Performance Report:</p> <ul style="list-style-type: none"> • Testing and quality assurance for the online self-assessment tool for responsible tourism, local government and tourism local government support online done. • Registration of VICs on national database completed. • KMF Quarterly Report developed. • NTSS Knowledge Sub-form meeting held. • Quarterly operational reports for NTIG's developed. 	<p>Provision of information and knowledge services for to inform decision making.</p>	<p>Governance move to knowledge economy and e-governance.</p>
<p>5. To promote compliance with the Tourism Sector BBBEE Codes.</p>	<p>Coordinate and guide tourism research in order to ensure proper execution of research for tourism growth and development.</p> <p>To promote implementation of the gazetted tourism charter, alignment of PPPFA and BBBEE and verification of compliance by tourism accredited agencies.</p>	<p>As per 2013/14 Quarter 3 Performance Report:</p> <ul style="list-style-type: none"> • Expert Forum for quality assurance of research proposals was convened • Consolidated national tourism research agenda reviewed • Draft report on provincial indicator table compiled <p>As per 2013/14 Quarter 3 Performance Report:</p> <ul style="list-style-type: none"> • Quarterly report on progress on the implementation of the Council Plan of Action, including all the actions brought about by the Council meetings to enhance the implementation of the BBBEE policy in the tourism sector done. 	<p>To inform policy, planning and decision making within the tourism sector</p>	<p>NTSS</p>
<p>5. To promote compliance with the Tourism Sector BBBEE Codes.</p>	<p>To promote implementation of the gazetted tourism charter, alignment of PPPFA and BBBEE and verification of compliance by tourism accredited agencies.</p>	<p>As per 2013/14 Quarter 3 Performance Report:</p> <ul style="list-style-type: none"> • Quarterly report on progress on the implementation of the Council Plan of Action, including all the actions brought about by the Council meetings to enhance the implementation of the BBBEE policy in the tourism sector done. 	<p>Compliance with sector codes to enhance tourism sector transformation.</p>	<p>BBBEE Charter and NTSS</p>

7.2.2 Resource Considerations

7.2.2.1 Expenditure Trends

The spending focus over the medium term will be on funding the activities of South African Tourism (SAT) to allow the entity to continue marketing South Africa as a tourist destination of choice, increasing the number of international and domestic tourists, and promoting job creation and sustainable economic development. SAT is funded through a transfer payment in the South African Tourism sub-programme.

Excluding this transfer, the bulk of the programme's allocation over the medium term goes towards spending on compensation of employees. These employees develop and update tourism policies and strategies, and monitor and report on the implementation of the National Tourism Sector Strategy. At the end of November 2013, the programme had a funded establishment of 72 posts, of which 10 were vacant. The vacancies were the result of restructuring to increase capacity for research and knowledge management. At the end of November 2013, the staff complement had increased from 57 in 2012/13 to 62. However, the increase in expenditure on compensation of employees mostly relates to inflation related adjustments to salaries. Expenditure on consultants over the medium term is projected to grow significantly as external service providers are contracted to provide IT support for the development of the visitor information knowledge centres and the tourism information getaways. The information getaways have been created to maximise domestic tourism, increase the number of tourist arrivals in South Africa and improve the range and quality of tourist services.

As part of Cabinet-approved budget reductions, transfers to South African Tourism have been reduced by R2.5 million in 2014/15, R6.8 million in 2015/16 and R7.6 million in 2016/17. The anticipated effect of the reductions is that operational expenditure will be reduced in specific projects, such as the upgrade to the Oracle system will have to be postponed. The turnaround time for the placement of orders and financial reporting will also be affected. Among the smaller sub-programmes the fastest growing expenditure is in the Research and Knowledge Management sub-programme, which is expected to increase at an average annual rate of 11.5 per cent between 2014/15 and 2016/17, this is due to an increase in the number of extended research and knowledge management activities and the corresponding increase in the compensation of employees. Over the medium term, the growth in expenditure will provide for the development and maintenance of nine information and knowledge systems and services, including the visitor information centre database tools, tourist guide central databases and the two national tourism information getaways.

7.3 PROGRAMME 3: INTERNATIONAL TOURISM

7.3.1 Strategic objectives

Overview of International Tourism Management

Programme	Sub-programmes	Purpose
International Tourism Management Programme Leader: Deputy Director-General.	<ul style="list-style-type: none"> Americas and Caribbean Europe Africa and Middle East Asia and Australasia 	To provide strategic political and policy direction for the development of South Africa's tourism potential throughout various regions of the world (excluding the mandate performed by South African Tourism as the Destination Marketing Agency).

International Tourism Branch strategic objectives

Strategic objective	Objective statement	Baseline	Justification	Links
1. Provide international tourism market (country and/or region) analysis to inform strategic interventions.	To develop country/region specific profiles on tourism related indicators and response plans with the aim of increasing the tourism sector's contribution to economic growth and job creation.	As per 2013/14 Quarter 3 Performance Report: <ul style="list-style-type: none"> Four briefing reports on markets (country and regional) have been developed 93 missions supported on business planning model for institutionalising tourism (Americas = 17, Europe = 12, Asia = 20 and Africa = 44) 	The continuous update of country/region profiles contribute to a good understanding of the specific country/region and the development of response plans and initiatives to address <i>inter alia</i> reasons for potential visitors not visiting South Africa and capacitating mission staff on the tourism function. The latter will, in the medium to long term, help contribute to more visitors from countries/regions to South Africa and to the tourism sector's contribution to economic growth and job creation.	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world. <ul style="list-style-type: none"> National Tourism Sector Strategy International Relations Strategy The New Growth Path National Development Plan
To reduce barriers to tourism growth to enhance tourism competitiveness	To create a conducive environment to enhance South Africa's tourism competitiveness driving an increased number of tourist arrivals to South Africa	As per 2013/14 Quarter 3 Performance Report: <ul style="list-style-type: none"> External stakeholder consultation report has been developed on the e-visa 	<ul style="list-style-type: none"> The identification and minimising of barriers to increased tourist arrivals to South Africa will contribute to an increased number of tourist arrivals to South Africa and therefore an increased contribution of the tourism sector to economic growth and job creation. 	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world. <ul style="list-style-type: none"> National Tourism Sector Strategy International Relations Strategy The New Growth Path



Strategic objective	Objective statement	Baseline	Justification	Links
3. Utilise bilateral and multilateral engagements to advance the tourism national, regional, Africa and global agenda.	To effectively negotiate and facilitate implementation of international agreements related to tourism and facilitate participation in multi-lateral fora.	As per 2013/14 Quarter 3 Performance Report: <ul style="list-style-type: none"> Report on NDT's participation in 8 multilateral fora has been developed Final report with recommendations on the NEPAD Tourism Action Plan was not developed 	<ul style="list-style-type: none"> Tourism plays a role in strategically creating and strengthening international relations in order to build beneficial socio-economic and political networks. The bilateral and multilateral engagements assist to advance tourism's National, Regional, African and Global agenda, through effective negotiation and facilitation of the implementation of international agreements and participation in multi-lateral fora. 	<ul style="list-style-type: none"> National Development Plan <p>Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world.</p> <ul style="list-style-type: none"> National Tourism Sector Strategy International Relations Strategy The New Growth Path National Development Plan

7.3.2 Resource considerations

7.3.2.1 Expenditure trends

The significant increases in expenditure in the Americas and Caribbean, Europe and Africa and Middle East sub-programmes between 2010/11 and 2013/14 were mainly aimed at expanding South Africa's tourism potential in these areas as part of the department's diversification policy. The spending focus for this programme over the medium term will be on training tourism officials in translating and marketing material to distribute in 126 South African missions. The programme will also negotiate, facilitate and implement international tourism agreements and produce annual reports on the implementation plan for bilateral agreements. In doing so the department expects to expand foreign investment in the South African tourism industry and strengthen relationships with tourism organisations.

Expenditure on compensation of employees and travel and subsistence are the programme's largest spending items and are projected to increase over the medium term as capacity is built and domestic and international trips are taken to analyse the international tourism market and attend multi-lateral fora. Expenditure in the programme is expected to increase over the MTEF period on items relating to the generation of market intelligence, conducting of market analysis to inform strategic intervention, lowering of barriers to tourism growth, and the optimal use of bilateral and multilateral connections. These activities are aimed at maximising domestic tourism and increasing the number of foreign tourist arrivals in South Africa.

The programme has a funded establishment of 71 posts, of which 11 were vacant at the end of November 2013, and the establishment is expected to remain constant over the medium term. The vacancies were due to the restructuring relating to the increased number of possibilities within the programme and are expected to be filled in 2014/15.

7.4 PROGRAMME 4: DOMESTIC TOURISM

7.4.1 Strategic objectives

Table 10: Overview of Domestic Tourism Branch

Programme	Sub-programmes	Purpose
Domestic Tourism Management Programme Leader: Deputy Director-General.	<ul style="list-style-type: none"> Domestic Tourism Management: Southern Region Domestic Tourism Management: Northern Region Social Responsibility Implementation 	To provide political, policy and strategic direction for the development and growth of sustainable domestic tourism throughout South Africa.

Table 11: Domestic Tourism Branch strategic objectives

Strategic objective	Objective statement	Baseline	Justification	Links
1. To implement tourism growth and development strategies in order to increase tourism's contribution to inclusive economic growth.	To implement prioritised programmes to address gaps identified in the NTSS using the Domestic Tourism Growth Strategy implementation plan covering the following: <ul style="list-style-type: none"> Niche Tourism Framework (Rural Tourism, National Events Tourism, Heritage and Culture Tourism) Service Excellence Strategy Tourism Human Resource Development Strategy Social Tourism Research Report 	As per 2013/14 Quarter 3 Performance Report: <ul style="list-style-type: none"> Public Sector owned tourism assets verified report in place Draft NTCE 2013 report is in place Draft work plan for NTCE 2014 is in place One Service Excellence Forum Meeting held Phase 1 of Service Excellence Implementation Plan completed – awareness campaign and inputs into self-assessment tool done in October and November 2013 	The implementation of the Domestic Tourism Growth Strategy will allow for integrated planning and resourcing of identified projects as well as responding to the key government priorities. It will assist in creating awareness on the hidden treasures within the least visited provinces and to inculcate the culture of travel among South Africans. In order to improve the quality of people working in the tourism industry it is imperative to implement a strategy that will focus on people development and transformation.	Outcome 4: Decent employment through inclusive economic growth. Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all.
2. To coordinate and facilitate the development and implementation of integrated support packages to enhance	Coordination involves organising, directing and managing in order to align or standardise and harmonise activities in the department and within provinces.	As per 2013/14 Quarter 3 Performance Report: <ul style="list-style-type: none"> Draft integrated support packages developed in South and North Regions (Bushbuck Ridge, Eastern 	The integrated support packages will direct the tourism product development needs to be responsive to tourist demand both domestic and international respectively.	Outcome 4: Decent employment through inclusive economic growth. Outcome 7: Vibrant,

Strategic objective	Objective statement	Baseline	Justification	Links
<p>destination competitiveness.</p>	<p>Facilitation will enable progress on the identified programmes and projects which are not our direct responsibility. Directing the domestic tourism development agenda across the three spheres of government. To intervene in response to the outcomes of the provincial profiles in order to enhance the competitiveness of the given destinations.</p>	<p>Cape, Maloti Drakensberg Route)</p> <ul style="list-style-type: none"> One investment platform established Four reports on needs assessments for enhancement of World Heritage Sites were done. 		<p>equitable and sustainable rural communities and food security for all.</p>
<p>3. To provide support to tourism businesses through funding and capacity building in order to grow tourism's contribution to gross domestic product (GDP).</p>	<p>The funding and capacity building support will prioritise tourism businesses that are innovative, create products that are diverse, sustainable and contribute to the transformation of the sector.</p>	<p>As per 2013/14 Quarter 3 Performance Report:</p> <ul style="list-style-type: none"> Concept document for the Incentive Programme including processes in place. Systems and processes not tested yet. 504 rural enterprises supported 108 enterprises supported to grow through mentorship 582 businesses supported with market access 2 087 historically disadvantaged enterprises (HDE) supported 1 580 enterprises trained (skills development, customer service, tools and business skills excluding tourism awareness) 2 848 full-time equivalent (FTE) jobs supported through tourism enterprise partnership per year 	<p>Influence product diversification, support small business and address transformation imperatives.</p>	<p>Outcome 4: Decent employment through inclusive economic growth. Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all.</p>
<p>4. Create employment opportunities by implementing tourism projects targeted at the</p>	<p>To implement labour intensive tourism projects targeting the unemployed, youth, women and people with disabilities.</p>	<p>As per 2013/14 Quarter 3 Performance Report:</p> <ul style="list-style-type: none"> 2 030 FTE jobs created through the SRI programmes per year 	<p>The SRI, which is our contribution to the EPWP, provides tourism infrastructure through labour intensive means thereby contributing to the</p>	<p>Outcome 4: Decent employment through inclusive economic growth.</p>

Strategic objective	Objective statement	Baseline	Justification	Links
unemployed through the Expanded Public Works Programme (EPWP).			creation of job opportunities, skills development and poverty alleviation.	Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all.

7.4.2 Resource considerations

7.4.2.1. Expenditure trends

As part of the tourism development policy, the spending focus over the medium term will be on tourism infrastructure projects under the EPWP. Expenditure on this programme is expected to increase mainly due to Cabinet approved additional funding of R70 million provided for the SRI programme, which is implemented through the EPWP, in 2016/17. Expenditure in the programme will support the creation of 5 625 full-time equivalent tourism jobs in 2014/15 and 5 575 in 2016/17. Due to the additional allocation in 2016/17, the rescheduling of EPWP funds will have no impact on service delivery over the medium term.

Expenditure over the medium term is also expected to increase due to the increase in funding for the Tourism Incentive Programme. The programme is currently a directorate in the Social Responsibility Implementation subprogramme and will be introduced at the beginning of April 2014. The Tourism Incentive Programme is expected to support the growth of small, medium and micro-enterprises (SMMEs) and established businesses through improved access to international buyers and markets, and promote economic development. The introduction of the incentive programme is expected to result in a projected number of domestic tourists that grows from 12,9 million in 2014/15 to 14,3 million in 2016/17.

The programme had a funded establishment of 110, of which 15 were vacant at the end of November 2013. These vacancies are mainly as a result of restructuring and will be filled in 2014/15. The staff complement increased from 97 in 2012/13 to 112 in 2014/15 due to the establishment of the Tourism Incentive Programme in 2013/14. The programme is expected to be fully functional in 2014/15.

8. DEPARTMENTAL RISK MANAGEMENT

Table 12: Strategic risks

Risk description	Mitigating factors
<p>PROGRAMME 1: ADMINISTRATION</p> <p>Non-availability of IT infrastructure and systems</p>	<ul style="list-style-type: none"> • Upgrade the data centre equipment; • Investigate dual power supply to file server room; • Implement redundancy for data centre; • Review the frequency of Information Communications Technology Committee meetings- for more frequent sittings; • Ensure compliance to Corporate Governance Information Communications Technology Framework (CGICTF).
<p>IT disaster recovery restoration timelines not guided by Departmental Business Continuity Plan</p>	<ul style="list-style-type: none"> • Ensure involvement of all business process owners with the Business Continuity Plan process; • Implement the redundant data centre solution and off-site replication; • Risk Management Policy will be reviewed to explore the need to include a policy statement on ICT governance; • Ensure compliance to CGICTF.
<p>Non-compliance to performance management guidelines</p>	<ul style="list-style-type: none"> • Conduct a gap analysis against the audit reports, the performance management framework and guidelines; • Comprehensive audit of performance information; • Verify performance information against the three assertions that is validity, accuracy and completeness; • Develop a performance information checklist against departmental performance guidelines.
<p>Material misstatements of the disclosure notes to the financial statements</p>	<ul style="list-style-type: none"> • Perform monthly reconciliations and verifications; • Financial statements will be reviewed by the Director; • Line managers to provide verified and signed off information on disclosure notes to the financial statements; • Quarterly verification of assets.
<p>Inadequate utilisations of available media platforms (Print media, broadcast, online media)</p>	<ul style="list-style-type: none"> • Enhance interaction with third parties and strategic stakeholders; • Ensure sufficient media content and adequate utilisation of media space; • Coordinate the publication of national events (Tourism Indaba and Tourism Month) and facilitate the buying of media space by provinces via GCIS; • Media monitoring and analysis; • Social media utilisation; • Enhance media relations: better capacitation

Risk description	Mitigating factors
PROGRAMME 2: POLICY AND KNOWLEDGE SERVICES	
Non-compliance with tourist guiding legislation and regulations.	<ul style="list-style-type: none"> Enter into agreement with Law Enforcement agencies to monitor compliance.
Non-compliance with responsible tourism standards	<ul style="list-style-type: none"> Review regulation to counter voluntary regulation (Lack of awareness and green washing); Incentives.
Ineffective stakeholder engagement structures: Stakeholder engagement fatigue (internal and external): Too many issue based stakeholder engagements: NTSS meetings (NTSF, cluster and sub-forums), NTR and Knowledge Management , DTS task team, Quarterly provincial registrars workshops, - Tourism Leadership Dialogue , - BEE council and sub-committees, Bi-annual research policy forum, UA forum.	<ul style="list-style-type: none"> Centralise management of stakeholder engagements; Integration of stakeholder engagements; Conduct stakeholder engagement analysis - identify the roles, identify gaps.
PROGRAMME 3: INTERNATIONAL TOURISM	
Non-implementation and monitoring of international agreements	<ul style="list-style-type: none"> Capacity development and training for internal staff on the development of MoU's; Ensure action plans are developed and monitored for the proper implementation of MoU's.
Inadequate strategic participation in multi-lateral organisations	<ul style="list-style-type: none"> Facilitate regular participation and reporting to Department of International Relations and Corporation; on multi-lateral fora prioritised by the department; Develop policy positions on key substantial issues in consultation with stakeholders; Focal point for the department identified for each multi-lateral fora.
PROGRAMME 4: DOMESTIC TOURISM	
The department's Domestic Growth Strategy not aligned with other existing strategies across the three spheres of government.	<ul style="list-style-type: none"> Consultations with government spheres from primary planning stages to ensure that provinces provide input and align their strategic plans with the department (public and private); Integrated planning and coordinated efforts; Efficient utilisation of existing structures; Consideration of local government by-laws as they directly impact on the implementation of projects or programmes.
Theft, fraud and mismanagement of project funds	<ul style="list-style-type: none"> Request the SRI provincial office and the service providers to file copies of the project bank statement in their project; Declaration of interest forms completed by SRI staff; Reported progress to be accompanied by supporting documents e.g. invoices effective from 1 November 2013.

PART C: LINKS TO OTHER PLANS

9. LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

No.	Project name	Programme	Municipality	Project description or type of structure	Outputs	Estimated project cost	Expenditure to date	Project duration	
								Start	Finish
1.	Social Responsibility Implementation projects	Domestic Tourism Branch	All municipalities	Infrastructure tourism projects for communities, e.g. hiking trails, accommodation and caravan parks.	Community tourism infrastructure projects	R 399 900 000	R305 620 000	April 2014	March 2015

10. CONDITIONAL GRANTS

Not Applicable.

11. PUBLIC ENTITIES

Table 13: South African Tourism

Name of public entity	Mandate	Outputs	Current annual budget	Date of next evaluation
South African Tourism (SAT)	To promote tourism by encouraging people to undertake travels to and in the Republic, and to take measures in order to attempt to ensure that services which are rendered and facilities which are made available to tourists comply with the highest attainable standards according to Tourism Act, 2014 (Act No. 3 of	<ul style="list-style-type: none"> Increase annual arrivals to South Africa; Increase the number of domestic travellers; Increase tourism trended revenue contribution to the economy; Marketing South Africa to become the preferred tourism brand; To provide quality assurance by having graded establishments; 	2014/15: Total departmental allocation is R876 309 000	None

Name of public entity	Mandate	Outputs	Current annual budget	Date of next evaluation
	2014).	<ul style="list-style-type: none"> To increase the size of South Africa's business events industry. 		

12. PUBLIC-PRIVATE PARTNERSHIP

None

