



SOUTH AFRICAN TOURISM

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LEGEND

**SOUTH AFRICAN TOURISM:
REVISED ANNUAL
PERFORMANCE
PLAN 2020/21**

May 2020

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SOUTH AFRICAN TOURISM

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Ms. Mmamoloko Kubayi-Ngubane, MP

Minister of Tourism

INTRODUCTION

This financial year, the outbreak of the Coronavirus COVID-19 has brought the tourism sector to a standstill and thus, South African Tourism (SAT) marketing activities have to be significantly reduced. The World Travel and Tourism Council (WTTC) estimates that the Travel & Tourism sector faces a staggering 100 million jobs losses due to the coronavirus pandemic. WTTC also acknowledges that COVID-19 is going to create a new normal for the Travel & Tourism sector. Therefore, according to WTTC it is vital for the survival of the Travel & Tourism sector that public and private sector collaborate in mapping out the road to recovery, through coordinated actions, and offer the reassurance people need to begin travelling once again.

When factoring in the impact of the pandemic, though the full impact is yet to be fully understood, Tourism will have a significantly reduced economic contribution to gross domestic product. This will further put strain on the overall economic performance of the country. In the end, in addition to tourism business closures, the sector will also be negatively affected by the overall reduction of business activity in the South African economy as a whole. The primary focus of many tourism businesses will be on surviving the COVID-19 crisis.

Thus, it is necessary, under the circumstances, for SAT to work on a set of activities that will assist the sector to navigate through the crisis and also to prepare for the recovery of the sector in the post-COVID -19 period. The revised annual performance plan (APP) outlines a set of activities that SAT will embark upon in this financial year to help the sector minimise the impact of the crisis; and to get ready for the recovery of the sector.

The prevailing economic situation has necessitated that we consolidate state entities to ensure that we derive more value from every rand that we spend. For this reason, in the financial year 2020/2021 SAT will commence with a repurposing process. The repurposing process will look at consolidating

SAT's operations so that in the end our marketing and country branding initiatives are more focused and impactful.

However, during this repurposing process SAT will continue having the right people in the right place, doing the right things with the right processes at the right time. This will require that there is focus on retaining the best talent to deliver on the organisation's outcomes. Given the financial constraints facing government, South African Tourism will identify new income streams and possible commercialization of certain services to ensure that adequate financial resources are available for core business functions.

Tourism has demonstrated over the past 10 years that it is a top export sector and creator of employment, and as a result UNWTO is calling for the need for responsible growth in the tourism sector. For the world to fulfill the 2030 Agenda and its 17 Sustainable Development Goals, tourism has to be placed at the centre of global development policies. There is no reason to believe that post the COVID-19 pandemic, the tourism sector will not regain its place as a top performing sector above all the other sectors of the economy.

During this financial year, SAT needs to sharpen its research capacity so that an evidence based approach to recovery is adopted. The Business enablement programme will need to intensify its efforts to deliver on its strategic objectives through the delivery of insights that are based on quality research and analytics. In support of South African Tourism's journey to being an insights-led organization, the Strategy, Insights and Analytics (SIA) unit will need to ensure that demand-driven research is conducted to enable business growth. For South African Tourism to be recognised as an industry leader it will be need to show reliance on credible market insights.

Programmes such as market access and international marketing will be put on hold for this financial year. Meetings, Incentives, Conventions and Exhibitions (MICE) has been severely affected by the travel restrictions to the extent that even when it recovers it will never return to where it was before the pandemic. In this regard, SAT will focus on long term MICE activities so that when the recovery commences this subsector becomes one of the pillars.

In 2019, domestic tourism achieved historic growth in the number of holiday trips, growing by a staggering 170.6%. The number of domestic holiday trips more than doubled, growing from 2.6 million holiday trips in 2018 to 7.1 million holiday trips in 2019. SAT in collaboration with the sector players will continue to create an enabling environment to achieve similar growth levels, cognisant of the domestic conditions which are characterised by low economic growth, unemployment and higher costs of living.

The Tourism recovery plan envisages that the phase of the recovery will be driven by domestic travel and tourism. In this regard, SAT will work closely with the private sector to create a conducive environment for more South Africans to travel their country. Initiatives in this respect will range from aggressive marketing to affordable tourism product packaging.

The Risk Adjusted Approach gives South African Tourism a framework within which the organisation can carve a path towards recovery for the tourism sector in South Africa. As part of its commitments, South African Tourism will develop guidelines on how to advance sustainable tourism; will invest in market intelligence systems and digital transformation and we will develop a governance framework for tourism at all levels.

While it may be hard to set definite targets in terms of tourist arrivals numbers, I am already encouraged by the innovation I have seen to keep the South African tourism globally competitive. Even post the COVID-19 pandemic, we will have to remain competitive - in terms of affordability, value proposition and experience.

Although growth in the sector might not be realised in this financial year, we must not squander the opportunity to put systems in place that will prepare us for the time when the sector recovers from the impact of COVID-19. I would like to appreciate the oversight work done by the South African Tourism Board, the dedication and hard work of the South African Tourism executive team and the entire staff under the leadership of the Chief Executive Officer as we look forward to re-igniting, rejuvenating and re-strengthening our beloved tourism sector.



Ms. Mmamoloko Kubayi-Ngubane, MP

Minister of Tourism



Mr Ravi Nadasen
Chairperson of the Board (interim)

SOUTH AFRICAN TOURISM

Given the Corona Virus outbreak (COVID-19) and the world-wide travel restrictions that followed, the tourism sector is currently non-operational, as borders are closed and international flights grounded. This has necessitated South African Tourism to reconfigure its plans for the short-term as the organisation cannot remain in a “business as usual” mind-set. All plans for the foreseeable future have had to be reassessed and reviewed for relevance. To this end, I am pleased to present the South African Tourism revised Annual Performance Plan for the 2020/2021 fiscal.

This revised Annual Performance Plan was developed from an analysis of various global studies and hypothesis on how the world is likely to operate after COVID-19 has come and gone. Having studied many insights and analysis shared from various corners of the global tourism industry, key points still remain relevant for this strategic plan and these *include*:

- Given tightening budgets and increased competition and the uncertainty of how the global tourism landscape will have changed post COVID-19, South African Tourism should focus on improving efficiencies, and all marketing campaigns and activities should be geared to contribute to building the stature of the destination brand so that South Africa becomes the destinations of choice once travel restrictions are eased and borders are open again.

- The destination brand of South Africa still needs to be separated from the corporate brand of South African Tourism.

Despite the numerous challenges we face, we believe that there is always an opportunity in a crisis. No doubt, the tourism sector will probably be amongst the last sectors to recover. But we are a resilient sector, and we will certainly recover. That is why we are using this period to shape the sector for the future. This Performance Plan clearly outlines how we aim to approach the recovery of the sector. SA Tourism is developing a sector recovery strategy to prepare for the post-COVID-19 era. Our strategy is inclusive of the entire sector - large, medium and small businesses.

With the above objectives in mind South African Tourism commits to:

- Continue to be the leader in tourism industry in South Africa;
- Ensure sound corporate and cooperative governance; and
- Strive for operational excellence and high performance

To this end, the Board will ensure that South African Tourism puts in place effective performance plans, which will inform the performance contracts of management and staff. South African Tourism is confident that it will enhance its capability and capacity and continue to strengthen its governance systems and outcomes-based reporting in the period. The Board affirms its commitment to providing strategic guidance that will develop South African Tourism into an entity that is optimally positioned to deliver on its mandate post the pandemic.

The Board acknowledges the continuous support of the Portfolio Committee and the Minister of Tourism in helping South African Tourism realise its intended impact. While a great amount of work lies ahead of us as we all roll our sleeves in anticipation to rebuild our tourism sector after the destructive COVID-19 pandemic, we believe that this Annual Performance Plan reflects the right mind shift and resource considerations to achieve our goals. The Board fully endorses this revised Annual Performance Plan as the guiding document for the work and focus of South African Tourism for this fiscal year.

Thank you



Mr. Ravi Nadasen
Board Chair (Interim)
South African Tourism



Mr Sisa Ntshona
Chief Executive Officer,
SOUTH AFRICAN TOURISM

South African Tourism presents its revised Annual Performance Plan for 2020/21. The Coronavirus (COVID-19) pandemic has presented the world at large with a new and unique set of challenges and a notable amount of uncertainty. For the tourism sector this is no different meaning that as a Destination Marketing Organization (DMO), South African Tourism needed to review and reevaluate its priority focus areas for what promises to be a tough year ahead.

Tourism is among the first sectors to immediately feel the impact of COVID-19 as we saw the cancellation of conferences, meetings and bookings. The sector has, as a result of COVID-19 come to a stand-still with borders closed and flights suspended.

As we developed this plan, a coordinated response and collaboration are key as we develop what will be the blueprint on how we reposition ourselves domestically and internationally.

Many studies the world over have indicated that domestic travel is likely to be the one that comes up first with travellers choosing to first travel locally before hopping on a flight to a long-haul international destination. This therefore means that there is now an even greater need to focus on encouraging South Africans to travel their country on holiday.

Of course, one of the shattering effects of the COVID-19 pandemic is a likely increase in unemployment with many businesses in the tourism sector having had to close shop. For South African Tourism, as the sector leader it will be critical for us to work with the various tourism product owners and SMMEs as we rebuild our destination brand offering.

There needs to be a focus on visitor experience deliverables to support the needs of tourists which will have undoubtedly changed following the COVID-19 pandemic. This requires providing relevant

information and facilitating the training of frontline personnel at key tourism touchpoints to ensure that tourists feel safe and welcomed in South Africa.

From a business events perspective, we know that COVID-19 has brought with it restrictions on the number of people that can gather in one place. This then requires a complete mind set shift on how the business events industry operates going forward. There needs to be a reconsideration of innovative initiatives that can still contribute to increasing the number of business events hosted in South Africa.

Sadly, some business will not survive the damaging effects of COVID-19. Equally, post COVID-19, there may be completely new and reimagined products that enter the market. Going forward, new grading entrants across South Africa need to be identified and developed to support the likely altered needs of tourists.

Due to pressure on the national budget following the ailing South African economy even before the heavy demand of the COVID-19 pandemic on the fiscus, South African Tourism has to operate with significantly reduced budgets. This requires that South African Tourism to:

- Improve the organisation's operational efficiency by automating critical finance and supply chain processes; and
- Build the organisation's capability to deliver on its mandate in the most efficient and cost-effective manner possible.

Our approach to the recovery is as follows:

- **Re-ignite Demand** - As the recovery unfolds, we are going to see varying rates of recovery in source markets. We must, therefore, conserve marketing investment. The marketing investment framework should be evolving to incorporate multi-year investment cycles to optimise scarce resource deployment. South Africa as a travel destination is stronger on international travel, as opposed to domestic. This is an opportunity for us to build our domestic travel capacity, ensuring that we have a strong and robust domestic tourism sector.
- **Protecting the supply side of tourism** - Without rejuvenation of supply, the sector will come under immense pressure as revenues and profits will fall. In this case, inbound mobility, specifically air access, will be a key point of friction. This is an opportunity for us to focus on strengthening the visitor experience and ensure our standards are at their highest.
- **Strengthen enabling capability** - COVID-19 has generated solidarity within the industry. Successful coordinating forums established to navigate the crisis conditions should be preserved for the recovery. As we rebuild South Africa's reputation as a destination of choice, we must all explore collaborations and partnerships.

- **Corporate Support** - This is to ensure that over and above business continuity, South African Tourism achieves and maintains good corporate and cooperative governance

In developing this revised Annual Performance Plan for 2020/21 fiscal, South African Tourism still believes in its vision to position South Africa as an exceptional tourist and business events destination. To realise this vision, South African Tourism will apply key global insights and feedback received from the South African tourism sector following various engagement. This Annual Performance Plan is reflective of the work which needs to be undertaken in partnership with the greater tourism industry, in order for us to rebuild the sector, to ensure we are ready for when we can operate again.

The strategy is ambitious, but with the continuous support of the Minister and the Board in leading South African Tourism, it is achievable. Their commitment to strong oversight and governance is acknowledged and appreciated. I also thank the staff of South African Tourism for their hard work and outstanding commitment.

In closing, I affirm my commitment to lead South African Tourism to the best of my ability, as it strives to implement the priorities and outcomes reflected in this Annual Performance Plan.


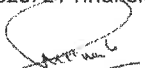


A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a series of loops and a long horizontal stroke extending to the right.

Mr. Sisa Ntshona
Chief Executive Officer
South African Tourism

OFFICIAL SIGN-OFF

It is hereby certified that this the Revised 2020/21 Annual Performance Plan:

- 1) Was developed by the management team of South African Tourism, under the guidance of the Board, and the Minister of Tourism;
- 2) Takes into account all the relevant policies, legislation and other for which South African Tourism is responsible;
- 3) Accurately reflects the Outputs and Targets which South African Tourism will endeavour to achieve over the 2020/21 financial year.


			
Ms. Amanda Kotze-Nhlapo	Mr. Themba Khumalo	Mr. Darryl Erasmus	Ms. Sthembiso Dlamini
CHIEF CONVENTION BUREAU OFFICER	CHIEF MARKETING OFFICER	CHIEF QUALITY ASSURANCE OFFICER	CHIEF OPERATIONS OFFICER


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CHIEF FINANCIAL OFFICER	

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Mr. Wavela Mthobeli	Date
ACTING CHIEF STRATEGY OFFICER	

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Mr. Sisa Ntshona	Date
CHIEF EXECUTIVE OFFICER	

APPROVED BY:

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Mr. Ravi Nadasen	Date
CHAIRPERSON OF THE BOARD (Interim) (ACCOUNTING AUTHORITY)	

	18/05/2020
Ms. Mmamoloko Kubayi-Ngubane (MP)	Date
EXECUTIVE AUTHORITY (MINISTER OF TOURISM)	

ABBREVIATIONS AND ACRONYMS

4IR	4 th Industrial Revolution
CEO	Chief Executive Officer
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B&B	Bed and Breakfast
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
CEO	Chief Executive Officer
CRM	Customer Relationship Management
CTO	Community Tourism Organisation
DIRCO	Department of International Relations and Cooperative Governance
DMO	Destination Management Organisation
DPME	Department of Planning, Monitoring and Evaluation
ESD	Enterprise Supplier Development
Exco	Executive Management Committee
GDP	Gross Domestic Product
ICCA	International Congress and Convention Association
ICT	Information and Communication Technology
IMF	International Monetary Fund
IT	Information Technology
M&E	Monitoring and Evaluation
MICE	Meetings, Incentives, Conferences and Exhibitions
MIF	Marketing Investment Framework
MTBPS	Medium-Term Budget Policy Statement
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan

NDT	National Department of Tourism
NTSS	National Tourism Sector Strategy
PFMA	Public Finance Management Act
PR	Public Relations
ROI	Return on Investment
SA	South Africa
SADC	South African Development Community
SAT	South African Tourism
SCM	Supply Chain Management
SMME	Small, Medium and Micro Enterprise
SONA	State of the Nation Address
SWOT	Strengths, Weaknesses, Opportunities, Threats
TBCSA	Tourism Business Council of South Africa
TGCSA	Tourism Grading Council of South Africa
TOMSA	Tourism Marketing South Africa
UK	United Kingdom
UN	United Nations
UNWTO	United Nations World Tourism Organisation
US/USA	United States of America
UGC	User generated content
VAT	Value-Added Tax
VFR	Visiting Friends and Relatives
WTTC	World Travel and Tourism Council

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PART A: OUR MANDATE

1. UPDATES TO RELEVANT LEGISLATIVE AND POLICY MANDATES

1.1. UPDATED LEGISLATIVE MANDATES

There are no updates to the legislative mandates outlined in the 2020-2025 Strategic Plan, which was developed at the same time as this 2020/21 Annual Performance Plan.

1.2. UPDATED POLICY MANDATES

There are no updates to the policy mandates outlined in the 2020-2025 Strategic Plan, which was developed at the same time as this Annual Performance Plan.

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

There are no updates to the institutional policies and strategies outlined in the 2020-2025 Strategic Plan, which was developed at the same time as this Annual Performance Plan.

3. UPDATES TO RELEVANT COURT RULINGS

There are no court judgements or rulings which have a material and/or direct bearing on the mandate and/or core operations of South African Tourism.

PART B: OUR STRATEGIC FOCUS

4. UPDATED SITUATIONAL ANALYSIS

4.1. External Environment Analysis

Globally, tourism was on the rise as international tourism grew by 3.8% in January - December 2019 compared to the same period in 2018 as reported by the UNWTO. 2019 was another year of strong growth, although slower compared to the exceptional rates of 2017 (+7%) and 2018 (+6%).

Demand was slower mainly in advanced economies and particularly in Europe. All regions enjoyed an increase in arrivals. The Middle East (+8%) led growth, followed by Asia and the Pacific (+5%). International arrivals in Europe and Africa (both +4%) increased in line with the world average, while the Americas saw growth of 2%.

While stronger economic growth, more affordable air travel, technological changes, new business models and greater visa facilitation around the world accelerated growth in recent years, it was widely believed that tourism had not yet reached its peak.

Domestically, the President Cyril Ramaphosa indicated in his SONA (7 February 2019¹), the potential for tourism to accelerate economic growth. This potential was noticed in significant annual growth in the number of foreign visitors in 2018, or more than 10 million tourists visiting South Africa. The challenge was then put to the sector to grow current tourism levels to reach the goal of 21 million tourist arrivals by 2030 (announced by the President in the June 2019 State of the Nation Address).

However, in 2020, the world as we knew it changed with the outbreak of the Coronavirus (COVID-19). The pandemic saw many countries' economies shutdown and strict restrictions on movement introduced as countries battle to protect their citizens from succumbing to the deadly virus. According to the IMF's World Economic Outlook report of April 2020², the global economy is expected to contract by -3%, worse levels than recorded during the 2008-9 financial crisis. However, as the IMF reports, it is difficult to predict the economic fallout as there remains uncertainty on the path the pandemic will take. The economic impact of the pandemic is more acute in some sectors; tourism being one such sector.

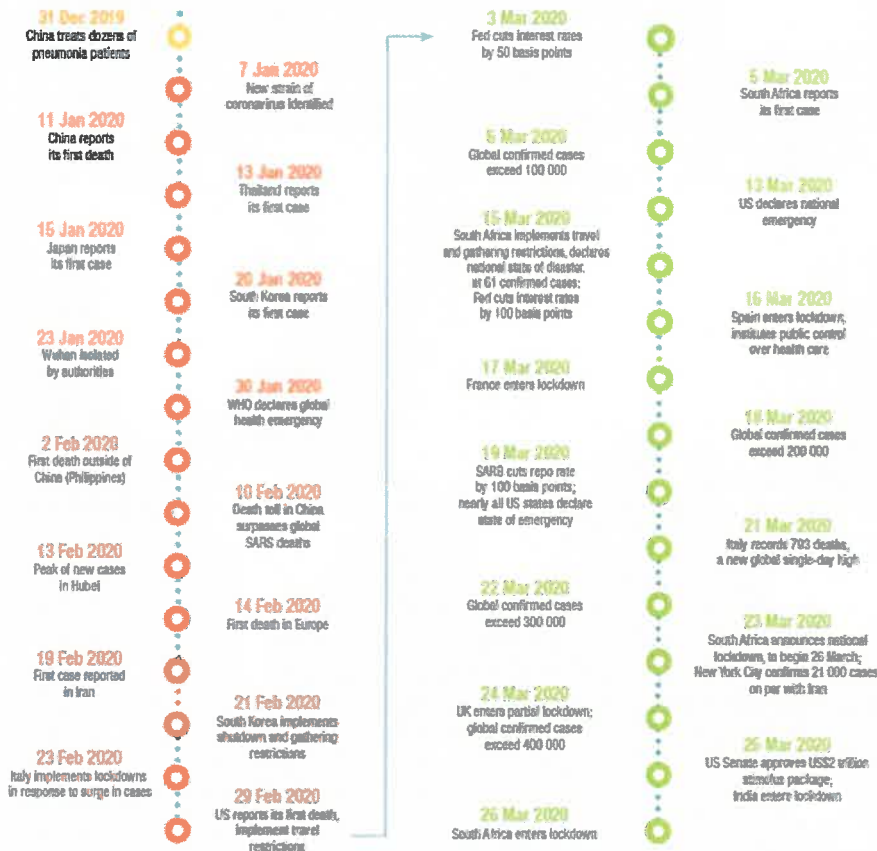
Tourism completely shut down globally with about 90% of all flights grounded. The UNWTO estimates that global travel will decline by between 60-80% in 2020. In the first quarter of 2020, global tourism

¹ State of the Nation Address, 2019. <https://www.gov.za/speeches/president-cyril-ramaphosa-2019-state-nation-address-7-feb-2019-0000>

² IMF World Economic Outlook, April 2020

declined by approximately 21%. According to the WTTC³, the pandemic is threatening an estimated 50 million jobs in the tourism sector, a reduction of between 12-14%. Asia is the most affected with about 30 million jobs at risk, followed by Europe, the Americas and then the rest of the world.

COVID-19 timeline



Source: SARB MPC Review, April 2020

According to aviation consultancy, Cirium, 61% of the global passenger jet fleet had been put into storage by the end of March. A study by Oxford Economics and IATA shows that the typical airline had two months of cash available at the start of 2020. A number of airlines are in financial trouble. Internationally, Virgin Atlantic has asked the UK government for a bailout and Virgin Australia has gone into voluntary administration. In SA, Comair, the long-established, JSE listed domestic airline applied for business rescue on 5 May. The future of South African Airways (SAA) also remains in serious doubt. IATA estimates that SA’s share of forgone flight sales could be more than R40bn as 10.7 million fewer passengers are expected to fly this year ⁴.

In South Africa, the impact on the domestic economy is severe, compounded by the downgrade of the country’s credit rating to subinvestment levels by Moody’s in March 2020. Moody’s indicated in

³ <https://www.weforum.org/agenda/2020/03/world-travel-coronavirus-covid19-jobs-pandemic-tourism-aviation>

⁴ Bureau for Economic Research, COVID-19 : The Impact on the South African Tourism industry, Research Note 2020|No 3 <https://www.resbank.co.za/Publications/Pages/Publications-Home.aspx>

March 2020 that the fiscal deficit will widen in fiscal to around 8.5% of GDP, as revenue declines this year in 2020⁵. Early predictions by the South African Reserve Bank were that the initial 21-day lockdown could negatively affect the economy with an estimated 370,000 jobs lost and 1,600 businesses going insolvent. However, these were early predictions and this changes quickly. Recent estimates by the Reserve Bank are that the South African economy could contract by between 2- 4% in 2020.⁴ Should the economy shrink by more than 2%, it would be the worst economic reduction in democratic South Africa.

While economists are predicting that global economic growth will take place in 2021 with recovery starting in the second half of 2020, it is unclear when the world will emerge from this pandemic. According to the IMF, prediction is difficult given the interplay of a number of factors including countries' containment efforts, supply disruptions, changed in consumer behaviours, confidence levels, to name a few.

According to reports by ForwardKeys, while there were no bookings of flights in March 2020, analysis of flight searches show that consumers are still researching foreign travel with a disproportionate share looking at long-haul destinations. This clearly indicates consumers aspirations to travel again and supports the resilience of the tourism sector. The impact assessment is ongoing as more data points become available.

Impact on Source Markets

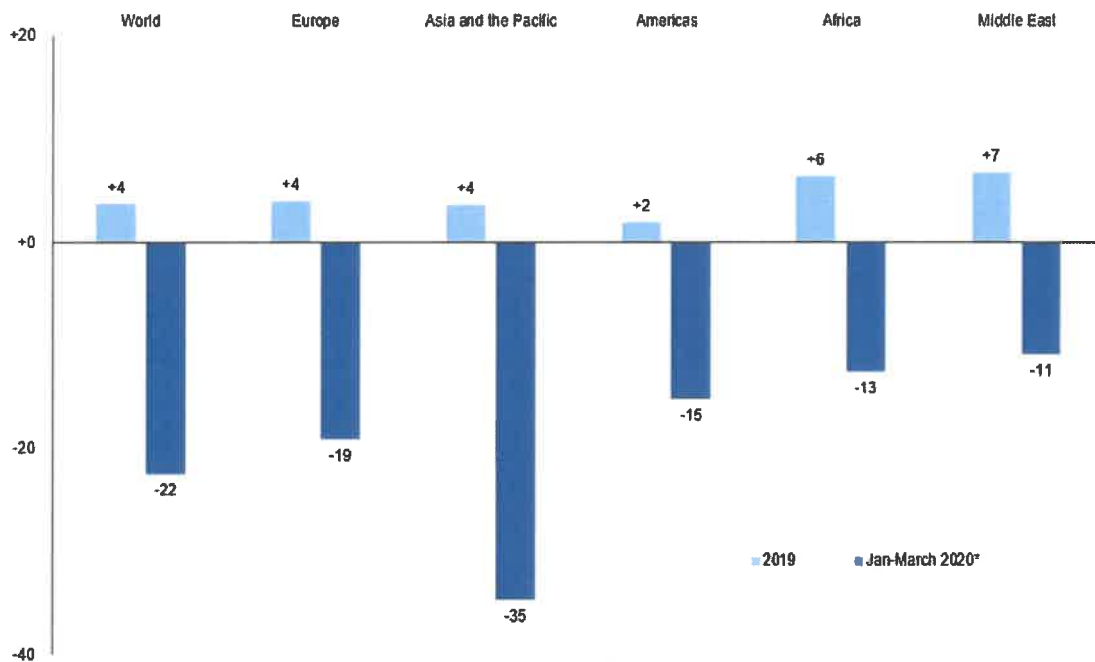
In a report on 7 May 2020, the UNWTO projected that international tourist numbers could fall 60% - 80% in 2020. Globally Q1 alone had a seen a 22% decline. Arrivals in March dropped sharply by 57% following the start of a lockdown in many countries, as well as the widespread introduction of travel restrictions and the closure of airports and national borders. This translates into a loss of 67 million international arrivals and about US\$80 billion in receipts (exports from tourism).

In 2019, SA welcomed 10.2 million overnight visitors. Approximately 76% of these come from the African continent (comprising 7 of the top 10) with SADC countries represented more than 65% of that portion. In terms of overseas visitors, SA received the most visitors from Europe (59.6%) in 2019, followed by the Americas (21.5%) and Asia (11.9%)

The remaining three countries of the top 10, the UK, the US and Germany, are among the countries hardest hit by the pandemic. As a result, these countries also have partial or complete lockdowns in place, as well as other travel restrictions. Even if travel restrictions are lifted on their side, SA's external borders may remain closed to high-risk countries for the foreseeable future. As per the conclusion of the BER Report, it is therefore unlikely that there will be any normalisation of travel patterns until such time as the COVID-19 pandemic has passed.

⁵ https://www.moodys.com/research/Moodys-downgrades-South-Africas-ratings-to-Ba1-maintains-negative-outlook--PR_420630

International Tourist Arrivals 2019 and Q1 2020 (% change)



Source: UNWTO

UNWTO have put forward three global recovery scenarios based on three possible dates for the gradual opening up of international borders.

- Scenario 1 (-58%) based on the gradual opening of international borders and easing of travel restrictions in early July
- Scenario 2 (-70%) based on the gradual opening of international borders and easing of travel restrictions in early September
- Scenario 3 (-78%) based on the gradual opening of international borders and easing of travel restrictions only in early December.

Towards a South African Tourism Sector Recovery Plan

In order for the sector to recover with a systematic and inclusive method, a National Tourism Recovery Strategy (NTRS) is required. South African Tourism is playing a significant role in the development and execution of this strategy, along with sector role-players and the Department of Tourism.

Industry Engagements through webinars and surveys continue as a process of soliciting views of the industry and assessing the state of the sector.

Three dimensions of the post-crisis period will have a significant bearing on how the tourism industry will fare:

- shape of recovery - determined by the depth and duration of the crisis and the rate of recovery
- geographic variation - which source markets and destinations recover relatively quickly or slowly
- equilibrium conditions - e.g. enduring impairment of mobility and depressed disposable income due to recession

Having been assessed as a Level 1/2 activity within the country's risk-adjusted framework, the industry faces a significant period of full or partially constrained activity. Operators will therefore need to use the immediate period to implement hygiene and biosecurity standards that provide the assurances to health authorities necessary to motivate for relaxation of restrictions. This will involve implementing health protocols that are broadly mandated and accepted, incorporating a sub-sector approach to health mandates and voluntarily assessing sub-sectors into different risk categories.

Tourism recovery will experience a number of phases, from hyper-local community attractions, through broader domestic tourism, regional land and air markets, and lastly resumption of world-wide international travel. We expect that the recovery phase will initially be driven by domestic business travel and then by rising domestic leisure demand as South Africans begin to regain confidence of movement in localised scenarios first and borders potentially remain shut for a longer period. The international recovery will begin in Asia, with North American and European markets re-emerging up to six months later. Africa and Latin America will either become new epicentres or will participate in the early rebound. If Africa largely escapes the worst of the pandemic, then both air and land markets will likely be early contributors to early demand.

4.2. Internal Environment Analysis

The South African Tourism management team conducted a thorough analysis of South African Tourism's performance in the previous term (2014-2019), with an emphasis on identifying lessons learnt and opportunities for doing things better. Seven strategic focus areas were identified for the period 2020/21 - 2024/25.

However, the world has changed with the outbreak of the Coronavirus (COVID-19). In South Africa, tourism has been assessed as primarily a Level 1 activity within the country's risk framework with some operations marginally permissible in Level 2. The prevailing view therefore is that the tourism sector will remain inactive for the better part of 2020/21 fiscal year. It therefore goes without saying that South African Tourism cannot remain in a business as usual mindset and all plans and expenditure lines had to be assessed and reviewed for relevance and affordability.

The revised Annual Performance Plan was therefore developed on the following fundamental principles and the strategic initiatives identified in the previous term (2014-2019) were prioritised against these principles:

- In order to maximise the potential for impact, SAT's approach is to **target and time marketing expenditure** so as to capture the highest ROI opportunities. Put simply, this means delaying media spend and campaign activity during the crisis period (where markets are closed, income is under pressure and consumers have no certainty over the time horizon), in favour of the ability to make more significant investments when travel consideration returns.
- While travel is restricted around the world, SAT plans to dedicate **time and investment to ongoing programmes of business transformation** that will enhance data and digital maturity, drive operational efficiencies and position the organisation to compete in the post-COVID-19 market. This will result in a short-term reduction in the ratio of marketing expenditure to general operating expenditure.

The seven strategic focus areas were identified by South African Tourism are:

A. BRAND

A detailed analysis of the tourism brand at both a sector and the corporate level resulted in an appreciation of the need to develop a differentiated brand proposition for the corporate entity, South African Tourism led by the Minister/Department of Tourism.

South Africa, a tourism destination of choice for domestic and international tourists which should complement but equally, stand apart, from the country brand. This would assist the tourism sector in various ways including, which issues to lead on in terms of a response and where to support the national position. A differentiated brand positioning of the sector versus the country would also help to protect and insulate the country's tourism brand in instances where issues threaten the destination brand.

The development of specific, yet complementary, brand value propositions will be supported with the conceptualisation of specific integrated campaigns which entrench the value propositions.

B. DOMESTIC MARKET

South Africans are the best, and most powerful, brand ambassadors for the country's tourism sector. It is also very comforting to international audiences when South Africans themselves speak positively about the country's assets and experiences. However, at this time, movement is restricted in terms of the country's COVID-19 risk framework and the forecast is that domestic travel is likely only to be allowed from October 2020.

Recognising that tourism recovery will experience a number of phases, from hyper local community attractions, through broader domestic tourism, regional land and air markets, and lastly resumption of world-wide international travel, South African Tourism plans to partner with provinces to develop domestic holiday packages and experiences as well as package thematic South African experiences that meet the needs of target segments when domestic travel restarts. These initiatives will be supported by research to understand the changes in consumer preferences and travel behaviours.

C. INTERNATIONAL TOURISM

South Africa has a goal of achieving 21 million international arrivals by 2030. However, the COVID-19 pandemic has severely disrupted the travel and tourism sector with borders closed and flights grounded. The forecast by the UNWTO is that global tourism will decline by 20-30%.

The pandemic has rendered South African Tourism's current market investment portfolio outdated and this year, plans are in place to review the market investment choices by revising and updating the Marketing Investment Framework. The revision will ensure that new variables and data are considered in the framework which reflect the future tourism state post the pandemic and will allow South African Tourism to review market investment choices based on various scenarios.

It is important to recognise that South Africa's international tourism base is significant. The country is already a top global destination and is one of the world's most popular long-haul destinations.

However, the sector's comparative pre-crisis underperformance presents a compelling case for growth. To capture the opportunity requires a robust and urgent response to the current crisis, but also a recognition of the structural factors that have acted as a drag on growth.

Addressing the structural performance gap will demand examination of the reliance on 'traditional' products and markets, the relatively weak domestic tourism base and the global strength of South Africa's destination brand.

D. DEMAND CREATION

While markets are closed, economies under pressure and consumer confidence uncertain, South African Tourism's efforts will be strengthened to develop the future leisure and business markets. This will include bidding for future MICE events. For the leisure market, relevant content will be developed and promoted through various digital channels to increase visibility and desirability. The country's arts and culture assets will be crucial to this initiative.

E. VISITOR EXPERIENCE

While delivering competitive brand and visitor experiences will be crucial to achieving the targets in terms of domestic and international tourist volumes in the long term, this year South African Tourism will focus on driving diversification and inclusion in the tourism supply. Programmes for promoting market access to SMMEs and enabling smaller players to enter the tourism sector through basic quality verification is planned.

A key factor of tourism's recovery will be the alignment of the visitor experience to hygiene standards. South African Tourism will work with the Department of Health and communicate and promote the health and hygiene assurance standards for the sector.

F. ORGANISATIONAL EFFICIENCY

SA Tourism has approved staff establishment of 202 employees and currently has a total staff compliment of 189. This staff establishment was maintained during Organisational Review (Project iGnite). SA Tourism currently has 13 vacancies making the vacancy rate 6,4 % in relation to the staff establishment.

As government has been engaged with rationalising / consolidating to ensure inter alia, that entities with similar or same mandates are streamlined to maximise their ability to respond to the developmental goals, South African Tourism will embark on a process to review its current operating model and develop a future operating model.

SA Tourism's structure represents the technical nature of the organisation resulting in a high proportion of Professional and Skilled employees. 43% of employees are in a Professional function

with 34% in a Skilled function. This means continuous development is an absolute necessity due to the changing nature of these functions. To enable the achievement of the strategic targets, South African Tourism must evolve to be responsive in delivering what is required to achieve its strategic objectives. This year, South African Tourism will also focus on developing and implementing capacity building programmes that will ensure that it has the right skills to compete in the post COVID tourism environment.

G. STAKEHOLDER ENGAGEMENT

The success of delivering the mandate of tourism is dependent on co-ordination among different stakeholders. In an increasingly competitive market and global environment, South African Tourism will define its corporate brand architecture which will include defining the corporate image (who we are, how we look and values) and the brand promise (value proposition to the sector).

As part of redefining the corporate entity's value proposition alongside that of the sector, it will be important to manage external stakeholders. This will require an external stakeholder management framework. Interventions will include:

- Defining stakeholder management roles within South African Tourism;
- Holding regular meetings with provinces to ensure alignment and synergies;
- Holding quarterly engagements with Minister and the Department; and
- Engaging with the industry (TBCSA), shareholder, the Department and all three levels of government.

Internal stakeholders are equally important and must also be managed to ensure the alignment with the vision of the organisation towards its strategic targets. This will require the development of an internal stakeholder management framework which will include appropriate products, *inter alia*, newsletters, regular video calls with hubs, engagements on the brand values, and appropriate use of platforms like social media.

Internal Capacity of South African Tourism

In 2016, SA Tourism embarked on an Organisational Review initiated by then Minister of Tourism, Derek Hanekom. As a consequence of this organisational review, an internal organisational review project named Project Ignite was implemented. A new Operating Model was adopted and implemented. Inline with the principle of structure following strategy, an organisational restructuring was embarked on to enable the new Operating Model. A major limiting element of the restructure was that there was to be no job redundancy, all existing SA Tourism staff had to be placed in a role on the new organogram. This resulted in some capacity deficiencies not being adequately addressed of which the legacies are still apparent in the current environment.

As an immediate step at the introduction of lockdown and the imminent reduction in funding resources, a board resolution was adopted to place a moratorium on all vacancies. This was also partly informed by the cabinet approved state entities repurposing process which would result in the potential mergers of state entities that had similar or overlapping mandates. It was assessed that SA Tourism would be part of this repurposing, this then opened the opportunity for SA Tourism to consider the skills capacity and competencies of the merged entities as a first port of call before considering external.

As we embark on the rollout of the Sector Recovery Plan coupled with the objectives and aspirations of the 5 year Strategy Plan, the Future State of SA Tourism within the context of a Cum/Post Covid environment and the repurposed state entities, an opportunity to ensure the organisation has the correct skills in the correct place performing the correct functions will be assured.

Evolution from Destination Marketing Organisation to Destination Management Organisation

The Global evolution of Tourism Boards from Destination Marketing Organisations (DMO) towards Destination Management Organisations is noteworthy and needs further exploration. In his publication “The New Marketing Playbook in the New Normal” Nick Hall, Jeremy Jauncey make the below observations and recommendations on the future roles and functions of DMOs.

- **CREATE DEEPER RELATIONSHIPS WITH CONSUMERS** - What DMO’s around the world are doing: Tap into communities in the platforms they are on. Create a deeper relationship with consumers, use social media to create a feedback loop.
- **THE MOVE AWAY FROM TRADITIONAL PAID MEDIA:** There is a move towards highly targeted (social media) marketing. Social media is no longer about age. 65+ year olds are on Zoom and Facebook. Efficient channels where you can manage your impact will become more central to the marketing mix.
- **BE PRODUCTIVE IN THE DOWNTIME:** Brands will be coming back into the market at the same time. All industries will be competing against each other, from cars to insurance. Planning, needs to start now. The price to reach the consumer will increase and we need to think creatively as to how to reach the consumer. There is no luxury of taking months to create a campaign or to be in market only once a year. There needs to be continuous market presence. The question that needs to be asked is “are you structured for this?” How do you use this downtime to become “nimble” and increase your “speed” to market? Big budgets need to be broken down into smaller budgets so that the brand can be present throughout the year.
- **ITS ALL ABOUT HUMANITY** - The stories told have changed, there are more stories about humanity

- **STORY TELLING:** Old video footage needs to work with new video storytelling formats. All types of storytelling should be embraced. Content produced should be crafted according to their communication platform. Old video footage can be re-purposed and repackaged to become new and invigorating.
- **DESTINATIONS WILL OPEN UP AT DIFFERENT TIMES.** Countries will be lifting travel restrictions at different times, travellers will need travel logistics information when this happens. Businesses will need to adapt and change and do things differently. The focus will be on value and purpose driven travel.
- **TOURISM MINISTERS ARE THE NEW AMBASSADORS.** Tourism is at the front end of economic recovery and creates meaningful job creation; the industry creates meaningful revenues, it's a direct cash injection into the economy. Tourism directly impacts people's lives.
- **DREAMING FOR NOW.** Travelers are not in the booking space right now; they are in the dreaming or inspiration space. Marketers should focus less on pure travel advertising and more on inspiration (with a focus on humanity).
- **DIFFERENT CONTENT FOR DIFFERENT MEDIUMS.** Different formats of storytelling is needed for the different platforms. The content must be tailored for YouTube vs TV commercials vs Tick Tok, vs Instagram etc.
- **DOMESTIC TRAVEL FIRST.** Our people drive travel and travel is a people business. Domestic tourism will be first back into market. Once bans are lifted, there will be hyper local and domestic marketing.
- **MILLENNIALS ARE FIRST TO MARKET.** Millennials care about experiences and don't like being confined for cooped up. They also believe that their immune systems are stronger. Business travel on the other hand will be much slower.

PART C: MEASURING OUR PERFORMANCE

5. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Three strategic objectives are central to South Africa's tourism recovery; re-igniting demand, rejuvenating supply and strengthening enabling capability. These objectives, along with a fourth relating to Corporate Support, have been adopted as SAT's core focus for the coming fiscal period.

Within each strategic focus area, 3-4 critical initiatives have been prioritized, these represent the foundational and transformational activities that can deliver the highest impact for the organisation in this period of crisis and early recovery.

- Within Re-igniting Demand, understand changes in consumer preference, identifying key travel sellers in prioritized markets, building compelling brand content and reviewing market investment choices are all critical.
- On the supply side, focus will be placed on enterprise and supplier development/ market access for SMMEs.
- Significant enablement focus areas include digitalisation of SA Tourism, the development of an externally-focused tech and data hub for the sector and invigorating stakeholder engagement.
- Lastly, within corporate support, emphasis will be placed on maintaining internal controls and financial management, and retaining a capable and ethical workforce in a caring environment

In light of the constrained fiscal space and limitations on marketing, SAT has reduced budgeted spend significantly, focusing on foundational and transformative initiatives that will position the organisation to best support the recovery. The APP that follows reflects a reduced budget, the best use of resources and an organisation that will be prepared to move quickly once travel potential returns.

5.1. Programme 1: Corporate Support

The Corporate Support Programme is responsible to provide support services to the organisation, as well as ensure compliance with statutory requirements.

The Corporate Support Programme aligns to the strategic objective of achieving and maintaining good corporate and cooperative governance.

Programme 1: Outcomes, Outputs, Output Indicators and Annual Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Achieve good corporate and cooperative governance	Maintain internal controls and Financial management	Percentage implementation of valid internal and external audit recommendations ²				100%	100%	100%	100%
		Percentage implementation of the Annual Risk Management Plan ²				100%	20%	100%	100%
		Payment of all compliant invoices within 30 days from date of receipt ^{1, 2}				100%	100%	100%	100%
		100% of qualifying expenditure achieved on procurement from B-BBEE contributor status levels 1-5				New indicator	100%	100%	100%
		Minimum 30% expenditure achieved on procurement of goods and services from SMMEs, Youth and Women				New indicator	30%	30%	30%
		Mandatory payments in terms of applicable legislation. (Medical Aid Schemes, Insurance schemes, Unions, municipal rates and taxes)				New indicator	100%	100%	100%

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	To attract and retain a capable and ethical workforce in a caring environment	Staff engagement score	2.9	3.1	3.4	3.57	3.5	3.5	3.5
		100% Employment Equity (EE) Compliance					Report on EE compliance submitted	Report on EE compliance submitted	Report on EE compliance submitted
		100% Implementation of Workplace Skills Plan (WSP)				New Indicator	100%	100%	100%
		Maximum percentage labour turnover				8%	8%	8%	8%
		Maximum vacancies as a percentage of headcount				7%	8%	8%	8%
		Percentage of youth recruited in learnerships/ internships ²				New Indicator	2%	2%	2%

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
		Percentage implementation of Employment Equity Plan <ul style="list-style-type: none"> Percentage of women in South African Tourism Percentage of women in senior and top management positions Percentage of people with disabilities 				60%	60%	60%	60%
						50%	50%	50%	50%
						2%	2%	2%	2%
	Automate SCM, HC, legal and internal audit business processes	100% Identified business processes automated				New indicator	100% of identified business processes automated by 31 Mar 2021		

Notes:

1. Unless determined otherwise in a contract or other agreement.
2. This is a new KPI established for the 2020/21 financial year

Programme 1: Output Indicators, Annual and Quarterly Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
				Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
Achieve good corporate and cooperative governance	Maintain internal controls	Percentage implementation of valid internal and external audit recommendations	100%	100%	100%	100%	100%
		Percentage implementation of the Annual Risk Management Plan	20%				20%
	Maintain financial management	Payment of all compliant invoices within 30 days from date of receipt	100%	100%	100%	100%	100%
		100% of qualifying expenditure achieved on procurement from B-BBEE contributor status levels 1-5	100%				100%
		Minimum 30% qualifying expenditure achieved on procurement of goods and services from SMMEs, Youth and Women	100%				100%
		Mandatory payments in terms of applicable legislation. (Medical Aid Schemes, Insurance schemes, Labour Unions)	100%	100%	100%	100%	100%
	Retain a capable and ethical workforce in a	Employee engagement score as at 31 Mar 2021	68%				68%
		100% Employment Equity (EE) Compliance	Report on EE compliance submitted				Submission of EE Report

OUTCOME	OUTPUT	OUTPUT INDICATORS	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
				Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
	caring environment	100% implementation of Workplace Skills Plan (WSP)	100%	25%	50%	75%	100%
		Maximum percentage labour turnover	8%				8%
		Maximum vacancies as a percentage of headcount	8%				8%
		Percentage of youth recruited in learnerships/ internships	2%		2%	2%	2%
		Percentage implementation of Employment Equity Plan					
		• Percentage of women in South African Tourism	60%	60%	60%	60%	60%
	• Percentage of women in senior and top management positions	50%	50%	50%	50%	50%	
• Percentage of people with disabilities	2%	2%	2%	2%	2%		
	Automate SCM, HC, legal and internal audit business processes	100% Identified business processes automated	100% of identified business processes automated by 31 Mar 2021	Business automation processes approved	Sourcing process & contracting	50% of processes automated	50% of processes automated

Programme 1: Explanation of Planned Performance

The Corporate Support Programme offers corporate support services to South African Tourism's core business to deliver on its mandate. This Programme deals with South African Tourism's resources, both human and financial, and strives for delivering efficiency within the organization. The policies and internal control environment led by Governance, Risk and Compliance as well as the Internal Audit function form the foundation and support the organisation in achieving its outcome of being well governed.

This year, operations will focus on internal business transformation initiatives such business automation as South African Tourism gears for digitalisation and developing a future operating model that considers government's efforts to rationalise entities and agencies with similar functions.

Programme 1: Resource Considerations

Expenditure Estimates by Economic Classification:

Programme 1: Corporate Support (R'000)	Audited Outcomes			Estimated Expenditure	MTEF Expenditure Estimates		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification:							
Compensation of employees	42,614	43,512	45,992	48,568	56,507	56,507	56,507
Goods and Services	50,320	86,762	76,008	75,757	45,139	47,396	49,671
Depreciation	9,193	9,717	10,271	10,846	9,800	10,290	10,784
Total expenses	102,127	139,991	132,271	135,171	111,445	114,192	116,961
Staff complement (no.)							55

5.2. Programme 2: Business Enablement

The Business Enablement Programme is responsible to ensure strategy development, and to provide centralised research insights and analytics to support the core business and provide an open source for information-sharing with the tourism sector to strength collaboration with the tourism industry.

This programme aligns to the strategic objectives of re-igniting demand, rejuvenating supply and building an enabling capability.

Programme 2: Outcomes, Outputs, Output Indicators and Annual Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Achieve good corporate and cooperative governance	Develop active engagement with industry stakeholders	Number of stakeholder engagements				New indicator	24	24	24
	Establish SAT as a thought leader and trailblazer in tourism intelligence	Number of market updates/Infographics published				New indicator	23	24	24
	Develop B2B portal for two-way communication with industry members and TBCSA and TGCSA	B2B base portal delivered				New indicator	B2B base portal delivered by 31 Jul 2020		
Increase the tourism sectors contribution to inclusive economic growth	Determine relevance of current SA Tourism Markets	Marketing Investment Framework (MIF) updated				New indicator	Marketing Investment Framework updated by 31 August 2020	Implement updated MIF	
	Develop and Implement an organisational wide inclusive Market Access Programme	Market access programme developed				New indicator	Market access programme developed by 31 March 2021	Market access programme implemented	Market access programme implemented

Notes:

1. This is a new KPI established for the 2020/21 financial year

Programme 2: Output Indicators, Annual and Quarterly Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
				Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
Achieve good corporate and cooperative governance	Develop active engagement with industry stakeholders	Number of stakeholder engagements	24	6	6	6	6
	Establish SAT as a thought leader and trailblazer in tourism intelligence	Number of market updates/infographics published	23	5	6	6	6
	Develop B2B portal for two-way communication with industry members and TBCSA and TGCSA	B2B base portal delivered	B2B base portal delivered by 31 Jul 2020	Portal design	Portal development and go live		
Increase the tourism sectors contribution to inclusive economic growth	Determine relevance of current SA Tourism Markets	Marketing Investment Framework (MIF) updated	Marketing Investment Framework updated by 31 August 2020	Define project scope and project plan	Build and populate framework and deliver updated MIF		
	Develop and Implement an organisational wide inclusive Market Access Programme	Market access programme developed	Market access programme developed by 31 March 2021	Define scope of market access programme	Develop market access programme	Market access programme approved	Market access programme launched

Programme 2: Explanation of Planned Performance over the Medium-Term Period

This Programme enables core business to deliver on its strategic objectives through the delivery of insights that are based on quality research and analytics. In support of South African Tourism's journey to being an insights-led organization, the Strategy, Insights and Analytics (SIA) unit will ensure that demand-driven research is conducted to enable business growth. South African Tourism is focused on being recognized as an industry leader and this is enabled through the provision of market insights.

This year, the focus will be reviewing the market investment choices of South African Tourism against the backdrop of the COVID-19 pandemic. Efforts will also be made to ensure that regular market updates are provided to all stakeholders to help them plan better during these times of uncertainty and thereby position South African Tourism as a thought leader in the tourism sector.

To support the rejuvenation of tourism supply, South African Tourism will drive diversification and inclusion in the sector by focussing on enterprise supplier development and developing a market access programme for SMMEs.

The success of delivering the mandate of tourism is dependent on co-ordination among different stakeholders. South African Tourism will continue to strength collaboration with stakeholders by delivering a two-way business-to-business communication platform.

Programme 2: Resource Considerations

Expenditure Estimates by Economic Classification:

Programme 2: Business Enablement (R'000)	Audited Outcomes			Estimated Expenditure 2019/20	MTEF Expenditure Estimates		
	2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Economic classification:							
Compensation of employees	11,788	13,185	13,937	14,717	13,517	13,517	13,517
Goods and Services	88,119	68,110	71,993	74,983	20,290	21,304	22,327
Total expenses	99,907	81,295	85,929	89,700	33,807	34,822	35,844
Staff complement (no.)							11

5.3. Programme 3: Leisure Tourism Marketing

The Leisure Tourism Marketing Programme is responsible to provide destination tourism marketing, targeting leisure tourists in both the international and domestic markets.

This programme aligns to the strategic objective of re-igniting demand.

Programme 3: Outcomes, Outputs, Output Indicators and Annual Targets

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Increase the tourism sectors contribution to inclusive economic growth	Develop and deploy brand content and toolkits: Derived from all provinces (VTSD), curated for all markets and business segments, distributed primarily through digital platforms	Bank of digital content developed				New Indicator	Bank of digital content delivered by 31 Mar 2021		
	Develop and implement repositioning branded solutions: Visitor experience initiatives, Africa's Travel Indaba, Meetings Africa, Bidding audiences	Brand repositioning documents developed				New Indicator	Africa's Travel Indaba brand repositioning document developed Meetings Africa brand repositioning document developed Welcome campaign brand repositioning document developed		
	Identify and engage partnerships to expand tourism brand appeal, travel propensity and in-	Traveller, trade, arts & culture partnerships activated				New Indicator	Traveller, trade, arts & culture partnerships		

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	market overall tourism sector recovery						activated by 31 Mar 2021		
	Redesign all SAT digital marketing platforms	100% global and country websites redesigned and live				New Indicator	100% global and country websites redesigned and live by 31 Mar 2021		

Programme 3: Output Indicators, Annual and Quarterly Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
				Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
Increase the tourism sectors contribution to inclusive economic growth	Develop and deploy brand content and toolkits: Derived from all provinces (VTSD), curated for all markets and business segments, distributed primarily through digital platforms	Bank of digital content developed	Bank of digital content delivered by 31 Mar 2021	Content plan complete	Develop a baseline of content that is brand-centric and consumer relevant	Identify partners and confirm partnership agreements to develop user-generated brand content	Update content bank with user-generated brand content from secured partnerships
	Develop and implement repositioning branded solutions: Visitor experience initiatives, Africa's Travel Indaba,	Brand repositioning documents developed	Africa's Travel Indaba brand repositioning document developed	Review brand position of Africa's Travel Indaba, Meetings Africa and Welcome Campaign	Develop brand repositioning strategy for Africa's Travel Indaba,	Approval of brand repositioning strategy for Africa's Travel Indaba,	Africa's Travel Indaba brand repositioning document developed

OUTCOME	OUTPUT	OUTPUT INDICATORS	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
				Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
	Meetings Africa, Bidding audiences		Meetings Africa brand repositioning document developed Welcome campaign brand repositioning document developed		Meetings Africa and Welcome Campaign	Meetings Africa and Welcome Campaign	Meetings Africa brand repositioning document developed Welcome campaign brand repositioning document developed
	Identify and engage partnerships to expand tourism brand appeal, travel propensity and in-market overall tourism sector recovery	Traveller, trade, arts & culture partnerships activated	Traveller, trade, arts & culture partnerships activated by 31 Mar 2021	Partnership Strategy complete	Digital Partnerships: Owned platforms complete and implemented	Digital Partnerships: User generated content platforms complete and implemented	Offline Partnerships: Strategy and Plan complete
	Redesign all SAT digital marketing platforms	100% global and country websites redesigned and live	100% global and country websites redesigned and live by 31 Mar 2021	Implement marketing analytics platform	Redesign global and domestic websites	Consolidate 50% of country websites	Consolidate 50% of country websites, SANCB and Visitor Experience sites

Programme 3: Explanation of Planned Performance over the Medium-Term Period

This programme delivers on the strategic objective of re-igniting demand post COVID-19 by pursuing targeted, measurable communication through data and collaboration. Here, South African Tourism will focus its efforts on building compelling brand content and maintaining communication with both the consumer and the distribution channel.

This year, as there will be a delay in media spend and marketing campaigns, South African Tourism will ensure that it has a comprehensive data bank of digital content that promotes the destination brand. The content will be sourced from South African Tourism archives as well as through partnerships that will ensure that user-generated content is available.

South African Tourism is also constantly pursued for partnership and sponsorship projects. These partnerships have the potential to extend the brand reach and influence. This year, South African Tourism will develop a partnership strategy to expand tourism brand appeal, travel propensity and in-market overall tourism sector recovery in the traveller, trade, arts and culture areas.

The development of specific, yet complementary, brand value propositions will be also be delivered for Africa's Travel Indaba, Meetings Africa and the Welcome campaign.

Programme 3: Resource Considerations

Expenditure Estimates by Economic Classification:

Programme 3: Leisure Tourism Marketing (R'000)	Audited Outcomes			Estimated Expenditure	MTEF Expenditure Estimates		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification:							
Compensation of employees	106,422	113,491	103,472	108,916	131,029	131,029	131,029
Goods and Services	738,079	856,861	920,043	954,777	92,284	96,898	101,549
Depreciation	2,454	2,606	2,755	2,909	3,069	3,222	3,377
Total expenses	846,955	972,958	1,026,270	1,066,602	226,382	231,149	235,955
Staff complement (no.)							86

5.4. Programme 4: Business Events

The Business Events Programme is responsible to market South Africa as a business events destination.

This programme aligns to the strategic objective of re-igniting demand.

Programme 4: Outcomes, Outputs, Output Indicators and Annual Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Increase the tourism sectors contribution to inclusive economic growth	Targeted bid submissions in priority economic sectors	Number of bids supported		94	109	115	48	138	152
	Targeted leads generation activities focusing on 2022/23/24 to build future business	Number of qualified leads generated				182	83	156	156

Programme 4: Output Indicators, Annual and Quarterly Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
				Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
Increase the tourism sectors contribution to inclusive economic growth	Targeted bid submissions in priority economic sectors	Number of bids supported	48	5	8	35	20
	Targeted leads generation activities focusing on 2022/23/24 to build future business	Number of qualified leads generated	378	83	100	95	100

Programme 4: Explanation of Planned Performance over the Medium-Term Period

One of the key strategies to maintain SA's position as the number one business events destinations in Africa and the Middle East and to be truly competitive on the international stage is to focus on business development activities. Therefore, the SANCB lend its support across the bidding process focusing on key economic sectors to maximise SA's chances of winning the rights to host business events.

The SANCB will this year focus its efforts to support the recovery of tourism in the future by targeting leads generation for future business event and ensuring that there are submission of bids in the targeted economic sectors.

Geographic spread of the benefits of tourism is another way of broadening participation in the tourism sector. For this, South African Tourism will develop a framework to capacitate national associations to host business events in Villages, Towns and Small Dorpias (VTSDs).

Programme 4: Resource Considerations

Expenditure Estimates by Economic Classification:

Programme 4: Business Events (R'000)	Audited Outcomes			Estimated Expenditure	MTEF Expenditure Estimates		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification:							
Compensation of employees	10,971	11,209	11,994	12,833	18,067	18,067	18,067
Goods and Services	143,581	107,791	117,293	124,855	5,224	5,486	5,749
Total expenses	154,552	119,000	129,287	137,689	23,291	23,552	23,816
Staff complement (no.)							17

5.5. Programme 5: Tourist Experience

The Tourist Experience Programme is responsible to deliver a quality experience expected by international and domestic tourists through:

- a) Grading establishments
- b) Product capacity building
- c) Itinerary building

This programme aligns to the strategic objective of rejuvenating supply.

Programme 5: Outcomes, Outputs, Output Indicators and Annual Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Increase the tourism sectors contribution to inclusive economic growth	Implement roll out plan for Basic Quality Verification programme	Implemented Basic Quality support programme for SMME accommodation establishments				New Indicator	Programme to provide Basic Quality support to SMME accommodation establishments implemented		

Programme 5: Output Indicators, Annual and Quarterly Targets

OUTCOME	OUTPUT	OUTPUT INDICATORS	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
				Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
Increase the tourism sectors contribution to inclusive economic growth	Implement roll out plan for Basic Quality Verification programme	Implemented Basic Quality support programme for SMME accommodation establishments	Programme to provide Basic Quality support to SMME accommodation establishments implemented	Agree on Project Plan with Provider Review Project Elements and resource requirements	System Configuration and Verification Agent Training Product Identification	Project Implementation	Develop a report on the implementation of the Basic Quality Verification Programme

Programme 5: Explanation of Planned Performance over the Medium-Term Period

Quality Assurance

The Quality Assurance function will focus its efforts in assisting new entrants to be more sustainable and projects to support emerging sharing economy participants in their quality assurance journey are planned.

Visitor Experience

Positive experiences create positive perceptions which encourage the promotion of destination SA. Here, the team will focus on working with the Department of Health to actively communicate and promote the health and hygiene assurance standards that are developed as a result of COVID-19.

Programme 5: Resource Considerations

Expenditure Estimates by Economic Classification:

Programme 5: Tourist Experience (R'000)	Audited Outcomes			Estimated Expenditure	MTEF Expenditure Estimates		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification:							
Compensation of employees	14,460	15,418	16,297	17,209	18,861	18,861	18,861
Goods and Services	39,575	61,203	49,510	51,487	25,200	26,460	27,730
Total expenses	54,035	76,621	65,807	68,695	44,061	45,321	46,591
Staff complement (no.)							18

6. THE SOUTH AFRICAN TOURISM FINANCIAL PLAN AND ANNUAL BUDGET FOR 2020/21

6.1. Overview

When South African Tourism received its pre-COVID allocation letters from the National Department of Tourism, the pressure on the national budget was already evident- earmarked funding from the government to South African Tourism, had at the time, been reduced over the Medium-Term Expenditure Framework period by more than R 60 million, resulting in total projected revenue for the 2020/21 financial year of R 1.6 billion rand.

Government grants accounted for 84% of total revenue projection i.e. R 1.3 billion (allocated at R900m on 1 April and the balance of R400m split over 3 remaining quarters July, October and January). Furthermore R 256, 4 million was expected as receipts from voluntary TOMSA levies (R144m), grading fees (R25m), exhibition income (R63,5m) and interest income (R23m) resulting in a total of R1,6bn.

Whilst travel is restricted around the world and in SA, SAT plans to dedicate time and investment to programmes of Business Transformation that are inwardly focused across the entire organisation. This will result in a drastic reduction in the ratio of marketing expenditure to general operating expenditure.

SAT has also transitioned to an agile planning and budget allocation process which will continue for at least the duration of the lockdown period. Spend has been actively categorised and prioritised as follows:

Priority 1 (Contractual Obligations)	Priority 2 (Internal Business Facing)	Priority 3 (External Market Facing)
<ul style="list-style-type: none"> - Budget for staff (human capital costs) - Contractual obligations (leases, retainers etc...) 	<ul style="list-style-type: none"> - Business Transformation (Business Environment, process, systems) 	<ul style="list-style-type: none"> - External Facing Work (Tourism Market Activities)
<ul style="list-style-type: none"> - Loaded Automatically 	<ul style="list-style-type: none"> - EXCO to identify Business Transformation Projects & allocate budget against those - Budgets loaded against individual business units & will have a central common code 	<ul style="list-style-type: none"> - Exception - To be motivated & assessed on individual basis

	for early consolidation. EPMO monitoring & co-ordination	
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Mid Term Budget Review

The Mid Term Budget Review is an opportunity for government to review its budget allocations through the Adjusted Estimates of National Expenditure (AENE) process which provides detailed information on mid-year actual expenditure and performance as well as revised spending and performance projections for the rest of the current financial year including roll-overs and accounting for unforeseeable and unavoidable expenditure items.

The Mid Term Budget Review will provide an opportunity for South African Tourism to make its case for budget adjustments based on prevailing conditions at the time.

6.2. Revenue Projections

Besides relying on the fiscus for 84% of its revenues, SA Tourism also receives revenues from TOMSA, NCB, Grading and Interest Income.

- TOMSA
 - The shutdown of the sector has resulted in nil TOMSA levy collections and as a result we do not expect to receive any transfers from TOMSA during the 2020/21 fiscal year
- SANCB
 - No exhibition income is expected from INDABA nor Meetings Africa during 2020/21 fiscal year
- Grading
 - No grading revenue is expected during this period

6.3. Expenses

South African Tourism adjusted Annual budget is detailed below:

- Annual - R438,96 mil

Investment line item	ANNUAL BUDGET	Expense
<i>Overheads</i>		
Employee cost		237 980 034,93
Infrastructure (lease rentals; rates and taxes)		40 452 792,77
Other operating expenses (ICT Support and Maintenance,SIA initiatives, audit fees, HC initiatives, GRC resources)		63 123 206,13
Marketing contractual obligations		35 729 762,16
Priority 1		377 285 795,99
Priority 2		R61 700 000,00
Priority 3		-
Total		R438 985 795,99

Based on a budget request of R439m for the 2020/21 fiscal year and on a pre-COVID allocation of R1,3bn, SA Tourism would be “returning” R865m to the fiscus thus implementing a 66% cut in its annual budget.

7. UPDATED KEY RISKS

The key risks affecting the sector and SA Tourism remain the same in light of the legislated mandate of SA Tourism. However, in light of the impact of COVID-19 on the operations of the sector as whole and the entity in particular, the risks have been revised. The strategic risks will be updated once the Recovery Strategy for the tourism sector has been finalised.

Outcome	Key risk	Risk mitigation
<p>1: Increase the tourism sector's contribution to inclusive economic growth</p>	<p>Brand and Reputation:</p> <ul style="list-style-type: none"> ▪ Impact of country and global epidemics that flare up from time to time. ▪ Port of entry restrictions. 	<ul style="list-style-type: none"> ▪ Develop a crisis management plan for SAT to be implemented as and when such events occur. Closer collaboration with stakeholders and the industry to minimise impact and to develop recovery strategies. ▪ Intensify roll out of the Welcome Campaign and close collaboration with partner departments to increase health and safety awareness.
	<p>Business Events:</p> <ul style="list-style-type: none"> ▪ Geographical availability of business ready infrastructure. 	<ul style="list-style-type: none"> ▪ SAT to develop a rotational hosting framework of small to medium size events to VTSDs (excluding three main regions). Partner with property development organisations to build new infrastructure
	<p>Socio - demographic:</p> <ul style="list-style-type: none"> ▪ Universal accessibility of products. ▪ Lack of sector transformation. ▪ Availability of graded products in VTSD. 	<ul style="list-style-type: none"> ▪ Develop and implement South African Tourism Transformation Framework. ▪ Develop and implement South African Tourism Transformation Framework. ▪ SAT to develop a rotational hosting framework of small to medium size events to VTSDs (excluding three main regions).

Outcome	Key risk	Risk mitigation
<p>2: Achieve good corporate and cooperative governance</p>	<p>Reputation:</p> <ul style="list-style-type: none"> ▪ Audit outcomes; ▪ Fraud and corruption. 	<ul style="list-style-type: none"> ▪ Strengthening of system of internal controls, including fraud and ethics risk assessments and awareness campaigns
	<p>Governance:</p> <ul style="list-style-type: none"> ▪ Regulatory Framework (potential changes in national policies which impact tourism). ▪ Effectiveness of business strategies, operations and architecture ▪ Cyber security ▪ Uncertainty regarding the configuration of the entity as part of the rationalization of agencies 	<ul style="list-style-type: none"> ▪ Actively participate and provide inputs into the development of the regulatory frameworks. ▪ Business process management initiative to map all organisational process and ensure integration thereof in order to optimise the business processes. ▪ Penetration testing. Cyber security awareness. Firewalls and anti-virus tools. Back-up. Incident Management Programme. Robust information security programme ▪ Engagements with stakeholders regarding the strategic role of entity. Due diligence in the rationalization process. ▪ Engagement with internal staff on the impending configuration of the entity.

The detailed South African Tourism Risk Register is reviewed monthly by Exco, and quarterly at each meeting of the Audit and Risk Committee.

8. PUBLIC ENTITIES

South African Tourism does not have any Public Entities.

9. INFRASTRUCTURE PROJECTS

Not applicable to South African Tourism.

10. PUBLIC / PRIVATE PARTNERSHIPS

Not applicable to South African Tourism at this stage.

PART D: TECHNICAL INDICATOR DESCRIPTIONS

11. PROGRAMME 1: Corporate Support

Indicator Title	Percentage implementation of valid internal and external audit recommendations
Definition	The implementation of valid audit recommendations that were provided during audits by internal and external auditors as agreed and documented in the audit outcome implementation plan. The validity of finding is determined on whether there are supporting documents.
Source of data	Audit outcome implementation plan and progress reports.
Method of Calculation / Assessment	Count of recommendations implemented divided by total recommendations
Means of verification	Audit outcome implementation plan.
Assumptions	The recommendations are actionable
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired Performance	To achieve 100% implementation
Indicator Responsibility	All EXCO members

Indicator Title	Percentage implementation of the Annual Risk Management Plan
Definition	The implementation of the deliverables that are due annually in the Risk Management Plan, namely Fraud Prevention Plan; Ethics Risk Assessment; and Business Continuity Management testing.
Source of data	Report to Board on updates on Fraud Prevention Plan, Ethics Risk Assessment and Business Continuity.

Method of Calculation / Assessment	Count of reports completed as a percentage of reports outlined in Annual Risk Management Plan
Means of verification	Report to Audit and Risk Committee on audits completed
Assumptions	There will be a resource available to action the risk management plan
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Annual
Desired Performance	To achieve 20% implementation
Indicator Responsibility	Head: Governance, Risk, Compliance and Company Secretary

Indicator Title	Payment of all compliant invoices within 30 days from date of receipt
Definition	Measures percentage of invoices paid within 30 days to suppliers of goods and services, unless determined otherwise in a contract or other agreement or, in the case of civil claims, from the date of settlement or court judgement”.
Source of data	Oracle Financial Management System
Method of Calculation / Assessment	Liquidity ratio: Creditors payment period.
Means of verification	Annual by the Auditor General as part of Financial Viability assessment
Assumptions	Payment of goods and services from government institutions as well as those which have different payment terms to be excluded
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly

Desired Performance	To achieve 100% implementation
Indicator Responsibility	Chief Financial Officer
Indicator Title	100% of qualifying expenditure achieved on procurement from B-BBEE contributor status levels 1-5
Definition	Measures percentage expenditure from B-BBEE compliant businesses and SMMEs
Source of data	Oracle Financial Management System
Method of Calculation / Assessment	Expenditure on procurement from B-BBEE compliant businesses and SMMEs as a proportion of total expenditure
Means of verification	Procurement report
Assumptions	Procurement from government institutions and for contry offices to be excluded
Disaggregation of Beneficiaries (where applicable)	BBB-EE compliance (level 1 - 5)
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-to-Date)
Reporting Cycle	Annual
Desired Performance	To achieve 100% implementation
Indicator Responsibility	Chief Financial Officer

Indicator Title	Minimum 30% expenditure achieved on procurement of goods and services from SMMEs, youth and women
Definition	Measures percentage spending on procurement of goods and services from SMMEs
Source of data	Oracle Financial Management System
Method of Calculation / Assessment	Expenditure on procurement from B-BBEE compliant businesses and SMMEs as a proportion of total expenditure
Means of verification	Quarterly finance reports
Assumptions	Procurement from government institutions and for country offices to be excluded
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women • Target for youth
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-to-Date)
Reporting Cycle	Annual
Desired Performance	Performance higher than target is acceptable
Indicator Responsibility	Chief Financial Officer

Indicator Title	Employee engagement score
Definition	A measure of the engagement levels of staff each year. The higher the engagement, the more satisfied staff tend to be. This is a measure of the culture of the organisation.
Source of data	Staff engagement survey
Method of Calculation / Assessment	Responses to each question are measured on five-point rating scale. Mean scores are calculated by adding all raw values per question and dividing by the number of responses in each.
Means of verification	Monthly business unit meetings
Assumptions	Human Capital strategy is implemented
Disaggregation of Beneficiaries (where applicable)	Not applicable

Spatial Transformation (where applicable)	Not applicable
Calculation Type	None
Reporting Cycle	Outcome
Desired Performance	Non-cumulative
Indicator Responsibility	General Manager: Human Capital

Indicator Title	100% Employment Equity (EE) Compliance
Definition	The submission of the Employment Equity report to the Department of Labour
Source of data	South African Tourism Quarterly Human Capital Report
Method of Calculation / Assessment	Tracking of EE requirements
Means of verification	EE Plan submission to Department of Labour
Assumptions	SA Tourism is able to attract people to fill vacancies
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Annual
Desired Performance	Submission of report
Indicator Responsibility	GM: Human Capital

Indicator Title	100% implementation of Workplace Skills Plan (WSP) by 31 Mar 2021
Definition	Measures level of progress with implementation of the WSP The Workplace Skills Plan outlines how an organisation/ employer is going to address the training and development needs within the workplace. It

	assists employers in identifying and providing relevant training that will address the skills gaps within the organisation.
Source of data	South African Tourism Quarterly Human Capital Report
Method of Calculation / Assessment	Number of interventions implemented against the total planned for the year.
Means of verification	WSP report
Assumptions	Adequate financial resources available for training
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired Performance	Performance higher than target is acceptable
Indicator Responsibility	Chief Executive Officer

Indicator Title	Maximum percentage labour turnover
Definition	The number of employees that leave South African Tourism through voluntary resignation during the financial year relative to the number of employees on payroll during the same period.
Source of data	South African Tourism Quarterly Human Capital Report
Method of Calculation / Assessment	Number of employees leaving during the year divided by the average number employed during the year.
Means of verification	List of terminations from Human Capital
Assumptions	The South African Tourism value proposition remains attractive to staff
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)

Reporting Cycle	Annual
Desired Performance	A lower percentage compared to target
Indicator Responsibility	Chief Executive Officer

Indicator Title	Percentage of youth recruited in learnerships/ internships
Definition	The ratio of the number of learnerships/ internships during a period to the staff complement during the same period.
Source of data	South African Tourism Quarterly Human Capital Report
Method of Calculation / Assessment	Number of Learnerships/ internships positions during the year divided by the staff complement.
Means of verification	Learnership/ Internship contracts
Assumptions	Learners are interested in the South African Tourism learnership/ internship program
Disaggregation of Beneficiaries (where applicable)	Youth: 100%
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Annual
Desired Performance	Performance higher than target is acceptable
Indicator Responsibility	GM: Human Capital

Indicator Title	Percentage implementation of Employment Equity Plan <ul style="list-style-type: none"> • Percentage of women in South African Tourism • Percentage of women in senior and top management positions • Percentage of people with disabilities
Definition	Percentage women as a proportion of filled posts Percentage women representation in the senior and top management positions Percentage representation of people with disabilities as a proportion of the filled posts

Source of data	South African Tourism Quarterly Human Capital Report
Method of Calculation / Assessment	Tracking of EE requirements
Means of verification	EE Plan
Assumptions	SA Tourism is able to attract people to fill vacancies
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Annual
Desired Performance	Maintaining a percentage of 100% compared to target
Indicator Responsibility	GM: Human Capital

Indicator Title	100% Identified business processes automated
Definition	Measures the percentage of progress on the automation of business processes and workflows
Source of data	ICT project report
Method of Calculation / Assessment	Amount of work done as a percentage of total work to be done
Means of verification	Progress reports
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-to-Date)
Reporting Cycle	Quarterly
Desired Performance	Performance higher than target is acceptable

Indicator Responsibility	General Manager: ICT
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12. PROGRAMME 2: Business Enablement

Indicator Title	Marketing Investment Framework (MIF) Updated
Definition	The update of the framework for Market Investment which considers new variables that are relevant following the COVID-19 pandemic
Source of data	SAT Market Investment Framework
Method of Calculation / Assessment	N/A
Means of verification	MIF approved
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	The first and second quarter
Desired Performance	A framework to guide market investment choices is developed and can be populated as there is more certainty on tourism recovery
Indicator Responsibility	Chief Strategy Officer

Indicator Title	Market access programme developed
Definition	Develop a programme to train/prepare small and medium sized enterprises in order to be fully market ready when the tourism sector enters the recovery phase
Source of data	Document on market access programme
Method of Calculation / Assessment	N/A
Means of verification	Approved document on market access programme

Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired Performance	A programme to train SMMEs to access the market
Indicator Responsibility	Government & Industry Relations Officer

Indicator Title	B2B base portal is developed
Definition	A two-way communication platform that centralises communication between the industry and SAT
Source of data	Tech hub project report
Method of Calculation / Assessment	N/A
Means of verification	Tech hub project report and access to the portal
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired Performance	Improved engagement with the industry
Indicator Responsibility	Chief Executive Officer

Indicator Title	Number of stakeholder engagements
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Definition	Engagements with stakeholders aligned to the Stakeholder Engagement Framework which take the form of meetings, physical or virtual.
Source of data	Stakeholder engagement calendar
Method of Calculation / Assessment	Count of meetings held
Means of verification	Report of stakeholder engagements
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (quarterly)
Reporting Cycle	Annual
Desired Performance	Improved collaboration between South African Tourism and stakeholders for the delivery of the tourism mandate
Indicator Responsibility	Chief Executive Officer

Indicator Title	Number of market updates/infographics published
Definition	Concise and informative updates shared with stakeholders that will help them understand the latest intelligence and trends in the sector to prepare for the future tourism post COVID-19 while positioning SAT as a thought leader
Source of data	Schedule market updates
Method of Calculation / Assessment	Count of market updates shared with stakeholders
Means of verification	Market updates
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable

Calculation Type	Cumulative (quarterly)
Reporting Cycle	Annual
Desired Performance	Improved collaboration between South African Tourism and stakeholders for the delivery of the tourism mandate
Indicator Responsibility	Chief Strategy Officer

13. PROGRAMME 3: Leisure Tourism Marketing

Indicator Title	Bank of digital content developed
Definition	The development of content to support the marketing campaign that will be flighted on digital marketing platforms such as the website and social media. This content will promote the brand to both consumers and the distribution channel.
Source of data	Data repository that will be developed
Method of Calculation / Assessment	N/A
Means of verification	Verification of data repository that exists on SAT ICT platform
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired Performance	Compelling brand content that can be served on digital platforms is available. This content must align to the brand and consumer preferences
Indicator Responsibility	Chief Marketing Officer

Indicator Title	Develop brand repositioning documents
Definition	The development of documents that reposition the brand of Africa's Travel Indaba, Meetings Africa and the Welcome campaign to support tourism growth post COVID-19.

Source of data	Documents on repositioned branded solutions
Method of Calculation / Assessment	N/A
Means of verification	Approved documents on repositioned branded solutions
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired Performance	The SAT marketing platforms will be aligned to the overall brand and support tourism growth post COVID-19
Indicator Responsibility	Chief Marketing Officer

Indicator Title	Traveller, trade, arts & culture partnerships
Definition	Partnerships entered into with relevant parties to expand the tourism brand appeal and support conversion to arrivals for the tourism sector recovery
Source of data	Partnership agreements
Method of Calculation / Assessment	N/A
Means of verification	Signed agreements
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual

Desired Performance	Partners help SAT to extend the reach and desirability of the tourism brand
Indicator Responsibility	Chief Marketing Officer

Indicator Title	Global and country websites redesigned and live
Definition	All the SAT websites are redesigned according to revised brand guidelines, updated with approved digital marketing content, and is live to the public
Source of data	Marketing Technologies project report
Method of Calculation / Assessment	N/A
Means of verification	Websites are live and can be searched on the internet
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired Performance	Increased traffic to SAT websites
Indicator Responsibility	Chief Marketing Officer

14. PROGRAMME 4: Business Events

Indicator Title	Number of bids supported
Definition	The number of bids submitted for international and regional business events (corporate meetings, incentive meetings, international conventions and exhibitions) supported by the South African National Convention Bureau.
Source of data	Signed bid submission letters
Method of Calculation / Assessment	Count of bids submitted
Means of verification	Signed bid submission letters
Assumptions	South Africa is considered by associations for events
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired Performance	Performance higher than target is acceptable
Indicator Responsibility	Chief Convention Bureau Officer

Indicator Title	Number of qualified leads generated
Definition	The number of contacts (individual, association or organisers) made that have an interest in having international and regional business events in South Africa.
Source of data	List of qualified leads
Method of Calculation / Assessment	Count of qualified leads
Means of verification	List of qualified leads
Assumptions	Leads identified will lead to bid opportunities

Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired Performance	Performance higher than target is acceptable
Indicator Responsibility	Chief Convention Bureau Officer

15. PROGRAMME 5: Tourist Experience

Indicator Title	Implemented Basic Quality support programme for SMME accommodation establishments
Definition	<p>Implementation of the Basic Quality Verification project to recognise new entrants in the sector who are not able to be graded at the outset.</p> <p>Proposed creation and implementation of a Basic Quality Verification project.</p> <p><u>Core cornerstones of the proposed programme:</u></p> <p>Provide a structured development programme to enable tourism products who do not meet core requirements of grading, to enter the tourism sector with confidence and provided access to funding opportunities to develop their offering to meet requirements for formal grading over the short term.</p> <p>The programme ideally will allow products to reside as a Basic Quality Verification recipient for a duration of a maximum of two (2) years after which they would be encouraged to apply for a star grading assessment.</p> <p>Basic Accreditation completed before acceptance to the programme should include the below:</p> <p><u>Accreditation should cover criteria</u></p> <ol style="list-style-type: none"> 1. Legal Compliance 2. Cleanliness Standards 3. Hygiene Standards 4. Comfort and Safety Compliance

	<p>The proposed Basic Quality Verification project will create a lead pool for the TGCSA to increase memberships in line with the objectives of the Tourism Grading Support Programme.</p> <p>The proposed Basic Quality Verification project could act as a starting point for the formalization of homestays in South Africa.</p> <p>Verifications could allow for youth employment. Graduates could be used to perform these verifications as the technical specialization required to be an Accredited Assessor is not a requirement.</p>
Source of data	Quarterly Report on project progress
Method of Calculation / Assessment	Progress report against project deliverables
Means of verification	Progress report against project deliverables
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired Performance	Implementation of the project
Indicator Responsibility	Chief Quality Assurance Officer

ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

ANNEXURE A: AMENDMENTS TO THE STRATEGIC PLAN

Not applicable for 2020/21, as the first year of the 2020/21-2024/25 Strategic Plan.

ANNEXURE B: CONDITIONAL GRANTS

Not applicable to South African Tourism.

ANNEXURE C: CONSOLIDATED INDICATORS

Not applicable to South African Tourism.

ANNEXURE D: DISTRICT DEVELOPMENT MODEL

Not applicable to South African Tourism.