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**MINISTRY OF TOURISM**

**REPUBLIC OF SOUTH AFRICA**

Private Bag X424, Pretoria, 0001, South Africa. Tel. (+27 12) 444 6780, Fax (+27 12) 444 7027

Private Bag X9154, Cape Town, 8000, South Africa. Tel. (+27 21) 469 5800, Fax: (+27 21) 465 3216

**NATIONAL ASSEMBLY:**

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**Mr M S F de Freitas (DA) to ask the Minister of Tourism:**

With reference to the National Tourism Sector Strategy, what (a) risks have been identified that may lead to targets set not being achieved and (b)(i) steps are being taken to mitigate the situation and (ii) are the deadlines, milestones and timelines in this regard? NW2542E

**Reply:**

1. **With Reference to the NTSS what risks have been identified that may lead to non-achievement?**

Tourism by its own nature operates in a highly volatile global environment and is susceptible to many external factors in both the macro - and microenvironment. Many of these factors often fall outside the primary / immediate control of a particular destination. Therefore, this requires continuous assessment and identification of risk factors associated with the implementation of the Strategy. Some of the potential risks that could affect successful implementation of the NTSS include:

* **Geopolitical factors e.g. BREXIT** – United Kingdom is one of the leading international source markets for South Africa and its departure from the European Union has the potential to affect the performance and strength of its economy thereby jeopardising the disposable income of their citizens for travelling. Thus, economic challenges in the market countries affect travel decisions.
* **Climate change** – South Africa is a semi-arid country and due to climate change, the country is experiencing currently some of severe weather patterns such as droughts (Eastern Cape and Western Cape, Northern Cape and certain areas of the Karoo) and floods (KwaZulu Natal and Eastern Cape) which have a negative bearing on tourism growth in terms of water supply and infrastructure sustainability.
* **Currency fluctuations** – Though the weakening of the Rand against major global currencies has the potential to increase travel to South Africa it also limits South Africa’s budgetary resources to promote and market the country abroad.
* **Barriers to access due to air connectivity and visa processing** – South Africa is viewed as a long haul destination with limited direct air connectivity particularly for the emerging markets for airlines to take up available routes/frequencies. There has been some visa processing challenges in certain markets, which makes difficult for more tourists to travel to South Africa. Innovation such as e-visa in such markets are poortunities presented by this risk in such markets.
* **Safety and security factors -** On a domestic front, the vulnerability of the sector can be exacerbated by safety and security factors and perceptions.
* **Stagnating economy and affordability** – South African economy continues to be under strain and growing below the desired growth levels to accelerate job creation. Therefore, many South Africans are faced with low disposable income to partake in domestic tourism activities.

1. **(i) What steps are being taken to mitigate the situation**

As part of the NTSS Implementation process, the Department of Tourism in collaboration with other role players continue to assess the risk factors and devise mitigating measures to cushion the sector through amongst others the following:

* **BREXIT** – the Department through its entity SA Tourism has invested energy and effort to increase tourist numbers from the Asian markets in particular, China and India and simplification of visa processes from these markets. As stated during the budget speech, efforts are underway to position South Africa as a China and India friendly tourism destination through relevant Content-Reviewed Platforms and a comprehensive China and India readiness programme being developed in partnership with private sector, technological platforms will be used to tap into these markets.
* **Climate change** – South Africa is a signatory to international conventions including the Paris Agreement on Climate Change (United Nations Framework Convention on Climate Change) signed in 2016. In this regard, the country continues to promote responsible tourism practices including the promotion of sustainable development principles.
* **Currency fluctuations** – Greater budgetary support for tourism agencies is required and measures are being applied / implemented to protect budgets from the negative impacts of currency fluctuations given their impact on marketing in foreign destinations.
* **Barriers to access due to air connectivity and visa processing** – The Airports Company of South Africa (ACSA) and provinces through the Air Access Facilitation Programmes continue to lobby for increased air connectivity and direct flights from various markets including, the Americas, Africa and Asia. Additionally, the Department in partnership with other relevant stakeholders continues to engage various airlines to explore the possibility of establishing an air transport link between South Africa and some of the identified emerging markets such as India. The Department of Tourism and South African Tourism will continue to engage the relevant stakeholders in particular the Department of Home Affairs to facilitate visa processing as well as the implementation of visa waivers for certain markets.
* **Safety and security of tourists** – The Department of Tourism in partnership with the South African Police Services and other role players including provinces and industry has developed the National Tourism Safety Strategy which identifies preventative, responsive and after-care measures to be implemented in the short, medium and long term to address tourism safety and security related matters, including perceptions.
* **Stagnating economy and affordability** - South African Tourism will partner with established event owners and associations to drive awareness. In order to address affordability and drive sales, South African Tourism will partner with non-traditional distribution agents (e.g. retail supermarkets).

**(ii) What are the deadlines, milestones and timelines in this regard?**

The Department in collaboration with respective stakeholders is already implementing mitigation measures to counter some of the above-mentioned risks. At a broader strategy level, the National Tourism Sector Strategy (NTSS) identifies targets for 2020 and 2026 based on a 2015 baseline. Through the NTSS Implementation Mechanisms, the Department has established NTSS Implementation Work Streams, which are aligned to the five Strategic Pillars of the NTSS to identify actions for implementation in the immediate, medium and long term.