**NATIONAL ASSEMBLY:**

**QUESTION FOR WRITTEN REPLY:**

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

(a) On what date will she start the process to properly constitute the South African Tourism (SAT) board, (b) how does the present SAT Board make any (i) resolutions and (ii) decisions, (c) what resolutions and decisions have been executed by the current board, (d) what are the implications of the resolutions and decisions for (i) SAT and (ii) her department in each case and (e) what processes and/or procedures will be followed pertaining to resolutions and decisions made by the illegal SAT Board? NW2283E

**REPLY:**

1. **On what date will she start the process to properly constitute the South African Tourism (SAT) board**.

The process to properly constitute the SA Tourism Board has already commenced in April 2023.

The previous SA Tourism Board was dissolved by way of Notice in the Government Gazette No 48461. A call for nominations was published by way of Notice in the Government Gazette No 48759, dated 7 June 2023. The advert was then placed in two national newspapers, City Press and Sunday Times. The final closing date for nominations as per the Gazette is 06 July 2023.

(b) **How does the present SAT Board make any (i) Resolutions and (ii) Decisions**

The Board makes decisions as per their fiduciary duties in terms of the Tourism Act.

(c) What resolutions and decisions have been executed by the current board:

See Annexure A , below.

(d) **What are the implications of the resolutions and decisions for**

1. **SAT**

See Annexure A, below.

1. **Department**

 None, the Board/Accounting Authority has fiduciary duties which cannot be transferred to

 the Department.

(e) **What processes and/or procedures will be followed pertaining to resolutions and decisions made by the illegal SAT Board**

None, the Board is not illegal. Persons responsible for the affairs of the Board were appointed in accordance with the Tourism Act of 2014.

**ANNEXURE A**

|  | **RESOLUTION** | **IMPLICATIONS** |
| --- | --- | --- |
|  | 26 April 2023 - **Confirmation of** **Delegation of Authority (DOA)**The Board agreed to require from management that all decisions taken since the gazette of the appointment of the new board of South African Tourism (SAT) on 21st April 2023, in terms of the Accounting Authority Delegation to the Accounting Officer or his delegate, be confirmed in writing by the Accounting Authority. | This enabled Board to review powers exercised in terms of the existing DOA since the Interim Board’s appointment and address any concerns. |
|  | 05 May 2023 – **Retraction of the** **DOA** **in existence.**The Board resolved to retract the DOA in existence. The Interim Board would approve the Annual Procurement Plan and the Delegation of Authority give effect thereto, at a meeting of the Board to be held in due course. | The temporary withdrawal retained all accounting authority powers with the Board. Required Board to expeditiously conduct the relevant review in order to enable efficiency while ensuring that relevant authorities have line of sight when appropriate powers are exercised. |
|  | 05 May 2023 – **Reporting lines**The Board resolved that the reporting lines should revert to those approved by Board previously under Advocate Mgumbi, and are on file with the Ministry. | This reversed implementation of unapproved changes to the structure. |
|  | 05 May 2023 – **Internal Audit Plan**The Board resolved to approve the following audit activities for initiation in Q1:* 1. Audit recommendations
	2. Coverage plan
	3. Probity audits
	4. Investigations
	5. Performance information
	6. Execution of Meetings Africa

The Board will require further details and risk assessment prior to approving the IA plan for the rest of the year. | This enables implementation of audit activities while providing Board with an opportunity to review alignment of audit plan with organisational risks. |
|  | 06 May 2023 – **Acting Chief Executive Officer resignation** Board resolved to accept the resignation of the ACEO with immediate effect The Interim Board resolved that the Chairperson must inform the Minister of the resignation and the Interim Board’s decision, in line with the requirements of the Tourism Act, 2014 | This required urgent change management procedures to ensure business continuity. |
|  | 10 May 2023 - **Revisions to Delegation of Authority (DOA)**Board adopted amendments to the DOA Matrix dated 29 April 2021 to be effected in an updated Matrix. The amendments come into effect immediately. | This provided a revised DOA that enabled efficiency while ensuring that relevant authorities have line of sight when appropriate powers are exercised. |
|  | 09 May 2023 - **Annual Procurement Plan** Board resolved to approve the Annual Procurement Plan subject to the following changes:The procurement projects listed in the category “Business Events” must also be subjected to a competitive bidding process where applicable. | This decision provided a framework of priority procurement projects to enable delivery of approved plans. |
|  | 09 May 2023 – **Board Committees**Resolved to designate the following members for Committee responsibilities as follows:1. Ms Zama will chair Audit and Risk Committee (ARCO) and Human Capital and Remuneration Committee (HCREMCO)
2. Mr Mntambo will chair Marketing and Commercial Committee (MARCOM) and Awards Committee.
 | This provides the institutional mechanism for managing the board functions. |
|  | 09 May 2023 - **Launch of global brand campaign** Board resolved that the launch of the Global Brand Campaign be postponed. The Board directed Management to ensure stakeholder consultation as well as briefing to the Board is attended to urgently in order to proceed with approval processes for the launch in due course. | This enabled management to process appropriate consultation and initiate approval for the campaign. |
|  | 12 May 2023 – **Additional capacity for ARCO**Board resolved to approve the recommendation of the ARCO Chair to appoint the specified persons as additional members of ARCO | This provides the additional capacity for managing the ARCO functions with the reduced capacity Interim Board. |
|  | 27 May 2023 – **Quarter 4 report for 2022/23**Board resolved to ratify the report submitted by management to the Minister through the Department in terms of applicable prescripts. Directed Management provide to specified information.  | Regularised the report submitted to the Minister for it to have Accounting Authority approval, where management had submitted without its approval due to in the absence of a Board at that stage. |
|  | 31 May 2023 – **Annual Financial Statements (AFS) and Annual Performance Report (APR)**The Board resolved as follows:1. Approved the 2022/2023 Annual Performance;
2. Approved the 2022/2023 Annual Financial Statements with the correction of specified amendments as communicated by ARCO.
3. Noted that management must specifically confirm the resolution of the identified issues and amendments prior to their submission to the Auditor General.
4. Agreed that Management must outline to ARCO the reasons for identified areas of non-compliance.
5. Expressed concerns regarding the potential risks associated with late submission of the Annual Financial Statements.
 | The entity is able to submit to the Minister and the Auditor-General of South Africa accounting information for oversight and assurance processes with Accounting Authority approval.  |
|  | 31 May 2023 - **Hub Heads**The Board, in line with the Delegation of Authority, approved that the contract extension for a specified position be submitted to Minister for concurrence. | The entity is able to avert capacity constraints in international markets while the recruitment moratorium is in place. |
|  | 31 May 2023 – **Microsoft Licences**The Board resolved to ratify the management decision in order to allow business continuity. The Board reserved the right of consequence management in the event of any exceptions being noted in relation to the above-mentioned matters not having been reviewed at ARCO as required by the revised Delegation of Authority. | Renewal of Microsoft licences enable business continuity for the entity. Audit and Risk Committee concerns specified information not being provided for its consideration require monitoring in case exceptions arise as a result. |
|  | **BMW International Open and BMW Golf Cup World Finals**The Board approved the recommendations that: 1. SATourism proceeds with the German event.
2. SATourism to use local companies in Germany for activation at the BMW International Open.
3. Invitations to the private sector be issued indicating that SATourism will not cover their costs, but will provide corporate hospitality and a ticket to the BMW International Open.
4. Re-confirmed the decision of the Interim Board members not to travel for the BMW International Open
5. SATourism delegation should be kept at a minimum.
6. Travel approval to be processed through normal existing procedures.
 | The entity is able to meet its contractual obligations while managing associated risks. |
|  | 02 June 2023 - **Recruitment**Board resolved to initiate the process for recruitment for prioritised posts. | This will close the leadership vacancies at the entity and improve capacity to deliver approved plans. |
|  | 02 June 2023 – **Whistleblowing reports.**Board resolved to source additional investigative capacity to deal with reported cases. | This will expedite finalisation of investigation of whistleblowing reports, some long outstanding, in order to determine if any action is required.  |
|  | 07 June 2023 – **Brand Ambassador Collaboration**The Board Committee resolved to approve the consummation of a partnership/collaboration with a brand ambassador with Board support. Directed that Management must take a long view and develop a solid road map of how to leverage the opportunity. | Leverages his brand as part of a global brand campaign to build a positive destination affinity. |
|  | 08 June 2023 – **Clarification on DOA**Having received Management’s letter to Board Chair seeking clarity on specified DOA clauses, Board provided response to identified areas of clarity and directed that Management communicates the DOA resolutions to all staff by 09 June 2023. | Provides clarity in response to management’s request to enable implementation of the DOA as an internal control tool. |