



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

**STATEMENT BY MINISTER MMAMOLOKO KUBAYI-NGUBANE –
COVID-19 ALERT LEVEL 3 RISK ADJUSTED STRATEGY
TOURISM SECTOR RESPONSE MEASURES AND DIRECTIONS**

GCIS, TSHEDISMOS HOUSE, PRETORIA, 30 MAY 2020

INTRODUCTION

Following the announcement by the President on Sunday, 24 May 2020, that the country will be moving to level 3 lockdown from 01 June 2020, the National Coronavirus Command Council (NCCC) worked on level 3 regulations that have already been issued on Thursday by the minister of cooperative governance and traditional affairs.

Level 3 regulations are an indication that our country has done the preparatory work to start moving towards opening up more sectors of the economy. This is because the last two months of lockdown gave us room to build up an extensive public health response and prepare our health system for a possible increased infection rate. We must remember that government needs all of us to play our part in the fight against the pandemic. We must act responsibly and take necessary measures as advised and that is to wash or sanitize our hands regularly, wear a mask of face cloth, ensure we keep necessary distance whether we are in public or our work place.

The past two months of lockdown have been difficult for the tourism sector. We continued to see many businesses in the sector fighting for survival and our projections showed that almost 600 000 jobs were at risk if the sector doesn't come into operation by September 2020. This reality led to both government and private sector working together to be both innovative and putting protocol guidelines to get the sector back into operation.

When the risk-adjusted approach was introduced tourism was placed at alert level 2 and largely at level 1, this is because our sector is largely interactive hence our focus has been on both de-risking the sector and putting health protocols that can give comfort of safety not only to government but to our clients, including domestic tourist.

As we open up the sector, we are therefore confident that measures have been put in place to protect our employees, suppliers, tourists and all those who are involved with the sector. Where there are weaknesses as the department we have committed to work towards finding solutions together with our partners.

RELIEF AND RESPONSE MEASURES

To ensure that SMMEs in the tourism sector survive the crisis we put together the tourism relief fund. The application window for the Covid-19 Tourism Relief Fund will close on 31 May 2020 (which is tomorrow). The Tourism Relief Fund provides a once-off capped grant of R50 000 per entity to subsidise expenses towards fixed costs, operational costs, and other pressure cost items.

To date, more than 6 000 completed applications for grant assistance have been received from across the country. A large bulk of the applications were from businesses that provide accommodation services (2495), followed by hospitality at (1825), travel related services (1780) and other at (662).

However, we have received feedback from applicants who experienced a number of challenges when they attempted to apply for the fund through our online system. Some had difficulties uploading documents onto system, some requested many times to submit documents they had already submitted and some were unable to access the system.

To remedy some of these challenges we encourage those that still have outstanding documents to submit before the closing date. The department will accept email submissions. We have a team working around the clock today and tomorrow, calling each and every applicant considered eligible with outstanding documents to submit before the end of tomorrow.

I am told that so far, the calls the team has made to some of the SMMEs have yielded positive results and these SMMEs will be receiving the much needed relief.

RELIEF FUNDING FOR TOUR GUIDES

Following my meeting with tour guides in which they expressed their plight and how the various governmental relief initiatives have neglected them, I went back to the Department and had a discussion about what can be done to assist this subsector. As you are aware, the tour guiding subsector is dominated by freelancers and independent contractors with no job security and for this reason the government relief schemes including the tourism relief fund did not cover them.

In response, the Department has come up with an additional financial relief mechanism for tourist guides. We have set aside a total of R30 million which will provide financial relief over a period of two to three months. The beneficiaries of this scheme will include:

- Tour guides who are registered with the registrar in terms of the Tourism Act, and
- Tour guides who are not employed by any company, and those that have not formed their own companies which means that they are freelancers or independent contractors without job security.

As they also prepare themselves for the sector reopening, they too would require to adhere to the necessary protocol for containment of the spread of the virus. In this regard, we shall also be making further provisions to ensure that they also receive personal protective equipment (PPE). We trust that this support, will go some way in providing relief to the tourist guides.

TOURISM SERVICES UNDER LEVEL 3

We believe that the tourism sector should be at the forefront of deploying solutions focused on safety, sanitising methods and early detection, to be used by tourists and tourism employees alike. From our engagements as a sector and having had insights into the extent of creativity and innovation in the sector's containment efforts in line with the Risk Adjust Approach, I am encouraged that our approach is not only just planning for moving from one Alert Level to another, but seriously internalizing the notion of the new normal as a sector.

Tourism services supports other economic sectors. As parts of the economy opening up, the tourism activities that are supportive have to re-open. As some strategic sectors of the economy will need to operate during lockdown, such sectors will need tourism services, even before the sector is fully opened for leisure. This includes key elements that would facilitate travel of persons for permitted purposes.

We therefore welcome the decision by Cabinet to permit tourism services for the categories as stated in the gazetted Regulations.

I will now highlight the areas that have been opened up under Level 3:

- a) Restaurants for delivery or collection of food. Restaurants with liquor licences are allowed to sell alcohol only for takeout and delivery. In this area there's been an outcry that they must be allowed for onsite consumption. We are in discussions with restaurants so that whatever solution is provided in this regard for sit-down doesn't perpetuate the inequality and we are confident that in our next submission to NCCC this will be considered.
- b) Professional services - e.g. tourist guides, tour operators, travel agents, tourism information officers are allowed to come back to operations.
- c) Professional Services including training of nature guides and other related services that are able to ensure safe distance.
- d) Public and private game farms have been opened for self-drive excursions
- e) Hiking to be done in compliance with existing guidelines and not in groups
- f) Accommodation activities are allowed, except for leisure and establishments will no longer require a letter from Minister of Tourism to operate. They are required to ensure that they accommodate those in the permitted services and keep records for inspections by the department.
- g) Hunting and Gaming activities are also allowed.

The following economic activities will remain prohibited under level three and these include:

- Conferences, events, entertainment activities (such as Festivals) are still not permitted. It must be noted that some of the conference venues have been used in the fight against the pandemic and as such are allowed to be operational, including being used for distribution points of social relief measures

- casinos not permitted
- leisure travel not permitted

TOURISM RELATED SERVICES

We welcome the opening of domestic commercial flights which have been opened for business travel for now as part of Inter-provincial movement, as announced earlier by Minister Mbalula. The tourism sector will benefit immensely from this step as travel is an integral part of tourism.

Car Rentals are a critical enabler of tourism and movement of people and we are encouraged by them coming to full operations.

We also welcome the fact that those approved to travel are allowed to use long-distance public transport to do so from 1 June, including inter-provincial travel. The accommodation and Restaurants subsector and other related services will benefit immensely from these activities.

The opening up of hunting will also be a big boost to the tourism sector. The hunting industry contributes an estimated R2 billion (direct spending) annually to the tourism sector and it also contributes to employment in rural areas. So, this is an important step towards the recovery of the sector.

We have developed directions for the tourism sector to either enhance or provide further clarity on the existing regulations issued to limit the spread of the virus - and in a manner that they can be adaptable in a rapidly changing context. We support a responsible approach by the sector in coming up with innovative ways to prevent the spread of the virus, however, all protocols should be accessible and not preventive to smaller players in the sector. In this regard, I welcome commitment by the industry, particularly the bigger players to provide support to small players, through training and other means to ensure sector wide compliance.

RECOVERY PLAN - AND A VISION FOR THE FUTURE

We have continuously been in consultation with the entire sector since the declaration of the state of disaster and the commencement of the lockdown to ensure our sector survives beyond Covid-19. We have already engaged on the adjusted levels for the proposed inclusion of certain tourism operations and services.

We are doing all in our power to cushion the sector and mitigate against any potential job losses. Government also appreciates the support from the sector in making available some of their facilities for use as quarantine sites and the commitment to do more.

All the major players in the Tourism Sector including product owners and tourism association, are encouraged to continue to engage in order to develop a response that is “measured and consistent, proportionate to the public health threat and based on local risk assessment, involving every part of the tourism value chain”.

Last week the President held discussions with the Tourism sector regarding the challenges and hardships these sectors are currently experiencing. They have made several proposals, regarding the measures they intend to implement when their sectors open. All input received are being given due consideration. More importantly, there was a commitment by government, led by the President and the private sector, to work towards getting more tourism activities into enhanced level 3 or level 3 reloaded. This means that our sector still has an opportunity for opening up more subsectors at level 3.

We are working closely with the sector to develop the necessary protocols and guidelines to ensure that this becomes a reality.

We strongly believe that tourism will recover and grow beyond the levels it achieved before the crisis. I have tasked the SAT CEO with driving the process of developing a draft tourism recovery plan for South Africa. As part of the process, SAT has been convening weekly webinars with various tourism stakeholders to get their inputs on the post-COVID-19 tourism sector. SAT and the department have also been receiving written submissions from South Africa across the country who want to see our sector getting back to a growth trajectory.

I have also convened meetings and held multiple conversations with the private sector, from large businesses to small business, youth-run and women-run businesses including those in rural areas and townships to get their input for the recovery plan. We want our plan to be reflective of the views of industry players at all levels, but more importantly, we want to ensure that the tourism sector recovery is inclusive.

Based on the Covid-19 epidemic expected trajectory, the first phase of the recovery for the sector will be driven by domestic tourism, followed by regional tourism and international tourism next year. Although we will be gradually opening up the sector in the coming months, depending on how the virus is spreading, we expect that the sector will only fully recover towards the end of this year.

We have a beautiful country that will still be beautiful after the Covid-19 pandemic. Post-Covi-19, people will still yearn to visit beautiful places and create memorable moments with their loved ones. We have plans in place to, as soon as the world begins to open up, to resume marketing our country and rebuilding our brand.

CONCLUSION -

South Africans have demonstrated remarkable courage and solidarity in fighting this human tragedy.

As government, we will continue to spearhead the plan for tourism's ability to be a catalyst for the economic recovery, to work faster in a coordinated manner to ensuring that the sector recovery meets its national development objectives.

We remain committed to work tirelessly to safeguard our tourism industry, and this will need heightened cooperation and partnerships as we implement our response plan and lay a foundation for a healthier, more resilient future.

I thank you.