

South African Tourism Annual Report 2024/2025



South Africa Awaits. Come Find Your Joy



COME FIND
YOUR JOY

South Africa Tourism
Annual Report

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Part A

Introduction

General Information

General information context refers to the essential background details or overview that helps readers or listeners understand the subject at hand. It typically includes foundational facts such as the who, what, where, when, why, and how, offering a broad snapshot before diving into deeper analysis.

South African Tourism

General Information

Registered Name

South African Tourism

Registration Number

N/A

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Company Secretary

Bernadetta Tabane (GradCG)

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Tourism Grading Council of South Africa (TGCSA)	Nedbank, 135 Rivonia Road, Sandown, Sandton, 2196
New York	The Bank of New York, 51 West 51 st Street, New York, NY 10019
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Tokyo	MUFG Bank, Ltd. Toranomom Branch, 2-3-17, Toranomom, Minato-ku, Tokyo, Japan 105-0001
India	RBL Bank Limited, Turner Road Bandra, Mumbai 400050
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ABBREVIATIONS / ACRONYMS

Abbreviations/Acronyms	Definition
AA	Accounting Authority
AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
AI	Analytics & Insights
AOP	Annual Operational Plan
APP	Annual Performance Plan
ARCO	Audit and Risk Committee
B2B	Business-to-Business
B2C	Business-to-Consumer
BAC	Bid Adjudication Committee
BARSA	Board of Airline Representatives of South Africa
B-BBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
BMA	Border Management Authority
BSC	Bid Specifications Committee
BQV	Basic Quality Verification
BU	Business Unit
CEL	Central, East and Land Markets
CEO	Chief Executive Officer
CMO	Chief Marketing Officer
COVID-19	Corona Virus Disease
CRM	Customer Relationship Management
CTIA	Cape Town International Airport
DDC	Deal-Driven Campaign

DigiTech	Digital Transformation and Technology
DIRCO	Department of Internal Relations and Co-operation
DOA	Delegation of Authority
DOP	Divisional Operational Plan
DRC	Democratic Republic of the Congo
DSAC	Department of Sports, Arts and Culture
DSTV	Digital Satellite Television
DT	Department of Tourism
EA	Executive Authority
ERRP	Economic Reconstruction and Recovery Plan
ExCo	Executive Committee
FTC	Fixed-Term Contract
FY	Financial Year
G20	Group of Twenty
GAAP	Generally Accepted Accounting Practices
GDP	Gross Domestic Product
GRAP	Generally Recognised Accounting Practice
GRC	Governance, Risk and Compliance
HC	Human Capital
HCREMCO	Human Capital and Rewards Committee
IA	Internal Audit
IBTM	Incentives, Business Travel and Meetings
ICT	Information Communication and Technology
IGR	Industry and Government Relations
IMEX	Exhibition for International Meetings and Events
IMEX-MPI	Exhibition for International Meetings and Events – Meetings Professionals International
ITB	Internationale Tourismus-Borse
ITSM	Information Technology Service Management
KPI	Key Performance Indicator
KSIA	King Shaka International Airport

KZN	KwaZulu-Natal
LATAM	Latin America
MARCOM	Marketing and Commercial Committee
MEISEA	Middle East, India and South East Asia
MICE	Meetings, Incentives, Conferences and Exhibitions
MIPTECH	Ministerial Technical Committee for Tourism
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPIF	Marketing Prioritisation and Investment Framework
MS	Microsoft Office
NPTR	National Public Transport Regulator
NTSF	National Tourism Sector Forum
NTSS	National Tourism Sector Strategy
OPCA	Operation Clean Audit
ORTIA	Oliver Reginald Tambo International Airport
PeWG	Presidential eThekweni Working Group
PFMA	Public Finance Management Act, Act 1 of 1999
PR	Public Relations
PTA	Provincial Tourism Authority
SAA	South African Airways
SANCB	South African National Convention Bureau
SANParks	South African National Parks
SAPS	South African Police Services
SATOVITO	South African Township and Village Tourism Association
SATSA	South African Tourism Services Association
SCM	Supply Chain Management
SONA	State of the Nation Address
SMME	Small, Medium and Micro-Enterprises
SPEPM	Strategic Planning, Evaluation and Programme Management
STEA	Small Tourism Enterprise Association

TBCSA	Tourism Business Council of South Africa
TGCSA	Tourism Grading Council of South Africa
TGSP	Tourism Grading Support Programme
TIP	Tourism Incentive Programme
TOMSA	Tourism Marketing South Africa
TQiT	Total Quality in Tourism
TRDMP	Tourism Route Development Marketing Plan
TSMP	Tourism Sector Masterplan
TSRP	Tourism Sector Recovery Plan
TTIS	Trade, Tourism, Investment and Security Cluster
TTOS	Trusted Tour Operator Scheme
UA	Universal Accessibility
UAE	United Arab Emirates
UK	United Kingdom
USA	United States of America
VTSD	Villages, Townships and Small Dorpies
WTM	World Travel Market
WTO	World Tourism Organisation



Ms. Patricia de Lille

Minister of Tourism

Message by the Minister of Tourism

“Inclusive growth remains central to our vision in this reporting period.”

It is with great pride that I reflect on the pivotal role South Africa’s tourism sector continues to play in driving inclusive economic growth and sustainable development. The 2024/25 Financial Year (FY2024/25) was one marked by renewed global momentum for tourism growth, and South Africa’s continued progress is a testament to focused interventions, strategic partnerships, and unwavering commitment across all spheres of government and industry.

Globally, the tourism sector recorded a resurgence in 2024, reaching approximately 1.3 billion international tourist arrivals, according to the World Tourism Organisation (WTO). South Africa contributed to this achievement, welcoming over 8 million international tourists, with Africa leading with the largest arrival numbers, followed by markets such as Europe, the United States and Asia. Tourism’s economic footprint is further evidenced by

growth in international tourist spend, of R92.7 billion. On the domestic front, total overnight trips reached 40 million, generating R133.1 billion in spend, up 7.5% from the previous year. There was also an increase in domestic holiday direct spend to R61 billion.

Notably, South Africa’s performance in business events or the Meetings, Incentives, Conferences and Exhibitions (MICE) sector remained strong, underpinned by strategic visibility through platforms like South African Tourism-owned Meetings Africa 2025 and South Africa’s participation at global showcases including Incentives, Business Travel and Meetings (IBTM) World, Exhibition for International Meetings and Events (IMEX) Frankfurt and IMEX Las Vegas. These platforms not only contributed to positioning our country as a world-class MICE destination but also expanded market access for smaller and medium enterprises.

Inclusive growth remains central to our vision. In this reporting period, more than 335 black-owned tourism businesses benefitted from targeted campaigns in the regions in which South African Tourism has a footprint. Additionally, 328 youth, women, and black-owned Small, Medium and Micro-Enterprises (SMMEs) benefitted from campaigns implemented in the Africa region. Activations like the Sustainability Village elevated local arts and culture products, providing them with greater visibility and meaningful income opportunities. These interventions highlight our commitment to transform the tourism value chain and enable emerging businesses to

compete and thrive on the global stage.

To further support the sector's growth, South African Tourism partnered with various stakeholders, including the Department of Home Affairs and members of the private sector to address systemic barriers, notably through interventions in visa facilitation, air access expansion, and safety messaging. The implementation of the Trusted Tour Operator Scheme (TTOS) for China and India, for instance, marked a bold step toward improving visitor processing efficiency in key growth markets. Government's active role in enhancing tourism infrastructure and creating an enabling policy environment is vital in ensuring South Africa remains a competitive, accessible, and attractive destination.

I would like to thank the South African Tourism Board for their commitment to governance and leadership in steering the organisation in the right direction to help achieve its mandate of increasing arrivals to South Africa and growing domestic tourism. I would also like to extend my gratitude to the entire team at South African Tourism, led by Chief Executive Officer, Nombulelo Guliwe, and her executive team for the steadfast commitment to inclusive growth, job creation, and promoting the authentic spirit of our nation to the world.

As South Africa stands on the cusp of hosting the 2025 G20 Summit, our country is poised to assert tourism as a strategic pillar of economic diplomacy and global cooperation. Let us remain united in driving tourism forward not just as an economic contributor, but as a bridge for transformation and innovation.

The implementation of the Trusted Tour Operator Scheme (TTOS) for China and India, for instance, marked a bold step toward improving visitor processing efficiency in key growth markets.



Ms. Patricia de Lille

Minister of Tourism

Date: 30 September 2025





Professor Gregory Davids

Chairperson of the Board

Foreword by the Board Chairperson

“As outlined in the various regional performance reports, it is evident that South African Tourism’s deliberate strategy to transform the sector and drive sustainable and inclusive growth is paying dividends.

It is an honour to reflect on the achievements of South African Tourism during the 2024/25 financial year, a period marked by progress, purpose, and partnership.

As the South African Tourism Board, our primary role is to give effect to our mandate as enshrined in the Tourism Act of 2014 through setting the strategic direction, oversight, and the assurance of good governance. This year, we reaffirmed our commitment to good governance and ethical leadership, helping the organisation steer through both opportunity and complexity with integrity

and impact. In this regard, the appointment of capable executive members was instrumental in steering South African Tourism toward sustainable growth.

Underpinned by robust governance frameworks, and despite persistent global and local market challenges, the organisation made significant strides in fulfilling its legislative mandate as enshrined in the Tourism Act of 2014 and delivering on the targets outlined in the Tourism Sector Master Plan and advancing tourism’s critical role in South Africa’s economic recovery and growth. These included boosting demand for destination South Africa, expanding the visibility of our diverse tourism offerings, and amplifying economic participation in the sector.

We are particularly encouraged by the organisation’s performance in delivering inclusive economic value. As outlined in various regional performance reports, it is clear that South African Tourism’s deliberate strategy to transform the sector and drive sustainable and inclusive growth is paying dividends.

Tourism has a transformative agenda of changing people’s lives. In this regard, our focus is to ensure that tourism benefits accrue to marginalised communities. We are committed to ensuring that tourism contributes to the eradication of poverty, unemployment, and inequality.

South African Tourism remains committed to prudent resource management and budget execution. While detailed figures are included

in the Annual Financial Statements, it is worth noting that the investment in high-performing and targeted integrated marketing campaigns yielded significant returns in awareness, engagement, and conversion. Domestic tourism saw an increase in overnight trips to 40.2 million, while total domestic overnight spend reached R133.5 billion, underscoring the strategic value of focusing on the local market as both an economic contributor and resilience buffer.

South African Tourism continued to play a progressive role in enhancing the global positioning of both leisure and business events tourism. South Africa's strong presence at strategic platforms such as IMEX Las Vegas 2024, IMEX Frankfurt 2024, IBTM World 2024, and ITB Berlin 2025, along with our hosting of Africa's Travel Indaba 2024 and Meetings Africa 2025, demonstrated the country's readiness and capability to host world-class events and compete on the global stage. Notably, achievements in the MICE sector and continued progress in the Tourism Grading System further reinforced quality standards, while opening new pathways for emerging enterprises to access international markets.

The Board notes encouraging progress in employee engagement during the year, pointing to early signs of improvement in organisational culture and internal communication. Ongoing efforts to implement strategic staff engagement initiatives and enhance internal alignment have begun to yield results, supporting the organisation in delivering on its mandate more effectively.

This progress would not be possible without the continued support and leadership of the Honourable Minister of Tourism, to whom we extend our sincere gratitude.

During this financial year, the South African Tourism team affirmed their resilience, passion, and unwavering commitment to the sector's growth. We therefore thank South African Tourism, led by Chief Executive Officer, Nombulelo Guliwe, and her executive team.

The South African Tourism Board would also like to thank our tourism trade partners and the broader industry stakeholders for their partnership and collaboration. Together, we are reshaping the narrative of South African tourism to one that is inclusive, sustainable, and globally competitive.

On behalf of the Board, I reaffirm our commitment to governance excellence, strategic foresight, and people-centred leadership.

Let us all remain steadfast in building a tourism sector that benefits all South Africans and the rest of the greater African continent.



Professor Gregory Davids
Chairperson of the Board
South African Tourism
Date: 31st July 2025





Ms. Nombulelo Guliwe

Chief Executive Officer

Chief Executive Officer's Overview

“South African Tourism will continue to strengthen partnerships across the public and private sectors, ensuring that stakeholder engagement is effective, policy frameworks are aligned, and tourism strategies are consistent.”

General Financial Review of the Public Entity

During the reporting year, South African Tourism recorded a total revenue of R1.4 billion. Of this, R1.2 billion came from government grants, and an additional R113 million was earned from activities related to exhibitions, conferences, and business meetings organised by SANCB during the same period. Revenue from grading activities reached R25.6 million, stemming from the quality assurance of properties in 2024/25. Moreover, South African Tourism continued to grow its surplus funds through short-term investments, earning R53 million in interest across four financial institutions.

Spending Trends of the Public Entity

As the main Destination Marketing Organisation (DMO) promoting South Africa globally as a top destination for leisure and business, South African Tourism's largest expenses have been focused on the Global Tourism Brand campaign. This campaign has been strategically launched across regional and local markets. In the financial year, 69% of the total expenditure was spent on this campaign and related marketing efforts. South African Tourism continued to stabilise its operations by filling vacant roles with skilled, qualified, and experienced staff, ensuring the organisation's full capacity. The workforce expenditure for the year reached R224 million.

Other priority expenditures included ICT support costs, office administration costs, grading expenses, and audit-related activities conducted during the financial year.

Overall, the entity spent R1.389 billion of the R1.435 billion total revenue generated, focusing on expenditures necessary to advance its mandate. This resulted in an accounting surplus of R45 million.

Capacity Constraints & Challenges Facing the Public Entity

South African Tourism's performance improved by 10% compared to the previous year, increasing from 78% to 88% in FY2024/25. A total of 37 out of 42 planned annual targets were achieved, while five targets (12%) were not met.

The consistent improvement in the entity's non-financial performance results is due to the

commitment demonstrated by staff towards optimising performance and the consistent monitoring of performance across all business units.

South African Tourism ended the financial year with a high vacancy rate of 22%, recording 45 vacancies against the 202 approved positions in the entity's organisational structure, and 31 terminations for the fiscal. Critically, the position of Chief Operations Officer was filled during the reporting period. Recruitment is underway for the remaining vacancies at executive level, including the Chief Financial Officer, the Chief Audit Executive, and the Chief Convention Bureau Officer.

Key challenges were encountered in the execution of the global brand campaign, enhancement of risk management processes, performance on the corporate brand index, and progress in grading. However, ongoing mitigation strategies continue to be implemented in each area including targeted campaign recalibration, strengthened internal controls, strategic brand positioning efforts, and revised grading frameworks to address these issues and drive continuous improvement.

Discontinued Key Activities/Activities to be Discontinued

During the year under review, South African Tourism executed initiatives aligned with its mandate, including delivery against the Economic Reconstruction and Recovery Plan (ERRP), the Tourism Sector Master Plan (TSMP), and the Five-Year Strategic Plan (2020–2025), as guided by the FY2024/25 Annual Performance Plan (APP).

Notably, no material amendments were made to the Five-Year Strategic Plan during the FY2024/25 planning cycle, and therefore, no activities were discontinued.

New or Proposed Key Activities

South African Tourism fulfilled its mandate through five budget programmes, with a primary focus on destination marketing, business events, and enhancing the visitor experience.

In continuing to address control deficiencies identified in audit outcomes, the Finance business unit, which is included in Programme 1, will undertake training and development as part of consequence management initiatives and is in the process of implementing the automated invoice validation. All programmes executives should provide input on new or proposed key activities i.e reflections on 2024/25.

Requests for Roll Over of Funds

South African Tourism, in line with Section 53 of the Public Finance Management Act (PFMA), has requested to retain a surplus of R75 082 809. This surplus is calculated after deducting commitments of R17 211 591, contingent liabilities of R7 490 487, and rollover of prior year unspent private sector funds totalling R133 543 522. In their application to the National Treasury, they detailed strategic projects that aim to promote South Africa's tourism both domestically and internationally, while also fostering transformation within the tourism industry.

Supply Chain Management

Year on year, South African Tourism implements a comprehensive non-financial and financial planning process, guided by related legislation, frameworks and guidelines. This process informs the development of the entity's Annual Performance Plan (APP), Annual Operational Plan (AOP) and Divisional Operational Plans (DOPs). These plans and the related resource requirements are presented to the entity's Budget Council, which is chaired by the Chief Executive Officer (CEO), with Executive Managers as members. The Budget Council considers the investment requests tabled by all business units (BU). The Budget Council then makes a determination of the budget allocations per business unit. On this basis, the operational plans are finalised, and informs the development of the Annual Procurement Plan.

As per Section A.1.10 (b) of the Delegation of Authority (DoA), the Annual Procurement Plan is tabled with the Audit and Risk Committee (ARCO) and the Board for approval. The Annual Procurement Plan informs the required procurement process and activities for the financial year. The approved annual procurement plan for FY2024/25 was submitted to National Treasury to comply with Supply Chain Management (SCM) Instruction Note 2 of 2016/17. Progress on the implementation of the Annual Procurement Plan was reported to the Executive Committee (ExCo) on a monthly basis. Tracking and monitoring of the Annual Procurement Plan is a standard agenda item at the Bid Adjudication Committee (BAC).

The SCM Business Unit conducted training across the entity on the Public Finance Management Act (PFMA), the SCM Code of conduct, and ethics, in order to promote integrity in the supply chain

management environment. The BU monitored compliance to SCM policies throughout the financial year, and continued to build the capability of the entity's procurement committees, including the Bid Adjudication Committee, Bid Evaluation Committees (BEC) and Bid Specifications Committees (BSC).

By the end of the fiscal, the entity had concluded 73% of audit findings, raised by the Auditor-General South Africa (AGSA) in the prior year, and by the IA BU in the FY2024/25.

All Concluded Unsolicited Bid Proposals for the Year Under Review

There were no recorded unsolicited bids during the year under review.

Audit Report Matters in the Previous Year and How Would they be Addressed

The Internal Audit (IA) BU is South African Tourism's internal assurance provider, and operates independently. This function operates against an approved rolling internal audit plan and oversees the mitigation of internal and external audit findings. The IA BU tabled monthly reports to ExCo, and quarterly reports to the ARCO and the Board.

By the end of the financial year, the entity had concluded 73% of audit findings, raised by the Auditor-General South Africa (AGSA) in the prior year, and by the IA BU in the FY2024/25. Open findings are largely within the Human Capital, Governance, Risk and Compliance, Finance, SCM, and Tourism Execution business units, and are being addressed in Quarter 1 of FY2025/26.

Outlook and Plans for the Future

Aligned with the priorities of the seventh administration, South African Tourism will continue to promote the destination both locally and globally, with the aim of increasing tourist arrivals and expenditure. These marketing efforts seek to position South Africa as a leading tourism destination through integrated global and domestic marketing strategies that resonate with diverse audiences. Global marketing initiatives will include unified branding, digital platforms, and public relations efforts to enhance South Africa's visibility and competitiveness. Partnerships with airlines, trade networks, and tour operators are critical enablers, ensuring seamless travel experiences, improved connectivity, and increased bookings from key markets.

The distribution channel initiatives are focused on improving South Africa's tourism market presence through collaborative mutual relationships with networks of traditional and non-traditional tourism companies, media, individuals, and direct marketing platforms. These initiatives aim to increase travel demand

and conversion ratios to drive tourism growth in international and domestic markets.

Domestic tourism initiatives and the summer, easter, and travel week campaigns will align with the District Development Model by promoting geographic spread and encouraging tourism in rural and underrepresented areas. These initiatives aim to diversify South Africa's tourism offerings and stimulate local economies, providing affordable and inclusive travel opportunities.

The Business Events Programme plays a pivotal role in driving business tourism growth, stimulating economic activity and elevating South Africa's global competitiveness in the business events sector. This work includes supporting bid submissions, coordinating strategic events, and collaborating with stakeholders to enhance South Africa's standing as a preferred MICE destination. These efforts are integral to building the country's reputation and driving sustainable growth in the business events sector.

Strategic platforms, such as Meetings Africa and Africa's Travel Indaba, showcase South Africa's capacity to host world-class business events and provide essential market access for local products and services. These platforms consistently make provincial and national economic impact through direct, indirect and induced contributions. On average, Meetings Africa and Africa's Travel Indaba gross contributions to the GDP approximate R420 million and R1.4 billion per annum, respectively. With 105 bid submissions planned

for FY2025/26 and a streamlined bidding toolkit in place, South Africa will strengthen its competitive edge in the global MICE market.

The Business Events Programme plays a pivotal role in driving business tourism growth, stimulating economic activity and elevating South Africa's global competitiveness in the business events sector.

Inclusivity is prioritised through villages, townships and small dorpiés (VTSDs) events, with at least 10 events planned in underrepresented areas. These efforts align with the District Development Model, promoting equitable regional development and fostering economic growth in historically marginalised communities. By ensuring that business events directly benefit these areas, South African Tourism contributes to transformation goals.

Quality assurance efforts, led by the Tourism Grading Council of South Africa (TGCSA), aim to grade 4 500 establishments in FY2025/26. This seeks to ensure that South Africa maintains a strong reputation for quality and consistency, building trust among visitors and travel trade partners.

Global trade initiatives are two-fold in that they will cover and enhance collaboration with the distribution channel as well as drive the Tourism Route Development Marketing Plan (TRDMP). Collaboration with the distribution channel aims to improve market access, increase destination knowledge, strengthen brand appeal, and support trade partners to optimally sell the destination. The TRDMP aims to enhance access to South Africa through targeted initiatives: increasing connectivity and reducing travel barriers. On the latter, South African Tourism will also have quarterly engagements with relevant industry stakeholders to assist the formulation of the TRDMP mechanism. Together, these efforts will promote South Africa as a lucrative travel destination to sell and add to the route network.

The Analytics and Insights Unit leads a broad portfolio of research initiatives that underpin strategic decision-making across South African Tourism. This includes not only the International and Domestic Brand Tracker surveys and Business Events Brand Tracker, but also extends to the Departure and Domestic Surveys, post-event evaluations, and a steady stream of trend analysis and thought leadership outputs. Through these efforts, the unit generates rich, data-driven insights that inform marketing strategies, enhance visitor experiences, and support evidence-based policy development. By harnessing real-time market intelligence and staying attuned to emerging tourism trends, the unit ensures South African Tourism remains agile, informed, and future-focused.

The entity will develop the traveller application and streamline South African Tourism's digital infrastructure to enable real-time decision-making. These advancements are critical for ensuring that South African Tourism remains competitive in an increasingly digital tourism landscape and that marketing strategies are informed by robust, data-driven intelligence.

South African Tourism will continue to strengthen partnerships across the public and private sectors, ensuring that stakeholder engagement is effective, policy frameworks are aligned, and tourism strategies are consistent. This will drive a whole-of-tourism approach, promoting cohesion and enhancing South African Tourism's credibility.

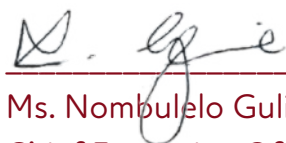
South African Tourism will continue to strengthen partnerships across the public and private sectors, ensuring that stakeholder engagement is effective, policy frameworks are aligned, and tourism strategies are consistent.

Economic Viability

South African Tourism implemented its Budget Optimisation Strategy to ensure effective use of its annual budget. The entity remains a going concern, demonstrating both solvency and liquidity, with total assets exceeding liabilities.

Conclusion

A heartfelt vote of thanks is extended to our Shareholder, the Honourable Minister of Tourism, for her steadfast leadership and guidance. I also wish to express my sincere appreciation to the South African Tourism Board for their continued support throughout the reporting period. Most importantly, I extend my deepest gratitude to the dedicated employees of South African Tourism. Your unwavering commitment, resilience, and daily efforts are the driving force behind our achievements. Thank you for showing up and giving your best, regardless of the challenges.



Ms. Nombulelo Guliwe
Chief Executive Officer
Date: 31st July 2025



Statement of Responsibility & Confirmation of Accuracy of the Annual Report

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the Annual Report (AR) is consistent with the Annual Financial Statements (AFS) audited by the Auditor-General of South Africa.

The Annual Report is complete, accurate, and free from any omissions.

The Annual Report has been prepared in accordance with the Annual Report Guide as issued by National Treasury.

The AFS (Part F) have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practices (GAAP), including any interpretations of such statements issued by the Accounting Standards Board, and in accordance with the prescribed standards of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board, replacing the equivalent South African GAAP statement. Full details have been disclosed in the AFS.

The Accounting Authority (AA) is responsible for the preparation of the AFS and for the judgements made in this information.

The AA is responsible for establishing and implementing a system of internal control, which has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information, and the AFS.

External auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the Annual Report fairly reflects the operations, performance information, human resources information, and the financial affairs of the entity, for the financial year ended 31st March 2025.

Ms. Nombulelo Guliwe
Chief Executive Officer



Professor Gregory Davids
Board Chairperson





Vision

South Africa positioned as an exceptional tourist and business events destination that offers a value-for-money, quality tourist experience that is diverse and unique.



Mission

Marketing South Africa both internationally and domestically to increase the volume of tourists and the value they add to the economy, by:

Implementing an integrated tourism marketing strategy for South Africa;

Promoting South Africa as a world-class business events destination;

Facilitating the delivery of service-orientated, quality-assured tourism experiences;

Positioning South African Tourism as an industry thought leader;

Championing a digital outlook for the industry; and

Enhancing stakeholder participation and collaboration.



Values

South African Tourism subscribes to organisational values which are in line with the **Batho Pele Principles**:

Integrity: We do things consistently, ethically, and honestly, regardless of the circumstances.

Respect: We treat everyone with utmost dignity, inclusiveness, openness and tolerance, and a sense of appreciation of diversity.

Authentic/Caring: We show, and act, with genuine care to each other, customers, shareholder, partners, suppliers, and the business.

Responsibility: We take personal accountability for delivering work that exceeds customers' and stakeholders' expectations.

Excellence: We take pride in, and commit to, always meeting and exceeding our customers' and stakeholders' expectations with outstanding quality.

Legislative & Other Mandates

Constitutional Mandate

At the apex of the legislative mandate informing the work of South African Tourism is the Constitution of the Republic of South Africa, Act 108 of 1996, as the supreme law of the Republic of South Africa. The following sections of the Constitution of the Republic of South Africa, 1996, are relevant to South African Tourism:

- Chapter 3 Section 41(1) regarding co-operative government assigns functions to the three spheres of government.
- Part A of Schedule 4 cites tourism as a functional area of concurrent national and provincial legislative competence.

Legislative Mandate

Legislation informing the delivery of South African Tourism's core mandate includes the:

- Tourism Act (No. 3 of 2014), Chapter 3, outlines among others, the functions, powers, delegations, term of office, composition, board meetings, remuneration and board committees of the South African Tourism Board.
- Public Finance Management Act (No. 1 of 1999, as amended), including its regulations, lists South African Tourism as a Schedule 3A National Public Entity, that accounts to the Minister of Tourism and Parliament.
- The PFMA prescripts and regulations are applicable to the entity's governance and operations.
- Various legislation pertaining to the governance and control environment and institutional arrangements.

- All national and provincial legislation and regulations, and all municipal bylaws, applicable to South African Tourism's functions or the areas in which it operates.
- The Green Paper on the Development and Promotion of Tourism in South Africa outlines interventions that are pivotal to tourism growth, which will be implemented in a coordinated and effective manner. Key to South African Tourism are the tourism crisis management framework, domestic tourism, facilitating ease of access, a unified tourism competitive identity for South Africa, regional integration, promoting South Africa as a preferred destination for tourism investment, positioning South Africa as a leader in hosting international events, keeping pace with technological developments, responsible tourism, strengthening mechanisms for quality visitor services, and investment in rural and peri-urban routes to stimulate the rural economy. The White Paper 2024 was gazetted on 4th October 2024.

Other Mandates

Emerging regulatory amendments, which impact the operations of South African Tourism were:

- The new Preferential Procurement Regulations, 2022, under the Preferential Procurement Policy Framework Act, 2000.
- The amendments to the Employment Equity Act were signed into law by the President of the Republic of South Africa on 14th April 2023, and its regulations to implement the amendment.

There are no updates to the policy mandates presented in the Five-Year Strategic Plan 2020-2025, which reflect as follows:

- The National Development Plan, Vision 2030 (2012) (NDP) which seeks to eliminate poverty and sharply reduce inequality and unemployment by 2030. The NDP recognises tourism as one of the main drivers of employment and economic growth.
- The Medium-Term Strategic Framework 2019-2024 (MTSF) was the manifestation of an implementation plan for the NDP and gave effect to the electoral mandate of the 6th Administration. It was framed around seven national priorities for the period to 2024. South African Tourism contributed to three MTSF priorities:

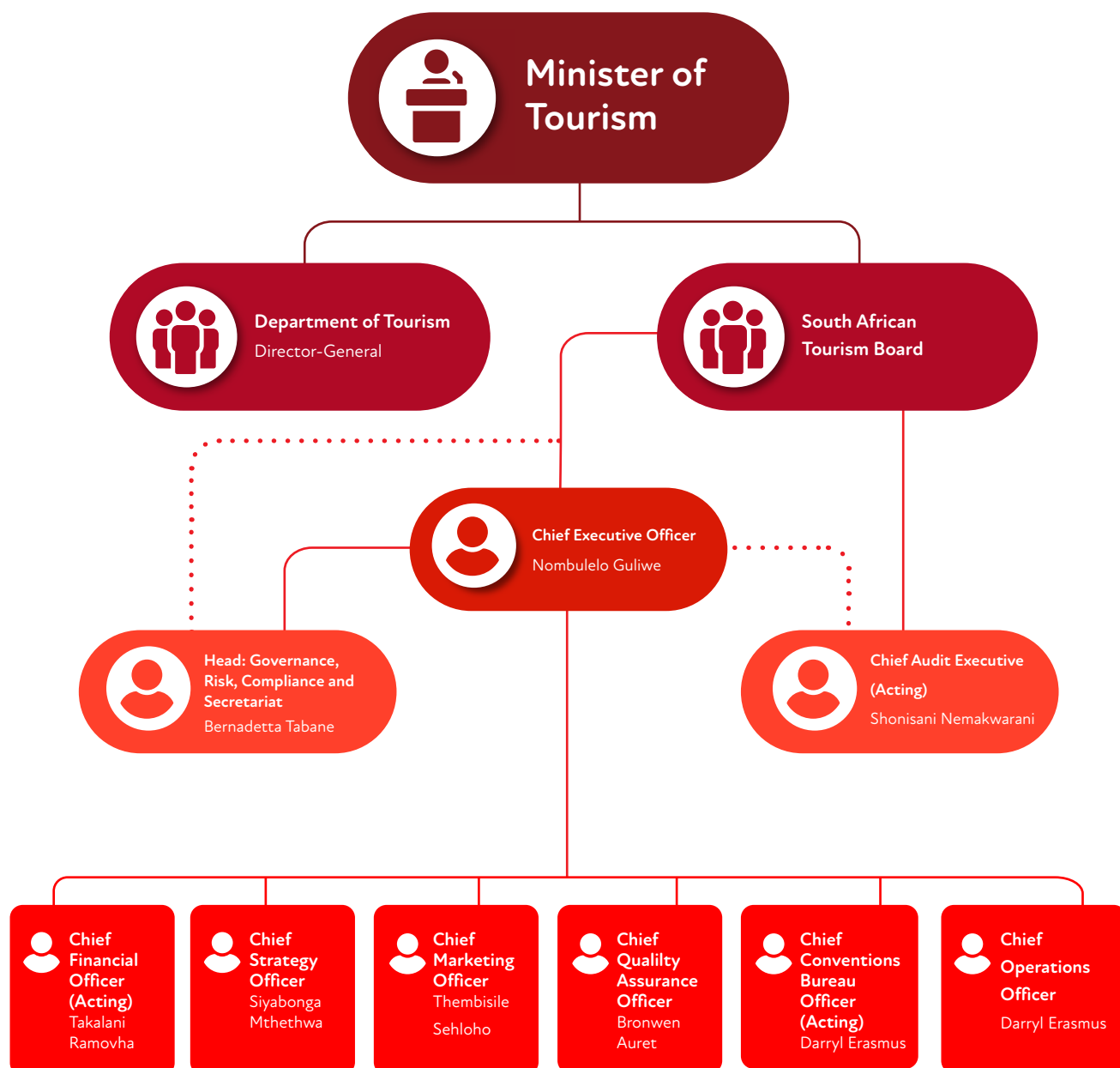
- **Priority 1:** A capable, ethical, and developmental State.
- **Priority 2:** Economic transformation and job creation; and
- **Priority 7:** A better Africa and world.

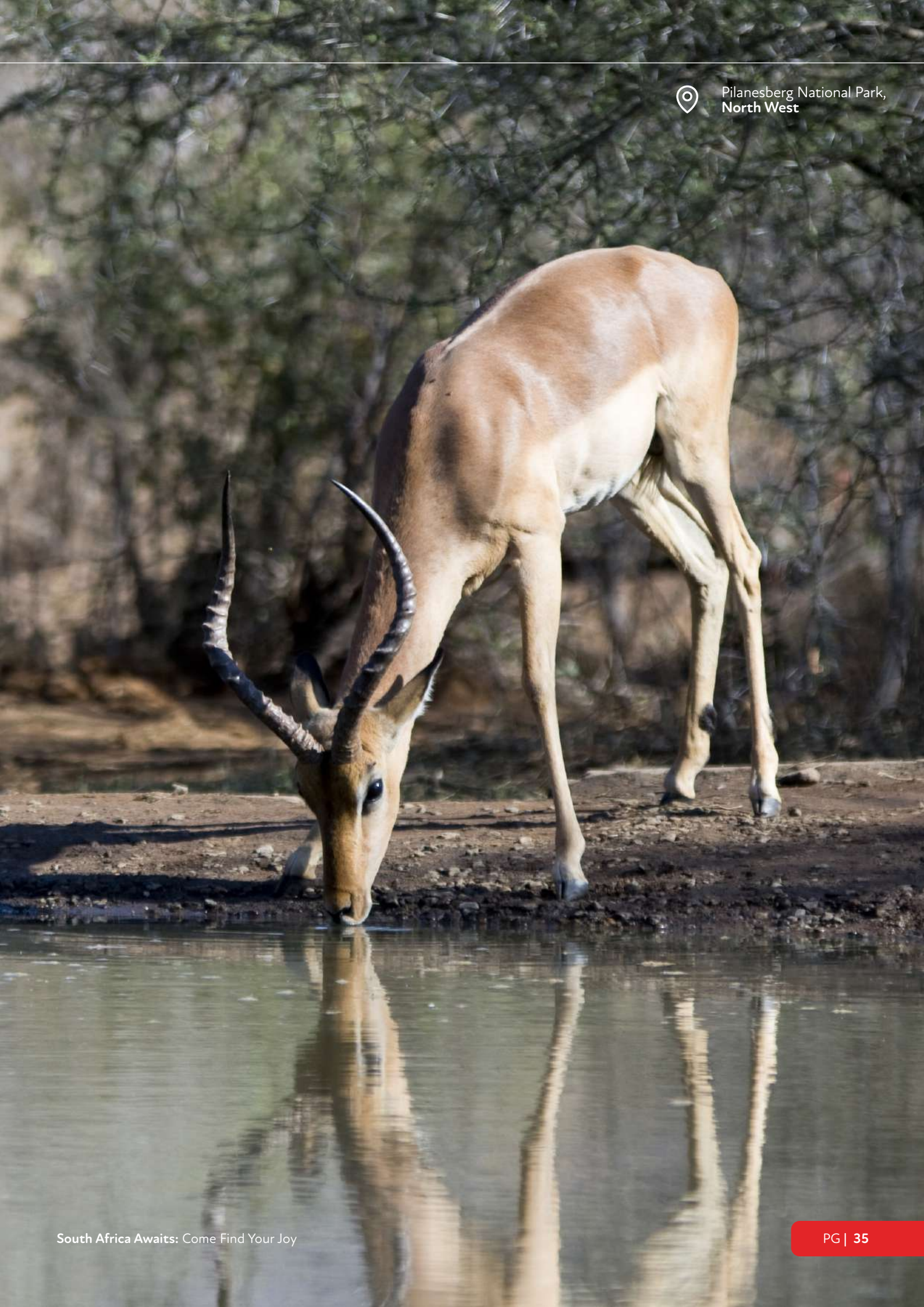
- The National Tourism Sector Strategy 2016-2026 sets out a vision for a “rapidly and inclusively growing tourism economy that leverages South Africa’s competitive edge in nature, culture and

heritage, underpinned by ubuntu and supported by innovation and service excellence.”

- The White Paper on the Development and Promotion of Tourism in South Africa (1996) provides a framework and guidelines for tourism development and promotion in South Africa. The White Paper 2024 was gazetted on 4th October 2024.
- The Tourism Grading Council of South Africa grading criteria, 2019, seeks to advance and maintain a recognisable, credible, and globally benchmarked system of quality assurance for accommodation and venues in South Africa.
- The Tourism Black Economic Empowerment Charter aims to not only make South African tourism globally competitive, but to open the benefits of tourism to previously disadvantaged individuals.

Organisational Structure





Part B

Our Impact

Performance Information

Tracking South African Tourism's impact, outcomes, and progress across global markets - reflecting on achievements, challenges, and strategic goals shaping the future of destination marketing.



Kruger National Park,
Mpumalanga

South Africa Awaits: **Come Find Your Joy**

Auditor-General’s Report: Pre-Determined Objectives

Refer to the Auditor General’s Report for FY2024/25, pages 178 to 187, for the outcome of the audit of performance objectives.

Overview of South African Tourism’s Performance

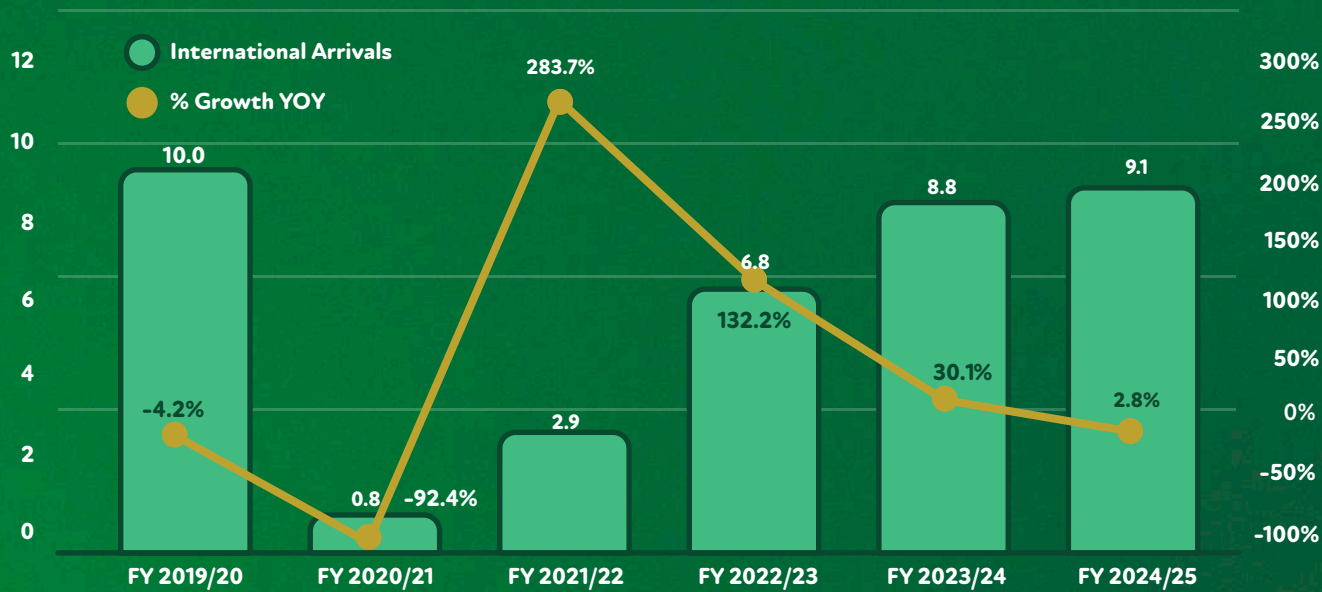
“ Tourism in South Africa enjoyed a positive year-on-year growth of 2.8% to welcome 9.1 million tourists

Service Delivery Environment

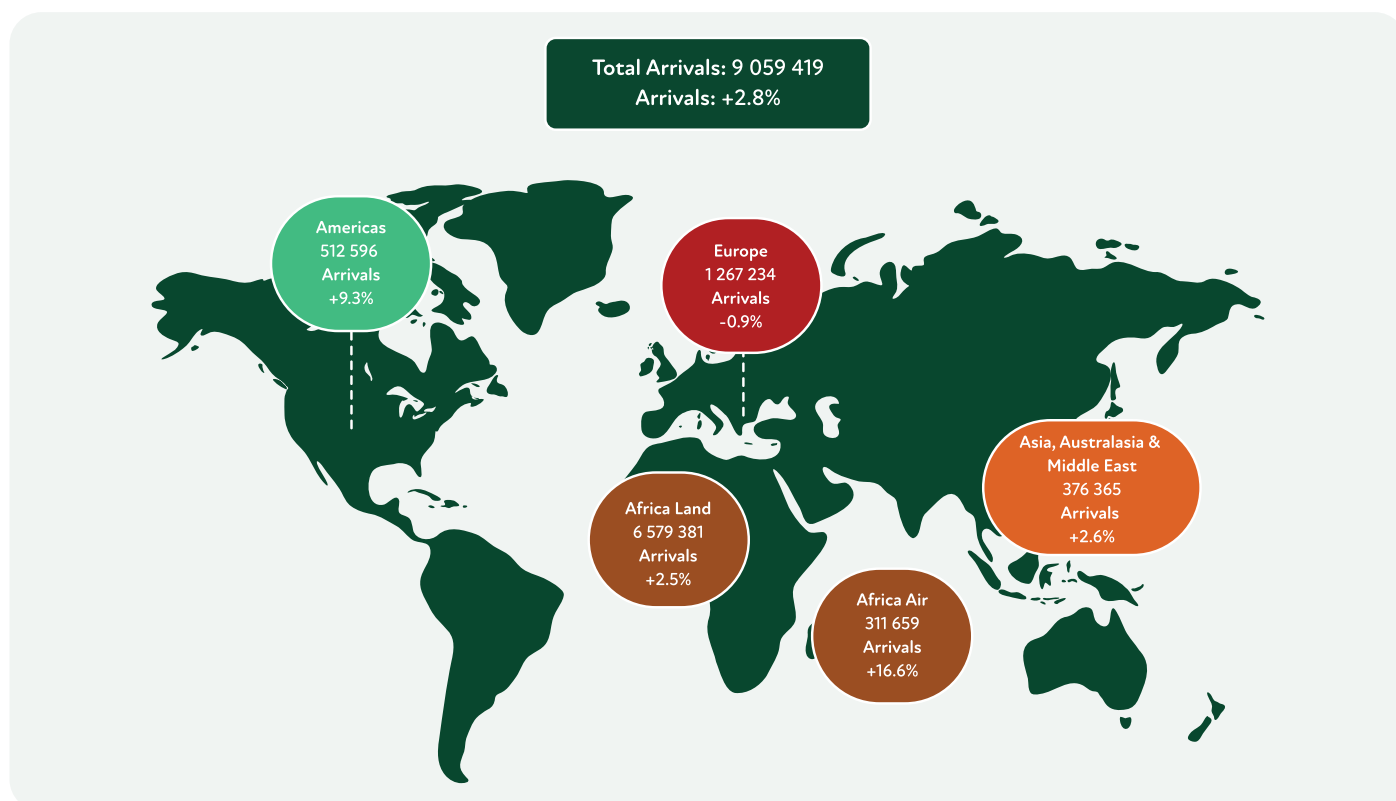
International Tourism Performance

In the financial year 2024/25, South Africa observed an upswing in international tourist influx, with arrivals peaking at 9.1 million. This represents a positive year-on-year growth of 2.8% over the previous financial year. This shows the growth made by the sector despite the ongoing recovery process.

International Tourist Arrivals FY2024/25 (Million)



Source: Statistics South Africa International Tourism P0350 FY2024/25



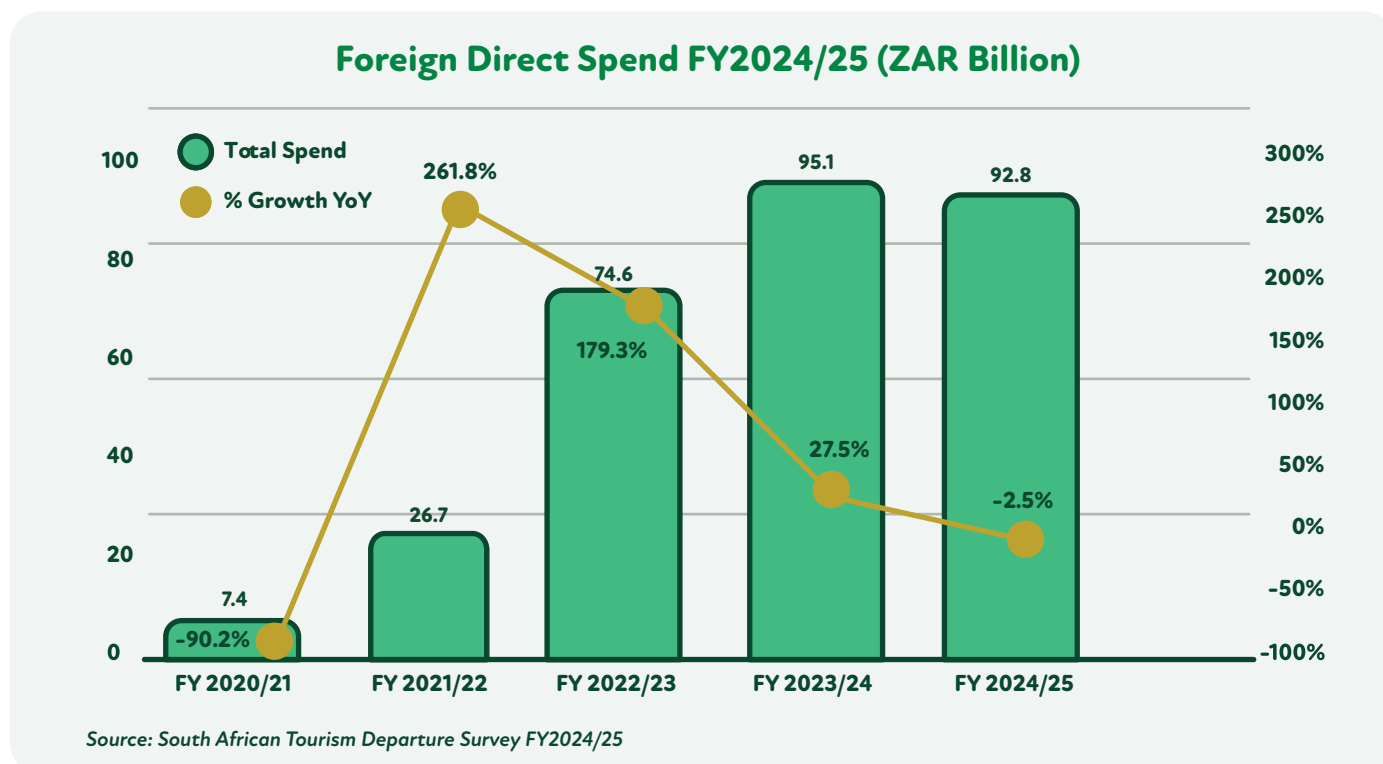
Source: Statistics South Africa International Tourism P0350 FY2024/25

South Africa welcomed an array of international travellers, with the largest segment hailing from the Africa region, accounting for an impressive 6.9 million arrivals. Europe followed as the second-largest source market, contributing 1.3 million arrivals, while the Americas accounted for 512 596 arrivals. Encouragingly, all these regions exhibited growth, when compared to FY2023/24. In terms of the distribution of arrivals, the Africa region maintained the most substantial share, holding 76.1% of the total, followed by Europe, accounting for 14.0% of arrivals. The below table outlines the tourist arrivals by region for FY2024/25:

Tourist Arrivals by Region	FY2023/24	FY2024/25	FY2024/25 % Growth	FY2024/25 Share of Arrivals
Africa	6 683 463	6 891 040	3.1%	76.1%
Africa Land	6 416 076	6 579 381	2.5%	72.6%
Africa Air	267 387	311 659	16.6%	3.4%
Europe	1 278 308	1 267 234	-0.9%	14.0%
Americas	469 105	512 596	9.3%	5.7%
Asia	209 378	208 955	-0.2%	2.3%
Australasia	105 972	121 614	14.8%	1.3%
Middle East	51 426	45 796	-10.9%	0.5%
Total	8 810 010	9 059 419	2.8%	100%

Source: Statistics South Africa International Tourism P0350 FY2024/25

Total foreign direct spend declined slightly by 2.5%, reaching R92.8 billion in FY2024/25, from R95.1 billion in FY2023/24:



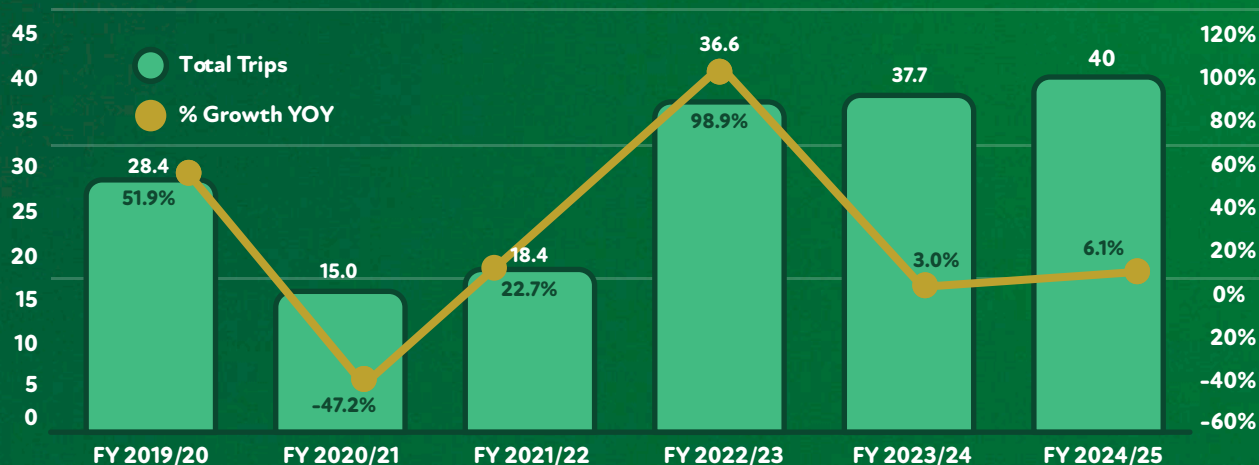
Tourists from Africa and Europe remain the biggest spenders when visiting South Africa. Even though these two regions make up 90.1% of South Africa's tourist arrivals, they do not spend in the same way. African tourists represented a big proportion of South Africa's arrivals (76.1%), but only accounted for 45.9% of the total spending. On the other hand, Europe, despite making up only 14.0% of South Africa's tourist arrivals, contributed a significant 30.6% to the total spending. The table below outlines the spend by region:

Spend by Region	FY2023/24	FY2024/25	FY2024/25 % Growth	FY2024/25 % Share
Africa	R43 929 093 202	R42 550 997 684	-3.1%	45.9%
Africa Land	R38 798 855 009	R36 638 371 100	-5.6%	39.5%
Africa Air	R5 130 238 193	R5 912 626 584	15.3%	6.4%
Europe	R31 255 431 720	R28 377 392 343	-9.2%	30.6%
Americas	R12 216 528 893	R14 367 921 849	17.6%	15.5%
Asia	R3 955 364 599	R3 847 071 644	-2.7%	4.1%
Australasia	R2 549 450 332	R2 524 181 734	-1.0%	2.7%
Middle East	R1 237 302 627	R1 122 858 097	-9.2%	1.2 %
Total	R95 143 171 374	R92 790 423 352	-2.5%	100%

Source: South African Tourism Departure Survey FY2024/25

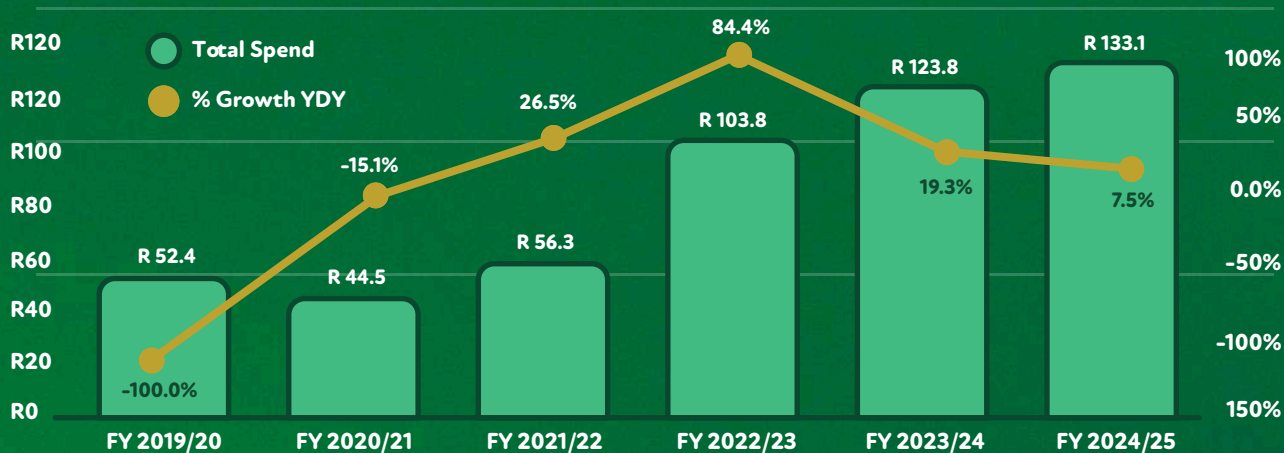
Domestic Tourism Performance

Total Domestic Overnight Trips (Million)



Source: South African Tourism Domestic Survey FY2024/25

Total Domestic Overnight Spend (Billion)



Source: South African Tourism Domestic Survey FY2024/25

Domestic overnight travel continued its upward trajectory in FY2024/25, with 40.0 million trips recorded, up from 37.7 million in the previous year. The 6.1% increase, while modest, reflects a sustained appetite for local travel, reaffirming domestic tourism's critical role in driving the sector's stability and growth.

Total overnight spend grew by 7.6%, rising from R123.8 billion in FY2023/24 to R133.1 billion in FY2024/25. This solid increase signals healthy expenditure across accommodation, food, transport, and related services.

Despite an 8.1% decline in overnight holiday trips, from 12.6 million in FY2023/24 to 11.5 million in FY2024/25, total holiday spend rose by 7.9%, reaching R61.0 billion. This indicates that leisure travellers are spending more per trip, potentially driven by longer stays, premium experiences, and/or increased travel costs.

Day trips held steady, with a marginal 1.3% decline from 125.2 million in FY2023/24 to 123.6 million in FY2024/25. However, day trip spend grew by 2.8% in FY2024/25 to R145.2 billion, suggesting a rise in spend per outing and/or an increased demand for quality day experiences.

Together, these trends point to a resilient domestic tourism market, with South Africans continuing to explore their country, contributing meaningfully to tourism's economic footprint.

Organisational Environment

In FY2024/25, South African Tourism's human capital management related activities continued to embed a high-performance and people-centric culture across the entity, with strategic interventions in organisational design, performance management reform, and employee wellness.

By March 2025, workforce planning efforts had produced mixed results regarding equity and diversity targets. Overall female representation successfully met the target at 60%. However, the proportion of senior and top management positions held by women was 48%, falling just short of the target. Representation of persons with disabilities remained significantly below target at 1%, against the desired 2%. Positively, black employee representation exceeded the 60% target, reaching 75%.

During the year under review, South African Tourism experienced a cybersecurity incident involving ransomware, which was successfully contained. All ICT services were promptly restored, and no data was compromised or leaked to the internet. To ensure thorough follow-up after the incident, an external service provider was appointed to conduct a forensic assessment in collaboration with our Internal Audit business unit. The forensic report corroborated our internal assessment of the incident and recommended several measures to better protect organisational data. The ICT business unit has on the basis of the recommendations arising from the external forensic report, commenced with implementing security hardening initiatives and will review the current cybersecurity framework and strategy.

Key Policy Developments & Legislative Changes

Since the tabling of the Five-Year Strategic Plan 2020-2025 in March 2020, certain policy and strategy developments have emerged, which have a bearing on the work and operations of South African Tourism. These policy implications and directives were considered in the development of the FY2024/25 APP.

The National Tourism Sector Strategy (NTSS) 2016–2026, adopted by Cabinet in December 2017, as well as the NDP, served as the foundation for the creation of the Tourism Sector Masterplan, (TSMP) adopted by Cabinet in 2023. Additionally, this masterplan was derived from the three-year Tourism Sector Recovery Plan (TSRP), 2021, which comprised of interventions that extended beyond its immediate implementation time period of 2023–2024.

A clear role for South African Tourism was determined in the Tourism Sector Masterplan, similar to the role outlined for the entity in the Tourism Sector Recovery Plan.

Progress Towards Achievement of Institutional Impacts & Outcomes

Informed by the mandate and Medium-Term Strategic Framework (MTSF), and articulated in South African Tourism's Five-Year Strategic Plan 2020 – 2025, the Impact Statement and Outcomes are:

Impact	Tourism in South Africa grows and increasingly contributes to Gross Domestic Product (GDP), job creation, inclusive economic participation, and is enjoyed by all South Africans.
Outcomes	Increase the tourism sector's contribution to inclusive economic growth.
	Achieve good corporate and cooperative governance.

During the annual planning cycle, the outcome indicators and five-year targets reflected in the Five-Year Strategic Plan 2020 - 2025 were reviewed. This resulted in one amendment to a Technical Indicator Description. The amendment was outlined in Annexure A of the FY2024/25 APP.

The progress recorded for the Five-Year Strategic Plan 2020 - 2025 targets for the FY2024/25 is:

Progress Towards Doubling International Tourist Arrivals to 21 Million by 2030

Baseline (2019/20): 10.3 million | Five-Year Target: 10.3 million

While the sector faced a significant contraction in FY2020/21 with only 760 100 arrivals due to the COVID-19 pandemic and resultant lock-downs and travel restrictions, recovery gained momentum, reaching 9.1 million in FY2024/25. Though short of pre-pandemic levels, the consistent annual growth from FY2021/22 onwards signals a strong recovery trajectory aligned with the 2030 vision to double arrivals.

Rand Value of International Tourist Spend

Baseline (2019/20): R90.7 billion | Five-Year Target: R86.7 billion

The international tourist spend surpassed the five-year target, peaking at R95.1 billion in FY2023/24 before marginally declining to R92.8 billion in FY2024/25. This trend demonstrates resilience in high-value tourism recovery, despite initial pandemic-induced constraints.

Number of Domestic Holiday Trips

Baseline (2019/20): 7.1 million | Five-Year Target: 10.8 million

Domestic tourism significantly outperformed expectations, with trips rising to 11.5 million in FY2024/25. This reflects the success of domestic travel stimulation efforts and changing traveller behaviour post-pandemic.

Rand Value of Domestic Holiday Direct Spend

Baseline (2019/20): R17.3 billion | Five-Year Target: R33.5 billion

Domestic spend exhibited exceptional growth, reaching R61.0 billion by FY2024/25, more than triple the baseline and substantially above the target. This is indicative of increased consumer confidence and the growing role of domestic tourism in economic recovery.

Seasonality of Tourist Arrivals

Baseline (2019/20): 1.3% | Five-Year Target: 1.0%

Post the COVID-19 pandemic, seasonality stabilised at 1.0% from FY2021/22 and remained unchanged at 1.0% in FY2024/25, indicating a more balanced distribution of arrivals across the year, which is desirable for industry sustainability.

Geographic Spread of International Tourist Arrivals

Baseline (2019/20): 20.0% | Five-Year Target: 13.9%

This indicator declined steadily to 9.1% by FY2024/25, indicating a narrowing geographic distribution of international arrivals. This calls for targeted interventions to diversify visitor flows and promote lesser-visited provinces.

Geographic Spread of Domestic Tourist Arrivals

Baseline (2019/20): 8.0% | Five-Year Target: 8.0%

Despite efforts to encourage domestic travel across all provinces, the geographic spread of domestic tourist arrivals declined below target over the five-year period. It reached 3.3% in FY2024/25, reflecting continued concentration of travel in a few provinces. This underlines the need for strengthened marketing and infrastructure support in lesser-visited regions.

Number of International Business Events Hosted

Baseline (2019/20): 230 | Five-Year Target: 111 cumulative (2020/21–2024/25)

Progress toward hosting international business events has been moderate, with a total of 131 events hosted in FY2024/25. Post-pandemic recovery years show that the business events sector is regaining traction and remains a key lever for high-value tourism.

Number of SMME Businesses Supported

Baseline (2019/20): 182 | Five-Year Target: 1 096 cumulative (2020/21–2024/25)

The support to SMMEs significantly exceeded targets early in the reporting cycle. A total of 1 008 SMMEs were supported in FY2024/25. This reflects an enhanced focus across the entity on inclusive growth and transformation for enterprise development in the tourism value chain.

External Audit Outcome

Baseline (2019/20): Unqualified audit outcome | | Five-Year Target: Unqualified audit outcome maintained

Following a qualified audit in FY2020/21, South African Tourism successfully improved its financial governance and maintained unqualified audit outcomes in FY2021/22 and FY2022/23. Due to a governance compromised financial year, the audit result for FY2023/24 regressed to a qualification. Sustained improvements demonstrate commitment to transparency and financial discipline, as evidenced by the FY2024/25 audit outcome improving to an unqualified audit outcome.

South African Tourism Corporate Brand Index

Baseline (2021/22): 68.2 South African Tourism Corporate Brand Index | Five-Year Target: 74.24 South African Tourism Corporate Brand Index

The South African Tourism Corporate Brand Index score slightly declined to 66.9 in FY2024/25 from 71.8 in FY2023/24, highlighting reputational challenges that emerged amid changing stakeholder expectations and market dynamics. Targeted reputation management efforts will be critical going forward.

The drop in the Corporate Brand Index from 71.8 to 66.9 reflects a decline in stakeholder confidence, particularly among South African stakeholders. There was a drop in responsiveness, in areas such as consultation and discussion depth. Communication and partnership formation also weakened, with stakeholders reporting reduced engagement frequency, less effective communication channels, and a drop in objective engagement outcomes. Although the support pillar improved slightly, it remains the least influential in driving overall satisfaction.

To reverse this trend, targeted and consistent engagement is needed. This includes improving consultation skills, ensuring follow-up on stakeholder concerns, increasing the visibility and accessibility of South African Tourism representatives, and delivering more actionable, well-structured communications. South African stakeholders need to feel heard, supported, and involved in meaningful dialogue. Reinforcing a clear, responsive, and coordinated approach across all interactions will be critical in regaining trust and boosting the Index score in future cycles.

Year on year progress towards the five-year targets is as follows:

Outcome	Amended in Annexure A of FY2023/24 APP			Five-year Target (to March 2025)
	Outcome Indicator	Baseline FY (2019/20)	Five-Year Target (to March 2025)	
1. Increase the tourism sector's contribution to inclusive economic growth	Progress towards doubling international tourist arrivals to 21 million by 2030 (State of the Nation [SONA] 2019)	10.3 million	10.3 million	FY2020/21: 760.1 thousand
				FY2021/22: 2.9 million
				FY2022/23: 6.8 million
				FY2023/24: 8.8 million
				FY2024/25: 9.1 million
	Rand value of international tourist spend	R90.7 billion	R86.7 billion	FY2020/21: R7.4 billion
				FY2021/22: R26.7 billion
				FY2022/23: R74.6 billion
				FY2023/24: R95.1 billion
				FY2024/25: R92.8 billion
	Number of domestic holiday trips	7.1 million	10.8 million	FY2020/21: 3.1 million
				FY2021/22: 4.6 million
				FY2022/23: 9.9 million
				FY2023/24: 12.6 million
				FY2024/25: 11.5 million
	Rand value of domestic holiday direct spend	R17.3 billion	R33.5 billion	FY2020/21: R12.1 billion
				FY2021/22: R25.8 billion
				FY2022/23: R47.4 billion
				FY2023/24: R56.5 billion
				FY2024/25: R61.0 billion
	Seasonality of tourist arrivals	1.3%	1.0%	FY2020/21: Not tracked due to COVID-19.
				FY2021/22: 1.0%
				FY2022/23: 1.0%
				FY2023/24: 1.0%
				FY2024/25: 1.0%
	Geographic spread of international tourist arrivals	20.0%	13.9%	FY2020/21: 13.8%
				FY2021/22: 12.2%
				FY2022/23: 11.0%
				FY2023/24: 9.7%
				FY2024/25: 9.1%
	Geographic spread of domestic tourist arrivals	8.0%	8.0%	FY2020/21: 4.0%
				FY2021/22: 2.6%
				FY2022/23: 1.8%
				FY2023/24: 3.3%
				FY2024/25: 3.3%
	Number of international business events hosted	230	111 (cumulative 2020/21-2024/25)	FY2020/21: 0
				FY2021/22: 6
				FY2022/23: 49
				FY2023/24: 98
				FY2024/25: 131
	Number of SMME businesses supported	182	1 096 (cumulative 2020/21-2024/25)	FY2020/21: 0
				FY2021/22: 228
				FY2022/23: 628
				FY2023/24: 479
				FY2024/25: 1 008

2. Achieve good corporate and cooperative governance	External audit outcome	Unqualified audit outcome	Unqualified audit outcome maintained	FY2020/21: Qualified
				FY2021/22: Unqualified
				FY2022/23: Unqualified
				FY2023/24: Qualified
				FY2024/25: Qualified
	South African Tourism Corporate Brand Index	Baseline of 68.24 determined in 2021/22	74.24 South African Tourism Corporate Brand Index	FY2020/21: First study concluded in FY2021/22
				FY2021/22: 68.2
				FY2022/23: 74.7
				FY2023/24: 71.8
				FY2024/25: 66.9

Institutional Programme Performance Information

South African Tourism is constituted by five budget programmes which inform the Annual Performance Plan and the Annual Report:



Programme One
Corporate Support



Programme Two
Business Enablement



Programme Four
Business Tourism



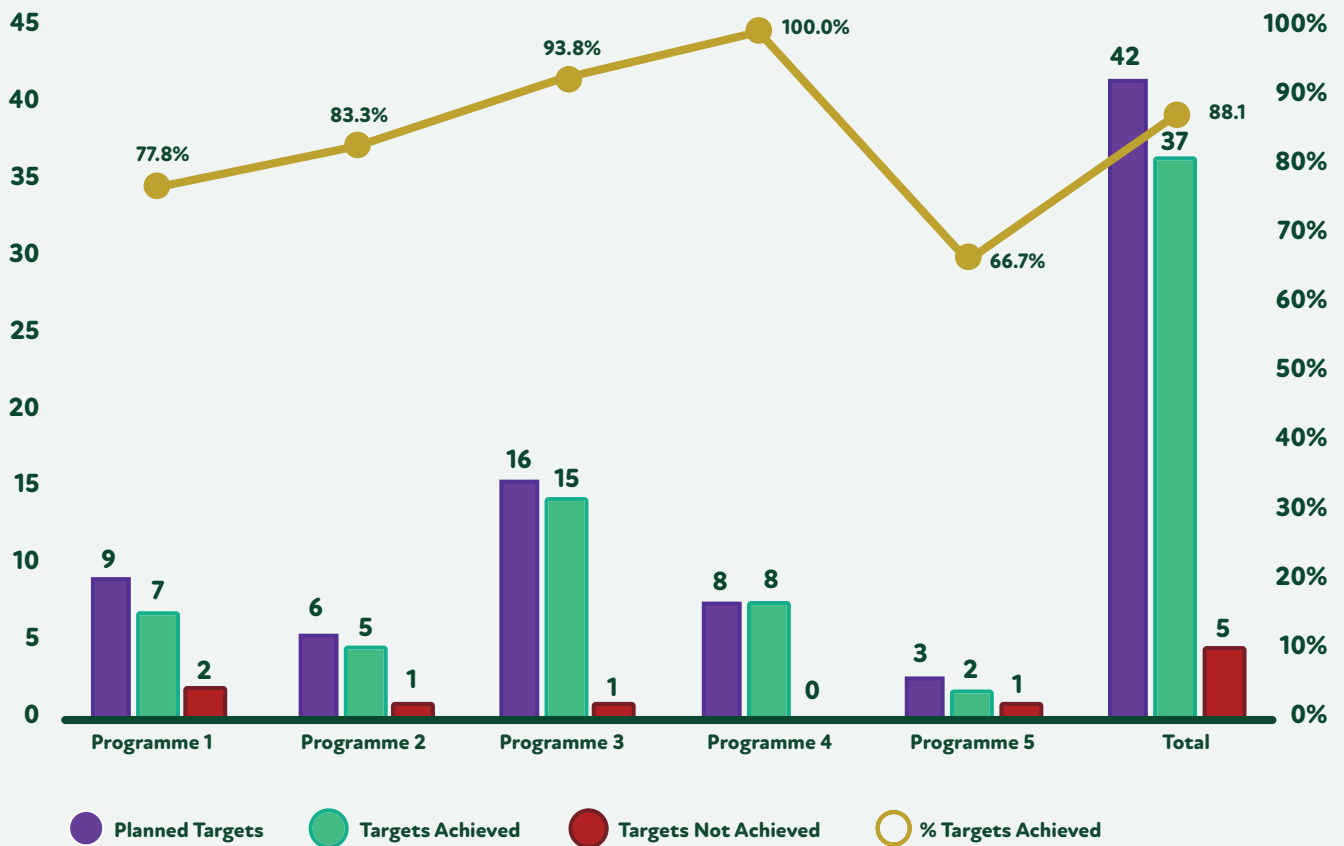
Programme Three
Leisure Tourism
Marketing



Programme Five
Tourism Experience

South African Tourism's performance improved from 78.3% in FY2023/24, achieving 88.1% for FY2024/25, delivering 37 of 42 planned annual targets. Five (11.9%) targets were not achieved.

FY2024/25 Annual Programme Performance



Programme 1: Corporate Support

Overview of the Programme

The Corporate Support Programme provides effective support services to the organisation, ensures compliance with statutory requirements, and ensures strategy development and integration with business performance monitoring, governance, and evaluation. The Corporate Support Programme includes the following business units:

Business Unit	Purpose
Governance, Risk, Compliance (GRC) & Company Secretariat	Provides efficient, effective, and proactive legal, governance, enterprise risk, and compliance support services to South African Tourism.
Internal Audit (IA)	Provides independent and objective assurance and consulting activity designed to add value and improve the organisation’s operations.
Finance, Supply Chain Management (SCM) & Facilities	Provides and manages effective end-to-end financial management and supply chain support services to the organisation.
Human Capital Management (HC)	Builds an inspired and energised organisation and ensures that the organisation has the necessary skills and capacity to operate successfully.
Information Communication & Technology (ICT)	Creates business value by delivering ICT-related systems and services that increase operational efficiency and effectiveness.
Office of the Chief Executive Officer: Chief of Staff	Provides strategic support to the CEO to achieve the mandate and outcomes of South African Tourism.
Office of the Chief Executive Officer: Strategic Planning, Evaluation & Programme Management (SPEPM)	Ensures strategy development and integration with business performance monitoring, evaluation, and reporting.

In contributing towards the South African Tourism impact of ‘tourism in South Africa grows and increasingly contributes to GDP, job creation, inclusive economic participation, and is enjoyed by all South Africans’, the Corporate Support Programme delivers against the following outcome and five-year targets in the approved Five-Year Strategic Plan 2020-2025:

Institutional Outcome	Sub-Outcome	Outcome Indicator	Baseline (2019/20)	Five-Year Target (2024/25)
Achieve good corporate and cooperative governance	Improved corporate reputation	External audit outcome	Unqualified audit outcome	Unqualified audit outcome maintained
		South African Tourism Corporate Brand Index	New indicator	74.24 South African Tourism Corporate Brand Index

Outcomes, Outputs, Output Indicators, Targets & Actual Achievements

Enhancing South African Tourism's corporate brand, distinct from the destination brand, was elevated in FY2024/25. A central tenant of the corporate brand is a well-governed, well-managed, and credible organisation. An effective governance and internal control environment, inclusive of a compliant and ethical SCM, remained a focus as South African Tourism amplified its efforts to attain a clean audit outcome.

Internal Audit

The Auditor-General's Management and Audit Reports as well as Internal Audit Reports provide recommendations to senior management to rectify weaknesses in financial management, performance management, compliance with legislation, and service delivery. The recommendations also focus on addressing the underlying root causes of these challenges. The Internal Audit business unit tracks the implementation of these recommendations on a monthly and quarterly basis. For the reporting year, the entity implemented 73% of the recommendations against the target of 100%. The outstanding recommendations that were not concluded by the due dates in the Human Capital, Governance, Risk and Compliance, Finance, Visitor Experience, Tourism Execution, and Office of the CEO business units will be addressed in the new financial year.

Finance, Supply Chain Management & Facilities

Operation Clean Audit (OPCA) is a proactive initiative to improve audit outcomes by strengthening internal controls and minimising and/or preventing compliance issues that ultimately lead to negative audit findings. Following the annual audit by the Auditor-General and audits undertaken by Internal Audit, where findings have been identified, a clear audit action plan was developed and tracked monthly. This was undertaken in collaboration with the entity's internal assurance partners. This initiative has the potential to assist the business broadly to reduce adverse audit outcomes and encourage collective ownership. During the year under review, Operation Clean Audit was implemented as planned which included inter alia:



Some of the highlights in the Finance and Supply Chain Management environment included:

- 100% of compliant invoices were paid within 30 days from date of receipt.
- Six initiatives to promote integrity and ethical conduct in SCM were implemented as per Section 57 of the PFMA. These initiatives primarily included:
 - Conducted organisation-wide training on the functioning of bid committees, their codes of conduct and managing conflict of interests within these procurement committees, and the PFMA.
 - Raised awareness on ethics in the public service to promote transparency and mutual trust and drive an environment where business can be conducted with accountability, integrity and fairness.
 - Confirmed budget allocations for each business unit for FY2024/25.
 - Monitored non-compliance to SCM policies across all business units across different quarters.
- The Budget Optimisation Strategy was implemented and reviewed, noting the below key deliverables:
 - Monitoring of the following:
 - Cost efficiencies and areas for revenue generation across the business;
 - Income received from strategic partnerships;
 - Participation fees received from strategic platforms; and
 - Funds received from the Department of Tourism.
 - Implementation of measures to monitor spending.

Governance, Risk, Compliance & Company Secretariat

The targets planned within the risk management portfolio were not implemented as planned throughout the financial year, due to a lack of capacity for this function. The position of Risk and Compliance Officer was advertised in February 2024 with a closing date of 23rd February 2024, as a 12 month fixed-term contract (FTC), given the moratorium that was in effect at the time. Subsequent to the advertisement, the shortlisting was conducted and only one candidate met the minimum requirements of the position. A request was made that the 12-month FTC be extended to a 24-month FTC. In a parallel process, a motivation was approved to fill critical vacancies, inclusive of the Risk and Compliance Officer, which is currently underway. As a mitigating measure, the entity appointed a service provider to assist with Enterprise Risk Management, including the implementation of the risk maturity assessment recommendations.

Human Capital Management

In rebuilding the organisational culture and enhancing employee engagement, the Staff Engagement Survey Two-Year Improvement Plan and the Organisational Effectiveness Assessment Three-Year

Improvement Plan were implemented. The implementation of these plans demonstrated significant progress towards fostering a culture that promotes transparency, recognition and organisational values.

The Staff Engagement Survey Two-Year Improvement Plan was implemented, with the below highlights:

- SmartHR newsletters kept employees engaged and informed during the financial year.
- Action plans on culture transformation were received from business units, laying the foundation for a long-term shift.
- The Peer Recognition Programme was successfully introduced, increasing morale and encouraging values-driven behaviour.
- Implemented a recruitment dashboard to track the status of vacancies.
- A Performance Anxiety Workshop was held for employees.
- Conducted bi-annual Wellness Days.
- The Performance Management Policy was revised during the year and is scheduled for implementation in FY2025/26. A new bi-annual review system was piloted in 2024 with a new template developed and deployed, aimed at improving employee performance management.
- A salary benchmarking exercise was undertaken to determine how the entity's remuneration compares with market standards and to assess the entity's competitiveness in attracting and retaining talent.
- Implemented activities to promote living the values.

The Organisational Effectiveness Assessment Three-Year Improvement Plan was implemented, with the below key deliverables:

Organisational Culture Transformation

- The current (as-is) organisational culture was assessed.
- The desired culture was co-designed in collaboration with the Executive Committee.
- Culture Labs were conducted with leadership teams across the organisation.
- Action plans were developed and implemented by each business unit to embed the desired culture.

Leadership Development

- A baseline assessment of leadership development practices was completed.
- Emotional Intelligence assessments were conducted and individual reports were shared with leaders.
- Leadership engagement sessions were held, including maturity benchmarking activities.
- Leadership development workshops were facilitated, resulting in the formulation of a comprehensive development plan.

Change Management Implementation

- A detailed change and communication plan was developed.
- Stakeholder engagements were conducted to drive change alignment.
- Change Champions were appointed throughout the organisation.
- Change readiness assessments were carried out.
- Change management workshops were rolled out in phased sessions.

Competency Framework Development

The development of a competency framework was initiated to support integrated talent management and capability building.

Strategic Planning, Evaluation & Programme Management

Through the Strategic Planning, Evaluation and Programme Management business unit, South African Tourism continued to strive for delivering efficiency within the organisation through robust and coordinated planning and optimising organisational performance. The following processes and mechanisms were executed throughout the financial year with regards to planning and reporting:



Performance Information Management, Monitoring and Reporting Deliverables



Information & Communication Technology

Through the FY2024/25 Roadmap for ICT Governance Framework, four initiatives were successfully implemented:

- **Microsoft Office 365 Implementation:** The migration from Google Services to Microsoft (MS) Office 365 was successfully completed. This transition, which focuses on using MS Office 365 as the primary platform, enhances efficiency and collaboration both internally and externally, while also reducing data duplication across application systems.
- **Implementation of an Information Technology Service Management (ITSM) Helpdesk for South African Tourism:** This initiative was successfully rolled out. It fosters a structured approach within ICT to provide better support for all business requests.
- **Implementation of the Digital Signature Solution:** This solution was successfully implemented and enables an automated approval process for all official documents, promoting efficiency, and supporting a paperless working environment. Additionally, it provides an audit trail for every document processed through the system.
- **Review of the Business Process Management Solution and Integration Points:** This review was completed successfully and integrated South African Tourism's systems, including Oracle, SmartHR, and the Total Quality in Tourism (TQiT) system, thereby establishing a single point for data storage and enhancing data integrity.

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement 2024/25	Reasons for Deviation
Achieve good corporate and cooperative governance	Sound governance and internal control environment	Improved risk maturity level	Improved risk maturity level from two to three	The risk maturity level was not determined	Improved risk maturity level up by one level from the prior assessment	The FY2024/25 risk maturity assessment was not conducted thus the maturity level could not be determined	Target not achieved	The position of Risk and Compliance Officer was advertised in February 2024 with a closing date of 23 rd February 2024, as a 12 month fixed-term contract (FTC), given the moratorium that was in effect at the time. Subsequent to the advertisement, the shortlisting was conducted and only one candidate met the minimum requirements of the position. A request was made that the 12-month FTC be extended to a 24-month FTC. In a parallel process, a motivation was approved to fill critical vacancies, inclusive of the Risk and Compliance Officer, which is currently underway. As a mitigating measure, the entity appointed a service provider to assist with Enterprise Risk Management, including the implementation of the risk maturity assessment recommendations
		Corporate Compliance Campaign (Operation Clean Audit) was implemented	N/A	FY2023/24 Corporate Compliance Campaign (Operation Clean Audit) was implemented with the exception of one activity	FY2024/25 Corporate Compliance Campaign (Operation Clean Audit) was implemented	The FY2024/25 Corporate Compliance Campaign (Operation Clean Audit) was implemented	None	None required
		Percentage implementation of valid internal and external audit recommendations	100% implementation of valid audit recommendations	91% implementation of valid audit recommendations	100% implementation of valid audit recommendations	73% of valid audit recommendations were implemented	Target not achieved by 27%	The recommendations that were not concluded by the due dates are within the Human Capital, Governance, Risk and Compliance, Finance, Visitor Experience, Tourism Execution, and Office of the CEO business units
	Optimal financial management	Percentage payment of compliant invoices within 30 days from date of receipt	100% payment of compliant invoices within 30 days from date of receipt	100% payment of compliant invoices within 30 days from date of receipt	100% payment of compliant invoices within 30 days from date of receipt	100% of compliant invoices were paid within 30 days from date of receipt	None	None required
		Number of initiatives to promote integrity and ethical conduct in Supply Chain Management (SCM) implemented as per Section 57 of the PFMA	N/A	Six SCM ethics and integrity initiatives were implemented	Six SCM ethics and integrity initiatives were implemented	Six SCM ethics and integrity initiatives were implemented	None	None required

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement 2024/25	Reasons for Deviation
Achieve good corporate and cooperative governance	Revenue enhancement and cost optimisation	Budget Optimisation Strategy implemented	Budget optimisation benchmarking study commenced	The Budget Optimisation Strategy was finalised	Budget Optimisation Strategy implemented and reviewed	The Budget Optimisation Strategy was implemented and reviewed	None	None required
	Optimal human capital management and development	Staff Engagement Survey Improvement Plan implemented	2.3 Staff engagement score	Staff Engagement score of 2.61 was achieved	Staff Engagement Survey Two-Year Improvement Plan implemented	The Staff Engagement Survey Two-Year Improvement Plan was implemented	None	None required
		Organisational Effectiveness Assessment Improvement Plan implemented	N/A	N/A	Organisational Effectiveness Assessment Three-Year Improvement Plan implemented	The Organisational Effectiveness Assessment Three-Year Improvement Plan was implemented	None	None required
	Enhanced ICT Governance Framework and internal controls	ICT Governance Framework implemented	ICT Governance Framework developed and approved FY2023/24 implementation roadmap for ICT Governance Framework developed	The FY2023/24 Roadmap for the ICT Governance Framework was implemented	FY2024/25 Roadmap for ICT Governance Framework implemented	The FY2024/25 Roadmap for ICT Governance Framework was implemented	None	None required

Strategy to Overcome Areas of Under-Performance

Target	Mitigating Action/s
Improved risk maturity level up by one level from the prior assessment	The entity appointed a service provider to assist with Enterprise Risk Management, including the implementation of the risk maturity assessment recommendations. The work on enterprise risk management is currently underway. In parallel, the entity is currently optimising its organisational structure to ensure that all vacancies are filled, including the vacant post of the Risk and Compliance Officer
100% implementation of valid audit recommendations	Management will conclude the outstanding findings in FY2025/26

Programme 2: Business Enablement

Overview of the Programme

The purpose of the Business Enablement Programme is to enhance collaboration with various stakeholders, and to provide centralised tourism intelligence to support evidence-based decision-making. Programme 2 includes the following business units:

Business Unit	Purpose
Digital Transformation and Technology (DigiTech)	Enables the visualisation and interaction with data obtained from digital channels, dynamic reporting, and data-driven digital marketing execution.
Analytics and Insights (AI)	Provides centralised tourism intelligence and establishes South African Tourism as a thought leader in the sector.
Office of the Chief Executive Officer: Industry and Government Relations (IGR)	Enhances collaboration with various stakeholders.

In contributing towards the South African Tourism impact of tourism in South Africa grows and increasingly contributes to GDP, job creation, inclusive economic participation, and is enjoyed by all South Africans', the Business Enablement Programme delivers against the following outcome and five-year targets in the approved Five-Year Strategic Plan 2020-2025:

Institutional Outcome	Sub-Outcome	Outcome Indicator	Baseline (2019/20)	Five-Year Target (2024/25)
Achieve good corporate and cooperative governance	Relevant tourism intelligence and digital ecosystem	South African Tourism Corporate Brand Index	New indicator	74.24 South African Tourism Corporate Brand Index

Outcomes, Outputs, Output Indicators, Targets & Actual Achievements

Digital Transformation

Numerous benefits will be realised from the entity's Digital Transformation Programme, including operational and cost efficiencies. While the programme is long term in nature, the implementation of key components supported strategic adaptability and a digital culture across the organisation and the tourism sector. The DigiTech business unit thus enabled visualisation and interaction with data obtained from digital channels, dynamic reporting, and supported data-driven digital marketing execution. Key to this was the implementation of the Integrated Digital and Analytics Operating Framework Year 3 Roadmap. Digital performance reporting provided critical insights through social listening and website analytics, helping to shape brand strategy and improve campaign effectiveness.

Customer Relationship Management System

The customer relationship management (CRM) system saw increased usage across the organisation, enhancing data-driven reporting and decision-making. The DigiTech business unit also advanced the development of new consumer platforms by capturing business requirements and creating wireframes for future implementation. Platform support and maintenance achieved 95% uptime, ensuring reliable performance and a seamless user experience.

Two main initiatives were executed during the financial year, which also served to support the digital empowerment of South Africa's tourism sector, including women, youth, and people with disabilities:

Partner Platform

This platform allows trade partners, especially SMMEs, to create and sell travel deals or packages at no cost. It helps them market their products and experiences directly. South African Tourism hosted user guide sessions at events like Africa's Travel Indaba, and Meetings Africa during Tourism Month.

Digital Assets Library

The entity launched an upgraded Digital Assets Library with improved navigation to support SMMEs in accessing and downloading high-quality destination content. This helps reduce their production costs by eliminating the need to outsource imagery and empowers them to market their provinces using existing assets. Key features include a modern, user-friendly interface, enhanced keyword search for faster access to content, and a new profile creation requirement for external users. These profiles link directly to South African Tourism's CRM system, allowing for customised access and better user tracking.

Analytics & Insights

Research

The intelligence derived from data and research are strategic assets that underpin the success of all modern organisations. The Business Enablement Programme, through the Analytics and Insights Business Units continued to deliver insights based on quality research and analytics. In support of South African Tourism's journey to be an insights-led organisation, demand-driven research was conducted to enable business and sector growth.

A core focus area was comprehensive market research studies, including gathering data from departing tourists, domestic tourists, net promoter score reviews and brand tracker surveys. These studies provided invaluable data on international leisure tourism, domestic tourism, and business events performance, ensuring informed decision-making that supports sustainable industry growth. In this regard, five tourism information tracking surveys were concluded, namely, the International Leisure Brand Tracker, the Departure Survey, the Domestic Tourism Survey, the Business Events Brand Equity Survey, and the Domestic Leisure Brand Tracker.

During this financial year, the Analytics and Insights business units successfully delivered two key projects aimed at strengthening South Africa's tourism strategy:



Data-Driven Decision-Making and Industry Reporting

The Analytics and Insights business units maintained a strong commitment to transparent and timely

reporting, ensuring that industry players, academics, and stakeholders have access to accurate and insightful tourism performance data. Quarterly and Annual Key Performance Indicator (KPI) Reports such as the Corporate Brand Index serve as the primary source of holistic performance information, enabling stakeholders to track the sector's progress. By establishing clear targets for key markets, the Analytics and Insights business units created a structured approach to measuring performance and growth across international, domestic, and business events markets. Data from KPI reports also informs tourism GDP contributions, reinforcing the entity's role as a key provider of critical industry intelligence. Additionally, the production of Global Trends Reports has empowered tourism role-players to identify and adapt to emerging global travel trends, ensuring the country remains competitive. These insights equipped trade partners with the knowledge needed to capitalise on new market opportunities and evolving traveller expectations, ultimately enhancing the overall visitor experience.

A significant leap towards big data integration has positioned South African Tourism at the forefront of modern tourism analytics, enhancing efficiency and enabling real-time decision-making. Investments in forward-looking data, sentiment analysis, and trend monitoring have strengthened the organisation's ability to anticipate market shifts and respond proactively. As part of these advancements, work is underway to implement data lakes, providing centralised storage and seamless access to key tourism data. Moreover, interactive dashboards were developed to make insights more accessible and actionable for industry.

Thought Leadership and Industry Impact

The AI business units strengthened the entity's role in thought leadership by producing insightful reports and articles, sparking industry discussions and shaping the tourism discussion. This year, 14 thought leadership pieces were published, with key topics including economic impact assessments, the future of tourism jobs, the importance of SMMEs to the sector, airlift and connectivity insights, understanding the Halaal travel market, and trends in adventure and wildlife tourism. In addition, the business unit also played a crucial role in assessing the health of the South African Tourism corporate brand, identifying strategic levers to enhance its reputation.

The focus of this area of work is beyond leisure and extends to measuring the impact of key business tourism events and initiatives. Post-event surveys and economic impact studies for Meetings Africa and Africa's Travel Indaba and key strategic platforms were undertaken and have provided valuable insights as well as provincial and national contribution estimates. The Business Events Industry Impact Study offered a comprehensive analysis of the sector's role in driving tourism, while the Travel Week Campaign Impact Measurement evaluated the performance of South Africa's domestic consumer and trade campaign, ensuring continuous improvement and strategic optimisation.

The FY2024/25 has been an innovative period for the Analytics and Insights business units, with

significant strides made in market research, strategy development, data innovation, and industry impact measurement. As we move forward, the unit remains committed to enhancing South Africa's tourism competitiveness, fostering data-driven growth, and solidifying its position as the industry's most trusted source of insights.

Government & Industry Relations

The success of delivering the mandate of tourism is partially dependent on coordination among different stakeholders. South African Tourism continued to strengthen collaboration with stakeholders by delivering and implementing the revised Stakeholder Engagement Framework. Key highlights of the reporting period include:

Engagements with the Tourism Sector

- An engagement was held with the Small Tourism Enterprise Association (STEA) on 6th September 2024, as part of the entity's consultation process with industry stakeholders on the entity's corporate strategy.
- South African Tourism participated at the Tourism Business Council of South Africa's (TBCSA) Leadership Conference from 19th to 20th September 2024. The 2024 conference was held under the theme 'Tourism Matters'. This theme highlighted the significant contributions the tourism industry has made and continues to contribute to the South African economy through revenue and job creation. Key guest speakers included representatives from the Departments of Tourism, Transport, and Home Affairs, alongside top CEOs and thought leaders from South Africa's tourism and travel sector. Discussion topics covered, inter alia, tourism funding, developments in visa waivers, aviation, support for businesses in the sector, and strategies for marketing South Africa as a top travel destination.
- The entity led an engagement with the TBCSA where the focus was the finalisation of the Memorandum of Agreement (MoA) between the two organisations. Furthermore, the meeting outlined the upcoming strategic planning workshops designed to align both organisations' strategies.
- An engagement was held with the South African Township and Village Tourism Association (SATOVITO) to discuss final inputs on the shared Memorandum of Understanding (MoU) around collaboration.
- The entity led an engagement with the Border Management Authority (BMA) to discuss the development of the collaborative MoU in driving initiatives such as the Welcome Programme and branding opportunities at border posts.
- Working with the TGCSA, a roadshow was undertaken to engage products on the grading criteria.
- A meeting was held with SATOVITO, the Department of Tourism and provinces, to discuss a streamlined approach to enterprise development.
- South African Tourism held a meeting with the TBCSA to define ways of working, guided by the MoA, and areas of collaboration.

- The TGCSA promoted free grading as part of advancing the state of readiness for South Africa's hosting of the G20 and promoting the grading of establishments for improved visitor experience.

Community Outreach

- South African Tourism collaborated with Department of Tourism (DT) on Outreach Programmes from 17th to 18th October 2024 in KwaZulu-Natal and on 29th November 2024 in the Free State. Both outreach programmes were led by the Deputy Minister. South African Tourism participated by engaging with tourism stakeholders on key programmes that the entity implements to support the industry, including grading, domestic tourism market access platforms.
- South African Tourism also participated in the Deputy Minister's Outreach Programme in Gugulethu, Western Cape, sharing with tourism stakeholders the key programmes that the entity implements to support the industry, including grading, domestic tourism, and market access platforms.

Engagements with the Public Sector

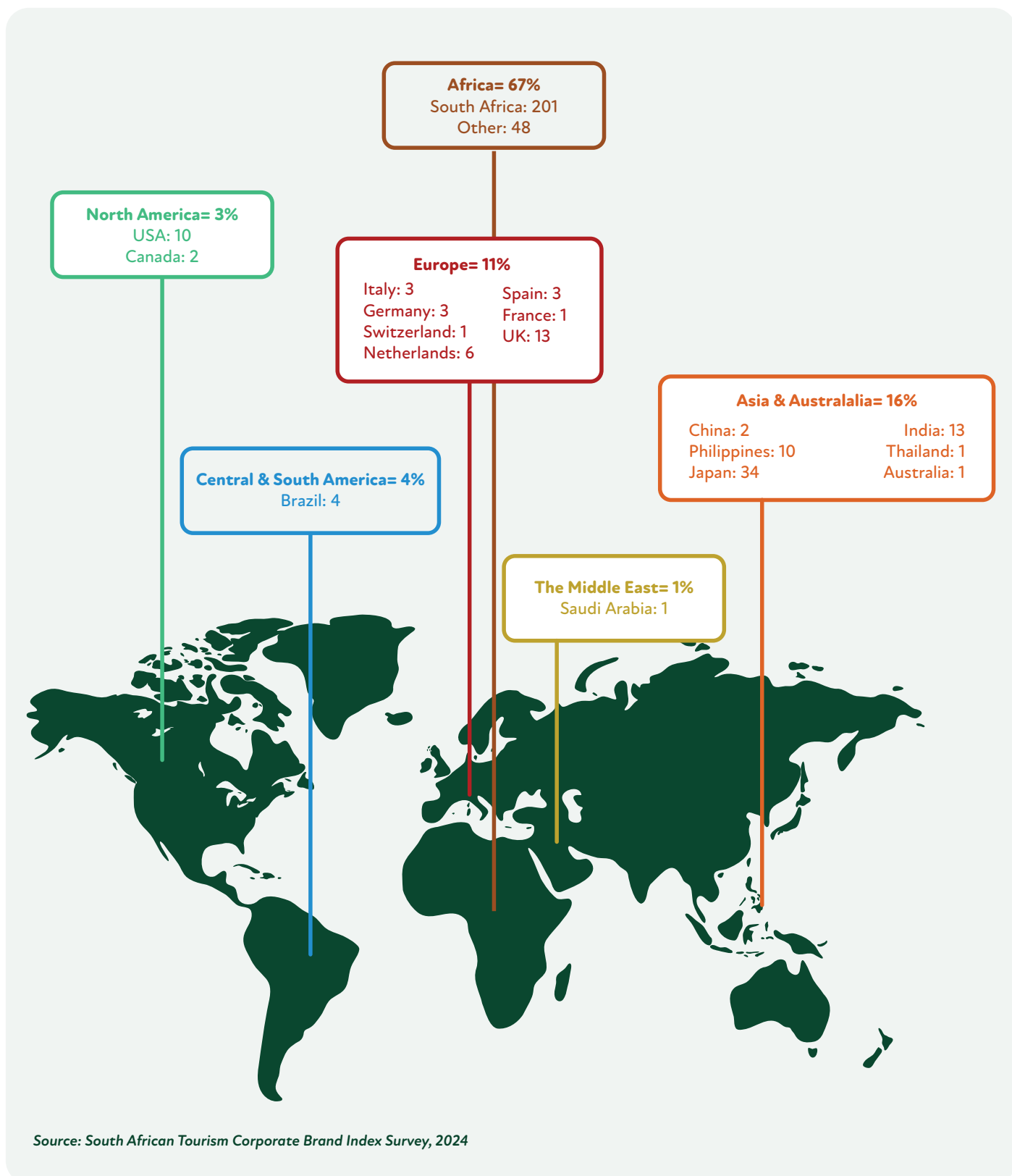
- South African Tourism participated at the National Tourism Sector Forum (NTSF) on 5th September 2024, where the entity presented the Tourism Performance Report for the period January to June 2024. The report presented vital insights to enable business decision-making for the participating stakeholders which included TBCSA, which is the demand creation to supply side of the tourism value chain, and government departments including the Departments of Home Affairs and Transport.
- Following the entity's participation at South African National Parks (SANParks) Vision 2040: Scenario and Strategy Development session in February 2024, the entity supported SANParks at the launch of Vision 2040 on 26th September 2024.
- The organisation participated at the Presidential eThekweni Working Group Holiday Readiness session. The purpose of the session, held on 4th December 2024, was to present the state of readiness programme for the Festive Season in which South African Tourism collaborated with eThekweni Municipality, KwaZulu-Natal Tourism and Film Authority and the private sector.
- South African Tourism participated at the Tourism Sector Masterplan (TSMP) Working and Industry Reference Groups Meeting on 5th November 2024, where the entity presented initiatives to promote domestic tourism. The presentation highlighted insights for the domestic market, to enable collaboration on domestic campaigns between South African Tourism and participating provinces and the private sector. Participating stakeholders included TBCSA, the demand creation to the supply side of the tourism value chain (public and private sector) and other government departments including Home Affairs, and Transport, that provided updates on the Tourist Visas Applications, the Trusted Tour Operator Scheme, National Public Transport Regulator (NPTR) and Tourism Transport Operating Licences/Permits respectively.
- South African Tourism convened a combined meeting of the Provincial Tourism Authorities' (PTAs) CEOs and Chief Marketing Officers (CMOs) Forum. The session focused on a customised approach for each province, where the corporate and marketing strategies were presented. Key insights were

gathered from all the provinces and these informed the development of the MoUs between South African Tourism and PTAs.

- The entity attended the Limpopo PTA strategic planning session on 15th October 2024 and the KZN PTA strategic planning session from 10th to 11th October 2024 to share sector insights and South African Tourism's insights on the process that was undertaken to develop the entity's draft Five-Year Strategic Plan 2025-2030 and FY2025/26 APP.
- South African Tourism attended the Department of International Relations and Cooperation's (DIRCO) meeting on G20 in relation to preparations for the country's presidency of the G20 Summit 2025.
- The entity participated in a meeting with DT and the Department of Sports, Arts and Culture (DSAC) to review the implementation matrix of the MoU and develop a clear implementation plan.
- South African Tourism participated in the Presidential eThekweni Working Group (PeWG) meeting to discuss the revitalisation project for eThekweni. Notable areas of discussion included the Easter Campaign which was presented by Durban Tourism. South African Tourism collaborated with the province in hosting the launch of the Sho't Left Easter Campaign through hosting influencers and media in the South Coast of KZN. The meeting further discussed high impact events including the Emzansi Street Food Festivals and Television Series on 25th May 2025, expected to host approximately 2 000 attendees, the Gas Motor Show on 14th to 15th June 2025 expected to host 32 000 attendees.
- South African Tourism participated at the Tourism Masterplan Steering Committee meeting regarding the Trusted Tour Operator Scheme, tourism safety, establishing mechanisms for incubation services to ensure market readiness of SMMEs, and infrastructure maintenance in different provinces.
- South African Tourism presented the Tourism Performance for 2024 at the NTSE.
- South African Tourism participated at the Joint Ministerial Technical Committee of Tourism (MIPTECH) meeting which includes the Departments of Small Business Development and Trade, Industry and Competition and provinces, regarding the priorities of the G20 Tourism Working Group.
- The PTAs' CMOs Forum meeting was held which focused on the Global Brand Campaign, the Domestic Easter Campaign and the latest tourism performance.

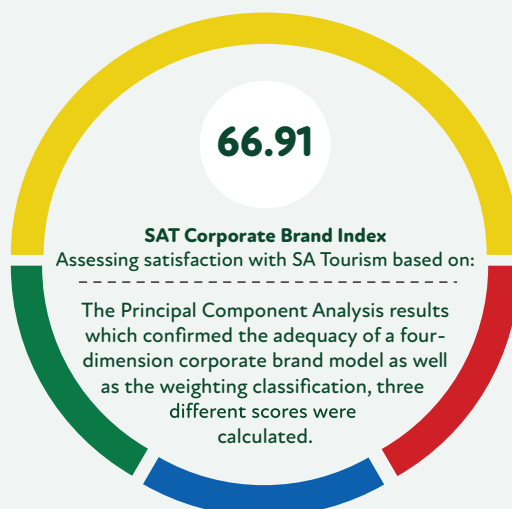
Corporate Brand Index

The Corporate Brand Index is a key tool in determining the status of the organisation's corporate brand. Through this assessment, organisations may compare their reputation scores with those of their competitors and industry peers to identify areas where they need to improve or differentiate themselves. Monitoring reputation through an index can assist organisations to identify potential risks and take proactive steps to manage them. The Corporate Brand Index Survey was undertaken in Quarter 4 of the financial year. The final stakeholder achieved sample for FY2024/25 consisted of 168 international and 201 South African participants, a record high in responses from both South African and international stakeholders:



The FY2024/25 Corporate Brand Index Survey was conducted, reflecting a score of 66.9, a lower than targeted score of 74.2. Results show a decline for three of the four dimensions namely, responsiveness, communication and partnership formation. The support dimension showed a slight improvement.

Model on Key Pillars of Corporate Brand



Partnership Formation



Favourable environment to foster engagement through:

- o Robust organisational design and capability of staff
- o Focus on business and marketing needs of stakeholders
- o Adequate consultations on their requirements

w =
0.25

Responsiveness



Discussion on relevant topics with stakeholders:

- o Effective and fruitful engagement in terms of meeting objectives
- o Prompt and necessary actions on the agendas highlighted
- o Timely integration of feedback/suggestions

w =
0.256

Communication



Actionable steps to meet the discussed agenda, ensuring:

- o Detailed and meticulous discussions and follow through of discussions
- o Satisfactory frequency of engagement
- o Effective communication channels

w =
0.253

Support



Support and leadership provided by SA Tourism during COVID-19

- o Regional marketing and stimulating demand to help industry recovery
- o Strengthening the sector through attracting new investment and resource mobilization

w =
0.241

Stakeholder model only looks at SA stakeholders and international stakeholders - media are excluded because some of the partnership dimensions do not apply to media relations.

All Tourism Stakeholders n=396
NB: Excluding media

This assessment identifies areas of corporate brand management that South African Tourism needs to enhance. The recommendations arising from the survey will be the basis for the stakeholder engagement activities in the new financial year.



Drakensberg,
KwaZulu-Natal

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement 2024/25	Reasons for Deviation
Achieve good corporate and cooperative governance	Integrated Digital and Analytics Operating Framework	Integrated Digital and Analytics Operating Framework Annual Roadmap implemented	The Integrated Digital and Analytics Operating Framework was finalised and approved	The Year 2 Roadmap of the Integrated Digital and Analytics Operating Framework was implemented	Implementation of Year 3 Roadmap of the Integrated Digital and Analytics Operating Framework	The Year 3 Roadmap of the Integrated Digital and Analytics Operating Framework was implemented	None	None required
			The Year 1 (2022/23) Roadmap was developed, approved and implemented					
			The Year 2 (2023/24) Roadmap was developed and approved					
	Tourism information gathering	Number of tourism information tracking surveys implemented	N/A	Five tourism information tracking surveys were completed	Five tourism information tracking surveys completed	Five tourism information tracking surveys were completed	None	None required
	Tourism trends analysis	Number of trend analysis reports	N/A	Four quarterly trend analysis reports were produced	Four quarterly trend analysis reports	A total of 4 reports analysing quarterly trends were produced	None	None required
	Tourism thought leadership	Number of thought leadership pieces published	N/A	31 thought leadership pieces published	Ten thought leadership pieces published	14 thought leadership pieces were published	Target exceeded by four	Increased demand for thought leadership articles
	Tourism research	Number of tourism statistics and performance reports	N/A	Four tourism statistics and performance reports were produced	Four tourism statistics and performance reports	Four tourism statistics and performance reports were produced	None	None required
	Stakeholder management promoting whole of tourism approach	South African Tourism Corporate Brand Index	74.65 South African Tourism Corporate Brand Index	The South African Tourism Corporate Brand Index score of 71.81 was achieved	74.24 South African Tourism Corporate Brand Index	The South African Tourism Corporate Brand Index score of 66.91 was achieved	Target not achieved by 7.33	Results show a decline for three of the four dimensions namely, responsiveness, communication and partnership formation. The support dimension showed a slight improvement

Strategy to Overcome Area of Under-Performance

Target	Mitigating Action/s
74.24 South African Tourism Corporate Brand Index	A Stakeholder Engagement Strategy will be developed for implementation in the new financial year to drive an improvement in the Corporate Brand Index Score

Programme 3: Leisure Tourism Marketing

Overview of the Programme

The purpose of the Leisure Tourism Marketing Programme is to create demand through travel acquisition and growing brand equity for South Africa as a leisure and business events destination, in identified markets. The Leisure Tourism Marketing Programme includes the following business units:

Business Unit	Purpose
Brand and Marketing	Grows brand equity to create tourism demand for South Africa as a leisure and business events destination in identified markets.
Global Public Relations (PR) and Communications	Showcases South Africa’s exceptional experiences and people whilst showcasing South African Tourism and the greater tourism sector’s contribution to economic growth and employment.
Tourism Execution	Creates demand through travel acquisition by implementing integrated marketing communication and working with the distribution channels to sell South Africa as a destination.

In contributing towards the South African Tourism impact of, “tourism in South Africa grows and increasingly contributes to GDP, job creation, inclusive economic participation, and is enjoyed by all South Africans”, the Leisure Tourism Marketing Programme delivers against the following outcome and five-year targets in the approved Five-Year Strategic Plan 2020-2025:

Institutional Outcome	Sub-Outcome	Outcome Indicator	Baseline (2019/20)	Five-Year Target (2024/25)
Increase the tourism sector’s contribution to inclusive economic growth	Demand creation	Progress towards doubling international tourist arrivals to 21 million by 2030 (SONA, 2019)	10.3 million	Increase international tourist arrivals with 6% annually by 2024

Increase the tourism sector's contribution to inclusive economic growth	Demand creation	Rand value of international tourist spend	R87.4 billion	R90.7 billion
		Number of domestic holiday trips	7.1 million	8.3 million
		Rand value of domestic holiday direct spend	R17.3 billion	R19.5 billion

Outcomes, Outputs, Output Indicators, Targets & Actual Achievements

The Leisure Tourism Marketing Programme leads the execution of the policy directive to revitalise the destination brand and contribute towards increased arrivals through Brand and Marketing, Tourism Execution and Global Public Relations and Communication.

Brand & Marketing

The Brand and Marketing Business Unit seeks to grow brand equity thereby creating demand for South Africa as a leisure and business events destination in identified markets. Key to this was the Global Tourism Brand Campaign that seeks to ensure that South Africa is embedded as a top-of-mind destination for all potential tourists. The Global Brand Campaign specifically targeting the MPIF defined global markets was developed and launched.

The focus of the Brand and Marketing business unit was on reimagining destination marketing strategies to reflect changing consumer needs and traveller habits. Leveraging digital platforms and innovative storytelling techniques, South Africa was showcased as a safe, welcoming, and experiential destination for domestic and international travellers alike. The Brand and Marketing business unit spearheaded several initiatives during the financial year:

Channel O – Youth Over Everything

To commemorate 30 Years of Freedom and Youth Month, the Brand and Marketing business unit partnered with Digital Satellite Television's (DSTV) Channel O for a Youth Day activation on 16th June in Soweto, themed 'Youth Over Everything'. The event celebrated youth creativity through interactive experiences, including personalised South African Tourism apparel featuring favourite destinations and the 30 Years of Freedom logo. Youth ambassadors were employed to engage attendees, while local SMMEs were contracted to support the activation, ensuring both economic inclusion and community participation.

Joburg Film Festival

South African Tourism delivered a high-impact activation at the Joburg Film Festival, held from 11th to 16th March 2025, engaging over 8 000 attendees from 31 countries. Held at the Sandton Convention Centre, the festival served as a premier platform for creative industry networking and exposure. Through this activation, South African Tourism supported local SMMEs across event production, logistics, catering, and creative services driving both visibility and economic opportunities. As part of the Sustainability Village Programme, SMMEs generated over R75 000 in revenue, showcasing the initiative's role in market access, skills development, and sustainable tourism growth.

Soweto Tourism Awards

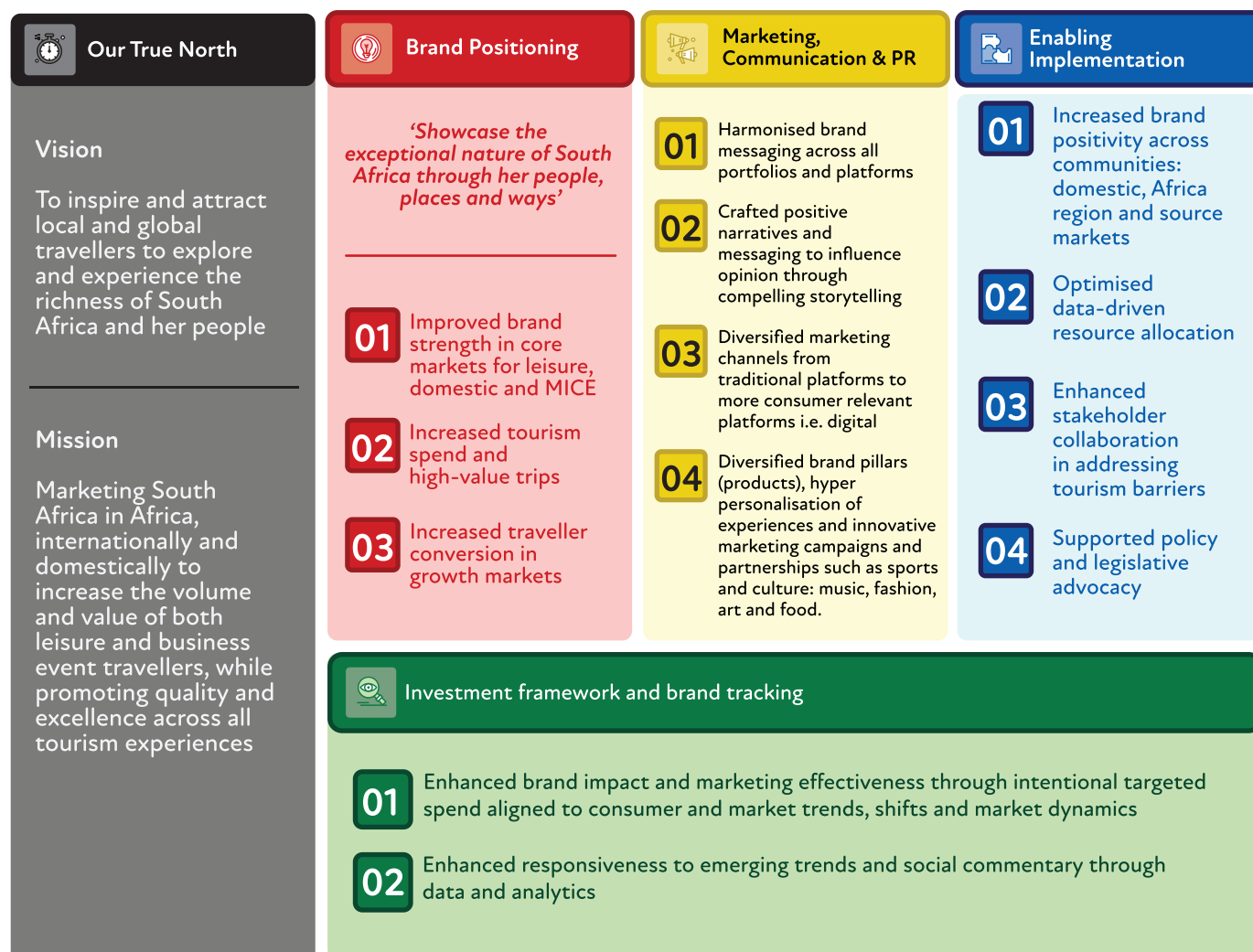
South African Tourism supported the Soweto Tourism Awards, aligning brand objectives with township tourism development. Held on 27th February 2025 at the Soweto Theatre, the event celebrated business excellence while enhancing the brand's presence among tourism stakeholders and entrepreneurs driving transformation. Through the activation, local SMMEs benefited from job opportunities in décor, technical support, and promotions. Sustainability Village vendors from Soweto showcased their products, gaining exposure and sales through distributed vouchers. This initiative advanced inclusive economic growth and supported sustainable tourism in township communities.



Integrated Tourism Brand Strategy

The development of the Integrated Tourism Brand Strategy for FY2025/26 was a cornerstone of the entity's efforts to align South Africa's tourism brand with global best practices, foster inclusivity, and enhance competitiveness.

The Integrated Tourism Brand Strategy consists of four pillars, which aims to enhance South Africa's brand equity and South African Tourism's brand credibility:



Tourism Execution

Tourism Execution delivered localised marketing campaigns to both consumer and distribution channel to generate demand for South Africa's wildlife, stunning landscapes, rich cultural heritage, vibrant cities, and adventure, while promoting sustainable tourism practices to protect the environment and local communities. The Tourism Execution business unit is constituted by Regions, each having a set of Hubs, with the exception of the Embassy Support and Domestic markets.

Europe Region

The Europe Region is structured into four strategic Hubs:



The Europe Region contributes to the organisation's strategic target of doubling international tourist arrivals to 21 million by 2030, while also boosting economic impact through increased spending by European travellers in South Africa. This is achieved through targeted efforts across Europe's six core markets (United Kingdom [UK], Germany, Netherlands, France, Italy, and Spain) and six watchlist markets (Ireland, Austria, Switzerland, Portugal, Belgium, and Sweden).

European travellers represent a substantial portion of air arrivals and spend, making their travel patterns crucial for South Africa's tourism industry. South Africa experienced a marginal decline of 0.9% in tourism arrivals from Europe, primarily due to current economic conditions in Europe, and a lag in recovery for long-haul travel. The total Europe tourist arrivals to South Africa was 1 267 234, led by the UK with 355 350 arrivals, Germany with 252 453 arrivals, and the Netherlands with 133 573 arrivals.

The total expenditure by tourists from Europe amounted to R28.4 billion, representing a substantial contribution to South Africa's GDP. The top three European countries by spend were the UK at R9 billion, Germany at R5.6 billion, and the Netherlands at R2.8 billion.

European travellers primarily visited South Africa for leisure purposes, with popular experiences including beautiful scenery, safaris, cultural experiences, food and wine, and our climate. Tourism from Europe supported thousands of jobs in various sectors, including hospitality, transportation, retail, and SMMEs.

The campaigns implemented in each market were a continuation of the localised exceptionalism global strategy through campaigns and activities that have 360°marketing elements to inspire travellers to visit South Africa and were anchored by the 'LIVE SOUTH AFRICA!' localisation campaign. The focus remained on stimulating demand and driving conversion, supported by initiatives that strengthened brand affinity in the distribution channel. The message to European travellers was clear, 'Live South Africa by immersing yourself in a life-changing journey, one rich in authenticity and unfiltered experiences, from awe-inspiring natural beauty and sun-drenched coastlines to wildlife adventures, vibrant city life, and the warm, diverse spirit of our people.'

Through the Europe Region's campaigns executed throughout the FY2024/25, the following strategic focus areas were prioritised:

01

Inspiring considerers by showcasing South Africa's unique appeal, from our warm, welcoming people and vibrant culture to our breathtaking natural landscapes and authentic food and wine experiences. South Africa was positioned as the ultimate destination for exploration and adventure.

02

Reinforcing our value-for-money proposition by promoting our diverse range of travel experiences and itineraries, particularly to address perceptions among cost-sensitive consumers who may be deterred by high flight prices.

03

Enhancing our welcome by leveraging our people and cultural diversity, along with our rich combination of scenic, coastal, urban, wildlife, and safari experiences, all within close proximity.

04

Building destination knowledge among the Europe distribution channel through impactful hostings that showcase South Africa's year-round appeal, highlighting new products and SMMEs, and creating meaningful connections via strategic platforms such as World Travel Market (WTM) London, Experience Africa London, Holiday World Show Dublin and ITB Berlin.

North Europe

The North Europe hub recorded 204 089 arrivals. The Netherlands, the third-largest source market from Europe, recorded 133 573 arrivals. Belgium and Sweden recorded 45 186 and 25 330 arrivals respectively. Key highlights for this hub include:

- The hub invited audiences to ‘LIVE SOUTH AFRICA!’ by showcasing local businesses through the ‘South Africam,’ made from recycled materials, to capture experiences from a local perspective.
- A photo exhibition featuring photos created with the “South Africam” was held at BRAAI restaurant in the Netherlands.
- Showcases were hosted profiling South African products linked to scenic beauty, coastal beaches, adventure, food and gastronomy, safari, and culture. Three of the five businesses were SMMEs.
- Blogger collaborations were implemented targeted at inspiring content and stories to drive engagement and counter negative crime publications.
- The hub prioritised business interactions at the Vakantiebeurs 2025 with 19 suppliers, including 12 SMMEs, and initiated 15 trade marketing initiatives to address value and packaging barriers.

For this hub, safety and security remains a challenge which requires ongoing PR efforts to address this barrier. Limited direct flights contribute to the perception of South Africa being expensive; efforts are underway to introduce varied price points for itineraries.

South Europe Hub

Since the beginning of the financial year, South Europe faced high inflation. However, consumers continue to prioritise travel, including to long-haul destinations. South Africa welcomed a total of 227 858 travellers from the South Europe region, with France at 127 668, Italy at 50 844, Spain at 30 373 and Portugal at 18 973.

The South Europe marketing strategy aimed to inspire and urge potential visitors to book travel to South Africa by showcasing the country’s rich culture and gastronomy, unique wildlife, and diverse nature and adventure experiences. South Africa was positioned as a world-class, value-for-money destination through targeted support to the distribution channel, including relevant training, toolkits, and content focused on affordability and destination safety. In parallel, inclusion and access for South African SMMEs were facilitated by addressing in-country value chain barriers and promoting tourism experiences and services aligned with current market and trade insights.

The South Europe campaign was a continuation of the Exceptionalism global strategy localised in-market through the ‘LIVE SOUTH AFRICA!’ Campaign. Enhancing the adventure experience and acknowledging the undiminished appetite for adventure, nature, and vast open spaces among our travellers, the ‘LIVE SOUTH AFRICA!’ Campaign also expanded its narrative to include more of these elements.

In response to the growing demand for responsible tourism, which is a priority not only for consumers but also for the media and travel trade, the hub also gave 'LIVE SOUTH AFRICA!' Campaign a fresh impetus. The renewed focus emphasised the sustainable travel practices that respect South Africa's environment and foster community benefits. This approach aligned with the preferences of the South Europe target audience, who are increasingly conscious of their travel impact.

Key highlights through the campaign execution included:

- 16 152 637 digital engagements, exceeding the annual target of 5 313 000;
- Reaching 45 520 885 consumers, again exceeding the annual target of 6 902 000; and
- A total of 25 brand affinity initiatives were executed exceeding the annual target of five.

Central Europe

The Central Europe hub continued to face a degree of uncertainty during the 2024/25 financial year. Contributing factors included ongoing economic restructuring, high energy costs, rising residential rents, and an increased cost of living, all of which led to a general reluctance to spend. In response, consumers have been increasing their savings rates to prepare for potential future challenges. However, South Africa welcomed 316 621 visitors from the Central Europe market to South Africa, with Austria at 21 498, Germany at 252 453, and Switzerland at 42 670.

Travel preferences are evolving, with growing demand for personalised experiences and a heightened emphasis on sustainability. In response, the marketing strategy for Central Europe focused on inspiring travellers with a rich variety of experiences, ranging from wildlife safari and natural beauty to tailored, immersive journeys, while messaging sustainable products and responsible tourism practices. The primary goal was to communicate the exceptional value for money South Africa offers, address safety concerns, and encourage travellers to explore the country in a way that is both personal and enriching. Thus, South Africa was positioned as a safe, affordable destination, offering authentic, meaningful experiences with opportunities to connect with local communities and SMMEs, and reigniting the desire for first-time and repeat visits.

Through the 'LIVE SOUTH AFRICA!' Campaign, the hub created a series of interview-style video clips, where passionate travellers shared their personal stories and cherished highlights about their travels to South Africa. Key highlights of the campaign included:

- Media investment with a total reach of 13 million and just over 24 million engagements.
- Introduction of 35 SMME products to the Central Europe distribution channel.
- Developed 13 retail trade cooperations; four Business-to-Consumer (B2C) sales activations; 61 Business-to-Business (B2B) activations; trained 1 600 trade contacts; and reached just over 4 million customer contacts.

United Kingdom & Ireland

The UK and Ireland remain key contributors to South Africa's tourism recovery. UK and Ireland arrivals reached 383 516, despite a reduction in flight capacity.

Guided by our two-pronged strategy of inspiring five million potential visitors and deepening trade collaboration, the campaign implemented in the hub delivered 39 million in reach and 33 million engagements across digital, media and live platforms. Over £23 million in PR value was generated through more than 300 features, including South Africa's top ranking in the UK's Post Office Holiday Money Report.

Trade engagement was equally impactful, with over 30 activations, including Experience Africa, UK roadshows, and WTM London. A standout initiative, the Kruger-based Bush Camp, provided a high-impact, collaborative platform where PTAs and Regional Tourism Organisations engaged directly with 32 key UK travel trade members. This immersive experience deepened product knowledge, and showcased South Africa's diverse offerings.

Key challenges included reduced airlift, geographic dispersal, and cost perceptions, and were addressed via strategic messaging, influencer-led content, and value-focused content strategy.

Across the Europe Region, South African Tourism has incorporated black-owned tourism businesses in brand affinity initiatives which are embedded across various distribution channel activations that the entity leads and participates in. For some of these platforms, South African Tourism provides market access in collaboration with the Tourism Incentive Program (TIP) of the Department of Tourism. The following brand affinity initiatives are areas where black-owned tourism businesses have been targeted for inclusion:

- Trade and media hosting
- Production of the brand's creative
- Trade platforms
- Roadshows, including webinars and roadshows - both physical and digital
- Website
- Deal driven campaigns.

In this reporting period, in line with endeavours to drive inclusive growth in the tourism sector, 165 black-owned tourism businesses directly benefited from Europe's international marketing initiatives and support. These interventions highlight our commitment to transform the tourism value chain and enable emerging businesses to compete and thrive on the global stage.

Challenges such as the cost of airline tickets and safety and security impact the region's recovery to 2019 tourist arrival levels. Despite these challenges, Europe tourism to South Africa maintained stable performance compared to the prior year, underscoring the resilience and appeal of South Africa as a tourist destination. Continued efforts to enhance visitor experience, address challenges, and capitalise on opportunities will be crucial for sustaining this positive momentum.

Americas Region

The Americas Region is configured into two hubs:



United States of America (USA) & Canada

The Americas Region remained strategic in growing South Africa's tourist arrivals. The USA was the number one overseas market for FY2024/25, with 375 194 arrivals, followed by Canada with 59 246 arrivals. These gains highlight South Africa's enduring appeal as a value-for-money destination, despite economic pressures that led some North American travellers foregoing international trips in favour of staying closer to home.

In the year celebrating 30 years of South Africa's freedom and democracy, the North America hub executed dynamic, localised campaigns to drive demand and distribution channel initiatives to build brand affinity, positioning South Africa as a destination where freedom unfolds through breathtaking landscapes, vibrant culture, and genuine connections with our people.

Leveraging technology, the hub hosted its first virtual roadshow, connecting 47 South African exhibitors, including 13 SMMEs, with 592 USA and Canadian travel advisors via one-on-one meetings, real-time chat, and video engagements.

To boost market access, the hub worked with Travel Market Report to launch a searchable online resource directory, giving more than 100 000 travel advisors access to more than 90 South African destination management companies, tour operators, hotels, lodges, and experiences.

Conversion-focused campaigns targeted consumers directly, while strategic marketing programmes with top consortia and trade associations reinforced the hub's commitment to empowering travel trade, key drivers of arrivals and spend from this market.

Brazil

There was a total of 51 104 arrivals from Brazil. The resumption of direct flights by South African Airways (SAA) and Latin America (LATAM) has had an incredible impact on South African Tourism's marketing efforts. We continue to work with the distribution channel to drive conversion. One of the projects delivered working in collaboration with SAA was with the São Paulo based consolidator "Open Ticket" as they are the biggest seller of tickets to South Africa. This opportunity was used to train their travel agents on selling South Africa including packaging new and diverse experiences at varied price points.

The Brazilian consumer is digitally savvy and has high consumption of social media which is used as a tool for targeted brand campaigns. The hub is currently witnessing a powerful trend which is a rise in mega celebrities travelling to South Africa. In March 2025 alone, four Brazilian mega celebrities, namely Lexa, Rodrigo Hilbert, Sabrina Sato and Nicolas Prattes, all with a significant number of followers, travelled to South Africa. This indicates that the desire and appeal for our country is growing among those who have the most influence in Brazil currently. The hub used its marketing mix to leverage the results of these trips with their associated positive media coverage to assist us in driving the brand awareness for destination South Africa.

Embassy Support Markets

In the previous year, the Embassy Support (ELO) markets recorded a positive trajectory in international arrivals, reaching a total of 596 140 visitors. This represents a year-on-year growth of 5.6%, underscoring a rebound in international travel demand and growing confidence in the sector.

The top-performing overseas source markets included Switzerland, Belgium, and Russia, while on the African continent, key contributors were the Democratic Republic of Congo (DRC), Tanzania, and Ghana. These markets have demonstrated consistent growth, supported by targeted strategies such as enhanced airline connectivity, improved market access, and robust bilateral relations that have facilitated travel.

Air connectivity has been a pivotal factor in this recovery. Flight seat capacity to and from the ELO markets also experienced a notable increase. Leading carriers in terms of available seat capacity included Emirates, Ethiopian Airlines, South African Airways, TAAG Angola Airlines, and Air Mauritius.

These airlines have been instrumental in restoring and expanding access to key markets, enabling the continued resurgence of inbound travel to the region.

ELO markets aim to drive sector recovery and stimulate demand. Partnerships with airlines, trade networks, and tour operators are critical enablers, ensuring seamless travel experiences, improved connectivity, and increased bookings from key markets. One localised brand campaign and 17 distribution channel initiatives were implemented in ELO markets.

Highlights of the year included:

- South African Tourism Services Association (SATSA) / Africa's Eden Mexico Roadshow: Connections between South African travel experts and travel trade buyers in Mexico City were successfully facilitated, promoting education, collaboration, and networking. The activation also featured participation from the Ambassador's office, engaging both trade and consumer audiences.
- A collaboration with Mexico was implemented focusing on destination initiatives, highlighting trade insights and partnership opportunities, including the sharing of Live South Africa video content for broader distribution.
- A trade show was held at the Mission in Chad, where travel agencies and trade participants were engaged through a destination presentation.
- Successfully hosted a post-tour experience after Meetings Africa, with approved buyers from ELO markets.

Asia Australasia Region

The Asia Australasia Region is configured as follows:



Arrivals for this region for FY2024/25 totalled 294 008, with the top three being Australia, as the highest

with 100 993 arrivals, India with 76 240 arrivals, China with 41 879 arrivals. The increase in seat capacity from Australia to South Africa by both Qantas and South African Airways (SAA) contributed to arrival numbers. Asian markets showed significant recovery but have not achieved pre-Corona Virus Disease (COVID) arrivals due to China opening late for travel post-COVID-19.

For the year under review, the region implemented campaigns to showcase South Africa's exceptional experiences while demonstrating it to be a safe, fun, accessible and welcoming destination. Key achievements in this regard include:

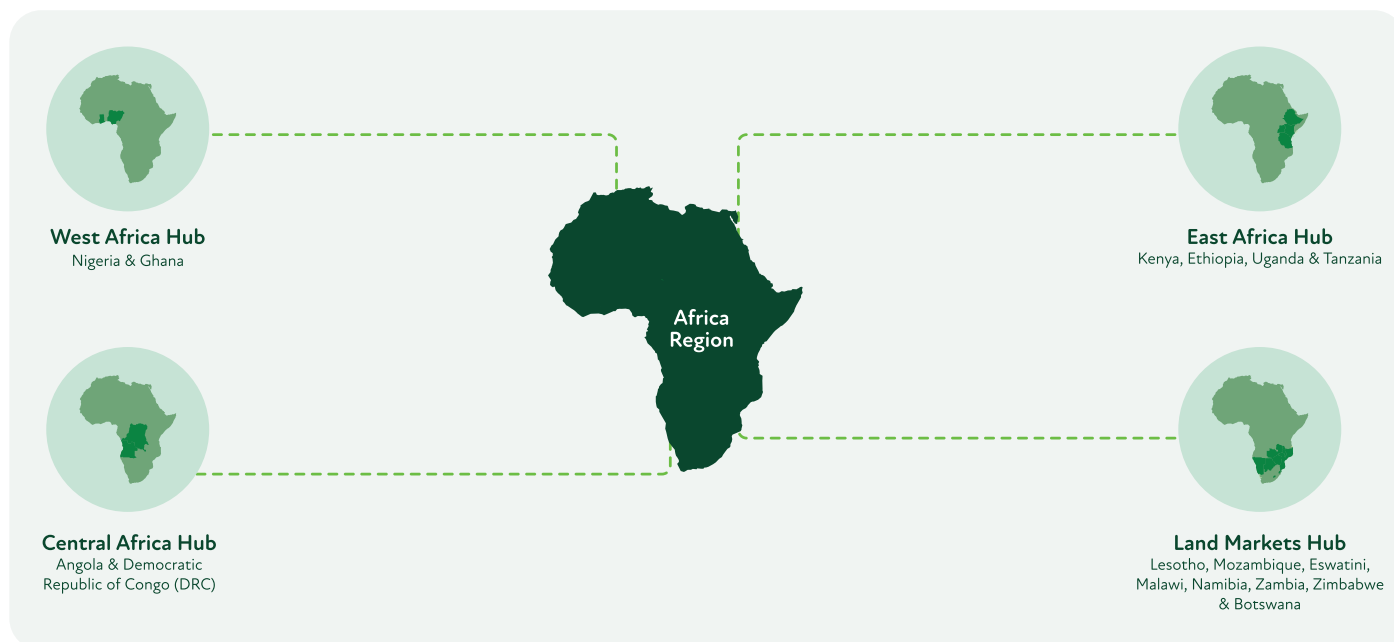
- The India hub successfully hosted a three-city roadshow in India, showcasing South Africa as a preferred destination. Exhibitors from South Africa and India tour operators attended the roadshow per city. The hub also launched a deal-driven campaign (DDC) in September, aimed at boosting sales through a strategic collaboration with Ethiopian Airlines offering discounted fares for travelling to South Africa.
- The Australia hub successfully executed the second Mega Lekker Escape, bringing tour operators from Australia to South Africa. The hub delivered a campaign narrative of exceptionalism through a series of content integration and advocacy initiatives, with the intention of increasing positivity and overcoming barriers of safety and security.
- The China hub executed a Baidu Search Engine Marketing campaign, aimed at targeting high value independent travellers, boosting brand visibility, and driving conversion in Beijing, Guangzhou and Shanghai. The traffic from Baidu was directed to the China hub's official website with a dedicated landing page.

The visa challenges for both China and India, coupled with air access constraints for India, created barriers for growth in arrivals from these priority growth markets. The launch of the Trusted Tour Operator Scheme (TTOS) in early 2025 will contribute to growth in arrival numbers from China and India due to improved visa processing with a maximum of three days turnaround time. The opening of the second phase of the TTOS should result in an increase in the number of tour operators under the scheme which should contribute to the growth of arrivals from these important growth markets.

Key challenges for this region include air access, with airline tickets being costly and no direct flights from India to South Africa. South African Tourism is working collaboratively with airlines to improve airlift. Visas were a challenge, with the TTOS providing a mechanism to mitigate this challenge. South Africa is gradually being perceived as an expensive destination due to hotel supply shortages post-COVID-19. Additionally, South Africa is perceived as an unsafe destination by Chinese and Indian travellers.

Africa Region

Africa markets are classified into two, reflecting how the majority of travellers from those markets travel to South Africa, i.e. Air and Land Markets. These markets are then configured into four Hubs:



Total tourist arrivals from Africa reached 6.8 million, of which land arrivals accounted for 6.6 million and air arrivals accounted for 241 477 arrivals, resulting in total tourism direct spend of R42.5 billion.

Furthermore, a significant milestone was the 207% growth (38 521 arrivals) against target (18 590 arrivals) for the Ghana market, after the visa waiver in November 2023. This visa waiver, coupled with continuous targeted integrated marketing initiatives executed by South African Tourism to attract visitors from Ghana, made for a winning formula for the growth of South Africa's tourism sector.

Africa marketing activities contribute towards the institutional outcome of increasing the tourism sector's contribution to inclusive economic growth, through demand creation initiatives that range from seasonal campaigns to distribution channel initiatives. Thus, the strategic approach for the year under review was to lift the demand creation side of the conversion curve and to grow the pipeline for short and long-term consideration while maintaining the excellent closure ratios of 2022 in all markets. Also, the marketing initiatives that were executed aimed at driving destination appeal to grow arrivals, spend, and brand, and to overcome the travel barrier issues.

The campaigns within each hub were a continuation of the localised exceptionalism global strategy through campaigns and activities that have 360° marketing elements to inspire first timers and repeaters to visit South Africa. The execution of the distribution channel initiatives was aimed at addressing travel barriers and access issues over and above driving conversion. Hidden gem experiences were used to

drive repeaters to lesser-visited provinces and areas. This further ensured the market share in the Land Hub was maintained and increased. Combining, negotiating, and implementing consumer campaigns and brand affinity activities into comprehensive 360° elements ensured scale and effective utilisation of the Region's marketing investment.

Highlights of the year included:

- The Region's seasonal campaigns highlighted lesser-visited provinces by showcasing hidden gem experiences. These campaigns, together with the distribution channel marketing and engagement activities, resulted in 328 Black, female, and youth-owned SMMEs, both in the tourism sector and other industries, being promoted, featured and/or given access to the Africa market. Ordinarily these SMMEs would not be in a position to access or afford these marketing opportunities.
- The Central, East and Land (CEL) Summer and Brand Campaigns reached 137 731 292 consumers.
- The CEL Brand Campaign was featured in 482 television spots; 965 radio spots; 38 billboards; 52 248 493 digital impressions; and featured in Msafiri, the Kenya Airways inflight magazine, and Places, the FastJet inflight magazine.
- The CEL Summer Campaign was featured in 1 464 television spots; 56 billboards; 218 039 042 digital impressions; 61 171 648 digital reach; 5 291 006 digital engagements; and 20 010 788 video views; and features in Msafiri, the Kenya Airways inflight magazine, and Places, the FastJet inflight magazine.
- The West Africa Summer Campaign was featured in 159 television spots; 1 481 radio spots; 27 billboards; and 272 744 051 digital impressions.
- The West Africa Festive Campaign demonstrated exceptional digital performance results, exceeding initial targets across key performance indicators. Impressions climbed to 325 324 667, more than doubling the planned 148 338 481 target, while engagement also saw an increase, reaching 48 914 695 compared to the projected 20 845 620. In addition, the campaign was featured in 153 television spots and 1 085 radio spots.
- Collaboration with corporates as a distribution channel to drive both business events and leisure travel, coupled with continuous engagement with the South African Missions and related marketing activities, assisted not only in contributing to the arrivals and spend, but also in incorporating elements and messaging that addressed ease of travel and barrier reduction.
- The Region continued engaging and collaborating with the distribution channel, content creators, and media through interactive digital communication tools and platforms for wider reach and brand appeal. Sports, from golf to polo, have been good platforms used to drive brand awareness and visitation.

The visa processing in Nigeria, Uganda, and the DRC is still a key travel challenge. The Region continues to lobby through the Ministry of Tourism in this regard while also engaging with the South African Missions in these markets for solutions.

Domestic

The year under review saw an increase with regard to overnight domestic travel performance, with 40.0 million overnight trips taken during the reporting period, a 6.1% growth from the prior period, of which domestic holiday trips accounted for 11.5 million. This reflects the success of domestic travel stimulation efforts and changing traveller behaviour post-pandemic. The total overnight spends saw an increase of 7.6% as compared to the same period last year, reaching a total of R133.1 billion, of which holiday spend accounted for R61 billion.

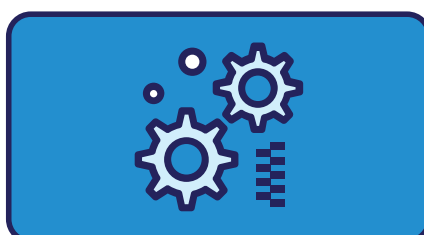
This performance growth was mainly driven by the entity's focus to inspire our segments to Inspire our segments to "get out of the house" and take more day and holiday trips now by showcasing a variety of affordable, desired experiences in a clear and accessible manner, that are underlined by personal safety message, through #TravelWiseMzansi. The campaign also aimed to create opportunities for the distribution channel to access the domestic market to enable them to drive, promote and sell South Africa travel effectively as preferred by consumers.

The Domestic Campaign targets three main segments:



Build Segment

Adults earning more than R5 000 per month (threshold income for holiday travel). This group has the appropriate socio-economic background, but might not be travelling.



Convert Segment

Adults already travelling for any purpose, but might not necessarily be travelling for holiday.



Defend Segment

Adults already travelling for holiday purposes. This group is mature in terms of holiday travel.

As part of the strategy, the "It's Your Country, Enjoy It, because nothing's more fun than a Sho't Left" Campaign was continued under the Sho't Left umbrella. To counteract seasonality, three sub-campaigns were activated, which showcased:

**“Seat at the Table” Campaign**

Which emphasised the idea of South Africans setting a table anywhere during Easter.

**Travel Week**

Where, in collaboration with the trade, South Africans were given up to 50% off travel if they book travel in that week for any future date.

**“Gimme Summer that Sho’t Left” Campaign**

Inspiring South Africans to enjoy the festive season.

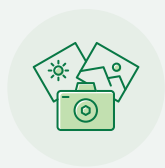
South African Tourism collaborated with the tourism industry throughout the year to ensure that a significant number of deals are promoted monthly on www.shotleft.co.za, and that are promoted directly to the consumer. This included a variety of experiences from VTSDs. The industry responded positively to the call to collaborate, with 655 deals loaded during the Travel Week Campaign.

As part of the campaign, Sho’t Left also showcased innovation. For Travel Week, the Perfect Match mobisite was launched. The aim of this site was to make it easier for South Africans to navigate the deals that were on sale.

The Summer Campaign was introduced through computer generated imagery where video footage of a lion roaming the Mandela Bridge was showcased. The campaign was launched by the Minister of Tourism in Bloemfontein. It was viewed on television, flighted on billboards throughout the country, flighted on radio and profiled on social media platforms. The campaign had a reach of over 191 million.

Global Public Relations & Communications

Through Global PR and Communications, South African Tourism continued to position South Africa as an attractive and safe destination (destination brand PR). As a part of this focus area, South African Tourism advanced the positioning of the entity as a formidable thought leader within the tourism sector (corporate brand PR). During the 2024/25 financial year, the Global PR and Communications business unit successfully executed its core strategic priorities as outlined in the FY2024/25 APP. These priorities included:



Destination Brand Promotion

Enhancing South Africa's global appeal as a premier tourism destination by leveraging various high-profile engagements including film and music festivals. These engagements elevated brand visibility and attracted international interest.



Corporate Brand Promotion

Strengthened the reputation and credibility of South African Tourism as a thought leader through strategic profiling and participation at strategic events, conferences and media platforms.



Reputation and Crisis Management

Built strategic partnerships and maintained a positive global image of the tourism sector.



Promotion of the Tourism Sector's Economic Impact

Showcased the tourism industry's contribution to economic growth and development.

The business unit amplified South Africa's tourism brand through strategic content distribution, media engagement, and industry partnerships. Key initiatives included participation in trade shows, thought leadership engagements, industry collaborations, and stakeholder communication. These efforts played a crucial role in positioning South Africa as a globally competitive tourism destination. Additionally, the Global PR and Communications business unit led PR and communication efforts at major industry events, including Africa's Travel Indaba 2024, Arabian Travel Market 2024, Tourism Month 2024, IBTM World 2025, Meetings Africa 2025, and ITB Berlin 2025.

Corporate Brand Positioning

To reinforce South African Tourism's global credibility, the Global PR and Communications business unit executed strategic thought leadership placements in both international and domestic media. These efforts enhanced the organisation's standing within the global tourism industry. Additionally, internal communication strategies were strengthened to ensure South African Tourism employees remained well-informed and aligned with the organisation's strategic objectives. The Tourism Tuesdays newsletter has now been a staple for South Africa's tourism sector. Throughout the financial year under review, it was produced monthly and mainly featured projects executed by South African Tourism. This was shared on the entity's social media platforms as well as with key stakeholders, thus contributing to positively influencing our organisation's image and overall brand.

Tourism Grading Council of South Africa & South Africa National Convention Bureau Support

For the TGCSA, the Global PR and Communications Business Unit profiled the Basic Quality Verification (BQV) Programme, thus further promoting the tourism sector's economic impact, as BQV products are mainly in lesser visited areas and run by women and/or youth and are black owned. As part of the promotion of TGCSA, the Global PR and Communications business unit amplified various TGCSA's star-graded establishments. This was done through various media including print, television, digital and radio with the spokesperson being predominantly the Chief Quality Assurance Officer. Towards the latter part of the financial year, the Global PR and Communications business unit was a strategic partner in the execution of the Annual Assessors' Conference which is a key part of TGCSA's assessors' interaction with the greater tourism sector. This led to a profiling of the assessors in a special edition published on the online industry media platform, Tourism Update, which is read by domestic, regional and international members of the tourism trade industry. Over and above this, through various engagements at trade shows, the Global PR and Communications business unit also profiled and promoted key sustainable products and experiences as per the project led by the Brand Experience business unit in the TGCSA.

South African Tourism's Global PR and Communications business unit played a supportive role to the South Africa National Convention Bureau (SANCB), primarily by amplifying its messaging, creating visibility, and positioning South Africa as a premier business events destination. This included strategic communication and branding.

The Global PR and Communications business unit crafted and disseminated strategic messaging to promote South Africa's capability to host international meetings, incentives, conferences, and exhibitions. This also aligned to the SANCB messaging with the broader "Meet South Africa" brand. Media coverage for major international events like IMEX Frankfurt and IBTM World, was solicited through media briefings, press conferences, and interviews to highlight SANCB's achievements and bidding wins.

Throughout the financial year, the Global PR and Communications business unit produced content such as press releases, speeches, newsletters, and social media posts to promote SANCB activities and successes. During major South African Tourism owned strategic events business events, like Meetings Africa and Africa's Travel Indaba, the Global PR and Communications business unit played a partner role in the execution of the project including stakeholder relations, media relations, an advisory role and executed an integrated media plan including overseeing media accreditation, media centre logistics, and event-related communications that also support SANCB's objectives.

South Africa's Presidency of the 2025 Group of Twenty (G20) Summit

Following the announcement of South Africa's presidency for the 2025 G20 Summit on 1st December 2024, the Business Unit launched a targeted PR strategy to elevate the country's tourism visibility

within G20 discussions. These efforts included media engagements, thought leadership positioning, and global advocacy for the tourism sector. These initiatives will continue into the next financial year, aligning with South Africa's preparations to host the main G20 Summit in November 2025.

Support for SMMEs and Inclusive Tourism Development

A key focus of the Business Unit's efforts was the promotion and support of SMMEs within the tourism sector. Initiatives supporting SMMEs included:

- **Media Exposure:** SMMEs were integrated into global PR campaigns, enhancing their international visibility.
- **Industry Event Inclusion:** Participation in high-profile trade shows provided SMMEs with direct access to international markets.

The resultant impact on SMMEs in relation to the above included:

- Increased international clientele and business growth.
- Expanded digital and media presence, improving direct consumer engagement.
- Greater inclusion in the global tourism value chain.

Contribution to Women, Youth, and People with Disabilities

The business unit actively promoted inclusive tourism development through targeted initiatives:

- **Women-Owned Businesses:** Female entrepreneurs were showcased in global PR campaigns, positioning them as key contributors to the sector.
- **Youth Skills Development:** The business unit partnered with a youth-owned production company at Africa's Travel Indaba 2024, ensuring young professionals gained experience in media and event management.

Despite global challenges in the tourism sector, the Global PR and Communication business unit successfully increased South Africa's global tourism visibility through strategic PR and media initiatives; strengthened stakeholder collaboration to drive sustainable tourism growth; and supported economic transformation through SMME and inclusivity-focused projects.

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement 2024/25	Reasons for Deviation
Increase the tourism sector's contribution to inclusive economic growth	Global brand alignment	Integrated Tourism Brand Strategy developed	N/A	N/A	Integrated Tourism Brand Strategy developed for FY2025/26	The Integrated Tourism Brand Strategy for FY2025/26 was developed	None	None required
		Global Tourism Brand Campaign implemented	FY2022/23 Global Tourism Brand Campaign was developed with 7 of the 10 planned activities implemented	The FY2023/24 Global Tourism Brand Campaign Plan implemented	FY2024/25 Global Tourism Brand Campaign Plan implemented	The FY2024/25 Global Tourism Brand Campaign Plan was launched but not implemented	Target not achieved	The Global Brand Campaign was not implemented due to a delay in commencing the required procurement process within the business unit. The tender was not approved in Quarter 3 which further impacted delivery
			The FY2023/24 Global Tourism Brand Campaign was developed and approved					
	Localised marketing campaigns implemented to drive demand in Europe MPIF hubs	Number of Europe hubs marketing campaigns implemented	Four marketing campaigns implemented	Four Europe Hub localised brand campaigns implemented	Four Europe Hub localised brand campaigns implemented	Four Europe Hub localised brand campaigns was implemented	None	None required
	Europe brand affinity initiatives	Number of distribution channel initiatives implemented in Europe	N/A	126 distribution channel initiatives implemented in market	30 distribution channel initiatives implemented in market	148 distribution channel initiatives were implemented in market	Target exceeded by 118	Collaboration with key stakeholders and emerging opportunities with distribution channels
	Localised marketing campaigns implemented to drive demand in Americas MPIF markets	Number of marketing campaigns implemented in Americas hubs	Two marketing campaigns implemented	Two Americas Hub localised brand campaigns implemented	Two localised brand campaigns were implemented in Americas hubs	Two localised brand campaigns were implemented in Americas hubs	None	None required
	Americas brand affinity initiatives	Number of distribution channel initiatives implemented in Americas	N/A	99 distribution channel initiatives implemented in market	12 distribution channel initiatives implemented in market	80 distribution channel initiatives were implemented in market	Target exceeded by 68	Leveraged various platforms including virtual opportunities

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement 2024/25	Reasons for Deviation
Increase the tourism sector's contribution to inclusive economic growth	Localised marketing campaigns implemented to drive demand in Embassy Support markets	Number of localised brand campaigns implemented in support of the Global Tourism Brand Campaign in Embassy Support markets	N/A	One localised brand campaign implemented	One localised brand campaign implemented	One localised brand campaign was implemented	None	None required
	Embassy Support markets brand affinity initiatives	Number of distribution channel initiatives implemented in Embassy Support markets	N/A	26 distribution channel initiatives implemented in market	16 distribution channel initiatives implemented in market	17 distribution channel initiatives were implemented in market	Target exceeded by one	Collaboration with key stakeholders and emerging opportunities with distribution channels
	Localised marketing campaigns implemented to drive demand in Asia and Australasia	Number of localised brand campaigns implemented in Asia and Australasia	Nine marketing campaigns implemented	Four localised brand campaigns implemented	Four localised brand campaigns implemented	Four localised brand campaigns were implemented	None	None required
	Asia and Australasia brand affinity initiatives	Number of distribution channel initiatives implemented in Asia and Australasia markets	N/A	42 distribution channel initiatives implemented in market	12 distribution channel initiatives implemented in market	51 distribution channel initiatives were implemented in market	Target exceeded by 39	Collaboration with key stakeholders and emerging opportunities with distribution channels
	Regional (Africa) Tourism Campaign	Number of regional seasonal campaigns implemented	Four campaigns were delivered	Four regional seasonal campaigns were implemented	Four regional seasonal campaigns were implemented	Four regional seasonal campaigns implemented	None	None required
	Regional (Africa) Brand Affinity initiatives	Number of distribution channel initiatives implemented in Regional (Africa) markets	N/A	24 distribution channel initiatives implemented in the market	26 distribution channel initiatives implemented in the market	32 distribution channel initiatives were implemented in market	Target exceeded by six	Leveraged and collaborated with different entities and platforms
	Domestic Tourism Campaign	Number of domestic seasonal campaigns implemented	Three campaigns were delivered	Three domestic seasonal campaigns were implemented	Three domestic seasonal campaigns implemented	Three domestic seasonal campaigns were implemented	None	None required
	Domestic Brand Affinity initiatives	Number of distribution channel initiatives implemented in the Domestic market	N/A	19 distribution channel initiatives implemented in the market	16 distribution channel initiatives implemented in the market	23 distribution channel initiatives were implemented in market	Target exceeded by seven	Collaboration with non-travel partners and additional activations
	Tourism economic impact communication	Annual Tourism Economic Impact Communication Plan implemented	N/A	52 communication activities on the quarterly economic impact of tourism were implemented	FY2024/25 Tourism Economic Impact Communication Plan implemented	The FY2024/25 Tourism Economic Impact Communication Plan was implemented	None	None required
	Global PR and communications	Annual Global PR and Communications Plan implemented	N/A	FY2023/24 Global PR and Communications Plan was implemented	FY2024/25 Global PR and Communications Plan implemented	The FY2024/25 Global PR and Communications Plan was implemented	None	None required

Strategy to Overcome Area of Under-Performance

Target	Mitigating Action/s
FY2024/25 Global Tourism Brand Campaign Plan implemented	The Global Brand Campaign will be implemented in FY2025/26.

Programme 4: Business Events

Overview of the Programme

The Business Events Programme aims to grow the nation’s business events industry. The South African National Convention Bureau (SANCB) includes the following business units:

Business Unit	Purpose
Business Development and Support Services	Generates qualified leads and informs targeted positioning of South Africa as a business events destination.
Meetings, Incentives, Conferences and Trade Exhibitions (MICE) Sales	Capacitates and enables a relevant and competitive business events destination through bidding.
Strategic Events and Platforms	Creates an inclusive market access and transaction platform for South African and African tourism and auxiliary products.

In contributing towards the South African Tourism impact of ‘tourism in South Africa grows and increasingly contributes to GDP, job creation, inclusive economic participation, and is enjoyed by all South Africans’, the Business Events Programme delivers against the following outcomes and five-year targets in the approved Five-Year Strategic Plan 2020-2025:

Institutional Outcome	Sub-Outcome	Outcome Indicator	Baseline (2019/20)	Five-Year Target (2024/25)
Increase the tourism sector’s contribution to inclusive economic growth	Demand creation	Number of international business events hosted	230	111 (Cumulative 2020/21-2024/25)

Increase the tourism sector's contribution to inclusive economic growth	Demand creation	Number of SMME businesses supported	182	1 096 <i>(Cumulative 2020/21-2024/25 through both business events platforms and Visitor Experience events and hosting itineraries.)</i>
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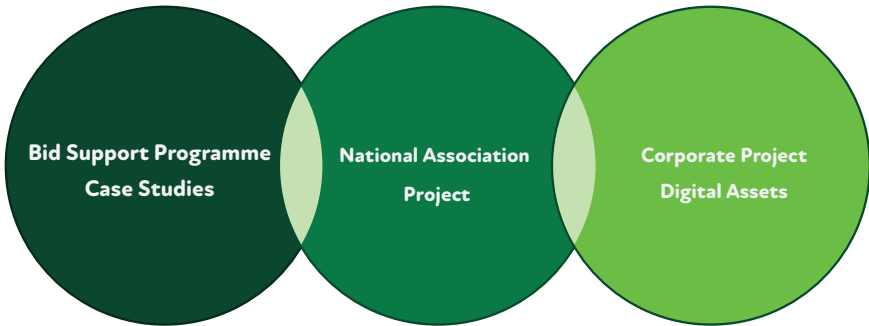
Outcomes, Outputs, Output Indicators, Targets & Actual Achievements

Business to Business Global & Domestic Campaigns

In line with its mandate to market South Africa as a premier business events destination and to secure international and regional meetings, incentives, conventions, and exhibitions, the SANCB actively seeks to develop leads for future business events so that South Africa can continuously enhance its bidding pipeline. This is ensured through campaigns deployed to ensure consistent marketing and promotion efforts across the globe.

The Global and Domestic B2B Campaigns contributed to effective marketing of the destination and positioned South Africa as a business events destination to attract these into the country. Both campaigns highlighted the exceptional individuals reimagining progress through collaboration with the SANCB and leaders who inspire evolution. The campaigns positioned these outstanding figures to engage audiences and drive conversion. By showcasing world-class leaders across sectors, the campaigns reinforced why South Africa nurtures, celebrates, and harnesses exceptional talent.

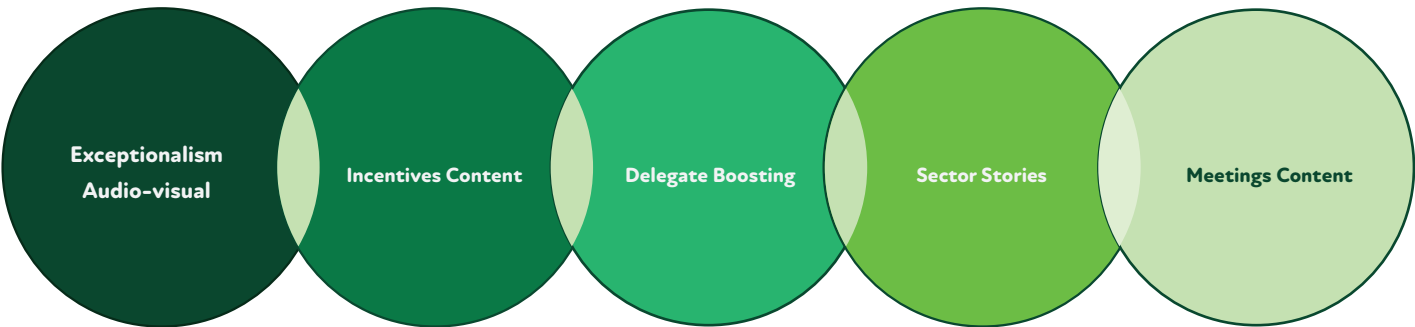
The Domestic B2B Campaign was implemented to support business events in VTSDs supporting inclusive and sustainable recovery, through:



The Global B2B Campaign was implemented as part of positioning South Africa’s hosting capabilities and promoted Exceptional People: thought leaders and industry pioneers shaping global conversations; Exceptional Places and Infrastructure: world-class venues and landscapes for premier business events; and Exceptional Innovation and Expertise: a culture of innovation driving the knowledge economy.

A total of 135 social posts went live on the various owned social media platforms including X (formerly

Twitter), LinkedIn, Facebook and YouTube, between August 2024 and March 2025. Key achievements of the campaign included:



Lead Generation

Bid submissions form a critical part in pursuing potential conversion to increase the number of business events hosted in South Africa. This function is instrumental in driving business tourism growth, stimulating economic activity, and enhancing South Africa’s global competitiveness within the MICE sector. The SANCB leads the charge in attracting international business events through coordinated bid submissions and strategic collaboration with key stakeholders.

Within SANCB, the Business Development and Support Services business unit identified academic and research institutions as potential instruments to drive lead generation, as most academics and researchers belong to regional and international associations. The SANCB therefore targets these academics and researchers to contribute towards building the pipeline for future conferences and conventions to be hosted in South Africa. For the financial year, workshops were hosted with the following academic and research institutions:

Free State	Eastern Cape	Western Cape	KwaZulu-Natal	Gauteng
 University of the Free State: 19-20 August 2024  Central University of Technology: 17 September 2024	 Nelson Mandela University: 27 August 2024  Rhodes University: 28 August 2024  Walter Sisulu University: 29 August 2024	 University of Cape Town: 19 September 2024  Cape Peninsula University of Technology: 20 September 2024	 Durban University of Technology: 7 August 2024  University of KwaZulu-Natal: 8 August 2024	 Human Sciences Research Council: 11 December 2024

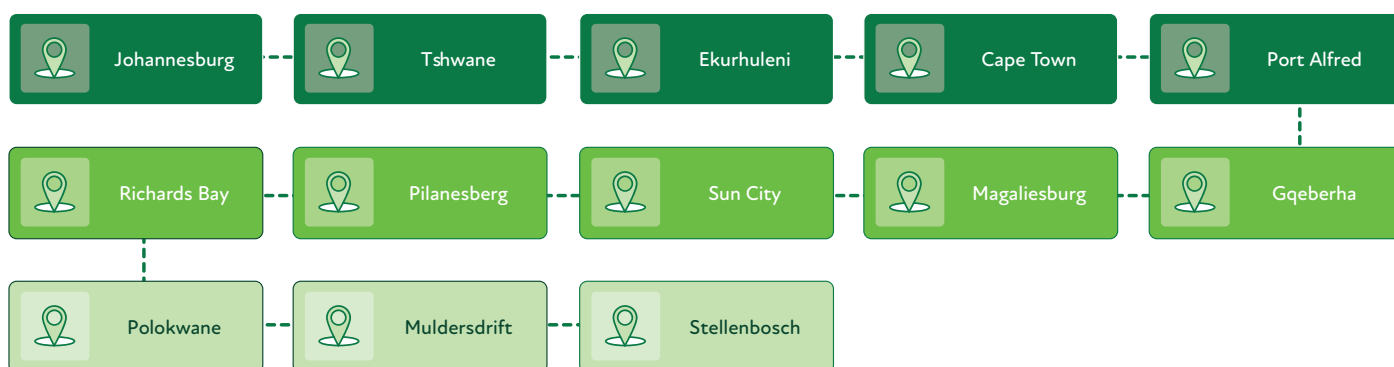
Arising from these workshops, 13 business events were successfully converted from academic workshops with institutions of higher education and two from state research institutions as outlined below:

Name of the Conference	Number of Delegates	Number of Conference Days	Estimated Economic Impact	Academic / Research Institution
International Conference on Financial Services	100	3	R1 920 000	University of South Africa
International Quality Assurance Conference	200	3	R3 840 000	University of South Africa
Africa Global Mental Health Institute Conference 2025	200	3	R3 840 000	University of KwaZulu-Natal
Annual Meeting of the Anatomical Society of Southern Africa	100	3	R1 920 000	University of Witwatersrand
Industrial and Applied Mathematics Conference	300	3	R5 760 000	University of the Free State
Hague Conference on Private International Law Domestic Violence Forum	120	4	R3 072 000	University of Pretoria
Inaugural Global Activism Conference	350	3	R6 720 000	Tshwane University of Technology
International Association for Media and History (IAMHIST) Biennial Conference	150	4	R3 840 000	University of Cape Town
2025 Southern African Law Teachers Colloquium	400	6	R15 360 000	University of Pretoria
Law School Global League Summer School and Conference	200	14	R17 920 000	University of Pretoria
Commonwealth Lawyers Conference	800	3	R25 600 000	University of Pretoria
Eighth Southern African Shark and Ray Symposium	130	4	R1 664 000	Rhodes University
Decolonising Communication Professions	50	3	R960 000	University of Cape Town
Women20 South Africa Inception Meeting	150	2	R1 920 000	Human Sciences Research Council
Women20 Summit	200	3	R3 840 000	Human Sciences Research Council
Total Economic Estimated Impact	3 450	61	R98 176 000	

Building the Bidding Pipeline

Since the beginning of the FY2024/25, the SANCB submitted 104 bids to host international business events between 2024 and 2032. These bids have a significant economic impact of an estimated R1.63 billion and the potential to attract approximately 61 500 international and regional delegates to South Africa.

The SANCB invested R19 million through its bid support programme to secure these events, which will be hosted across key cities and regions, supporting broader regional distribution of business events, including:



Hosting Business Events in Villages, Townships & Small Dorpies

Furthermore, the bidding programme promotes inclusivity by extending the benefits of business events to villages, townships, and small dorpies (VTSDs), in line with the District Development Model. This regional focus supports equitable development and contributes meaningfully to the transformation agenda by fostering economic growth and job creation in historically marginalised communities. Through this targeted and inclusive approach, the SANCB ensures that business events are not only a driver of economic value but also a tool for sustainable and inclusive national development.

Thus, the SANCB facilitated the hosting of nine business events in VTSDs during the reporting period, contributing to inclusive tourism growth and local economic development. Collectively, the events attracted 1 457 delegates over 34 delegate days, generating an estimated R13 270 000 in economic impact. Below are the details of the nine events hosted in VTSDs:

Event	VTSD	Number of Delegates	Number of Conference Days	Estimated Economic Impact
Introduction to Event Management Safety	Richards Bay, KwaZulu-Natal	50	3	R480 000
59 th Annual Conference of the Grassland Society of Southern Africa	Gariepdam, Free State	87	3	R835 000
Ngiyinsika Yesizwe Empowerment Indaba	Richards Bay, KwaZulu-Natal	412	2	R2 636 800

South African Linefish Symposium	Port Alfred, Eastern Cape	110	5	R1 760 000
South African Institute Agricultural Engineers Biennial Symposium and Continuing Professional Development Event 2024	Grabouw, Western Cape	122	3	R1 171 200
Southern African Transport Conference	Addo, Eastern Cape	74	4	R947 000
Township and Village Tourism Intra-Trade Conference	Nkomazi Local Municipality, Mpumalanga	350	2	R2 240 000
South Africa Chef Conference & Expo	Langa, Western Cape	190	2	R1 216 000
Namaqualand Diamond Centenary	Vanrhynsdorp, Western Cape	62	10	R1 984 000

Strategic Platforms

Strategic platforms play an enabling role in facilitating potential business opportunities for the destination, and are key to enhancing market access, boosting global trade participation, and raising South Africa's international tourism profile. Trade shows like Africa's Travel Indaba, Meetings Africa, Arabian Travel Market, and IMEX Frankfurt align with these objectives, promoting sustainable growth, empowering small businesses, and driving job creation. By connecting South African and African tourism and business events products with international buyers, these initiatives stimulate economic growth, create job opportunities, and support SMMEs, fostering inclusivity and broader economic development. They also help position South Africa as a leading global tourism destination with long-term economic impact.

Africa's Travel Indaba 2024

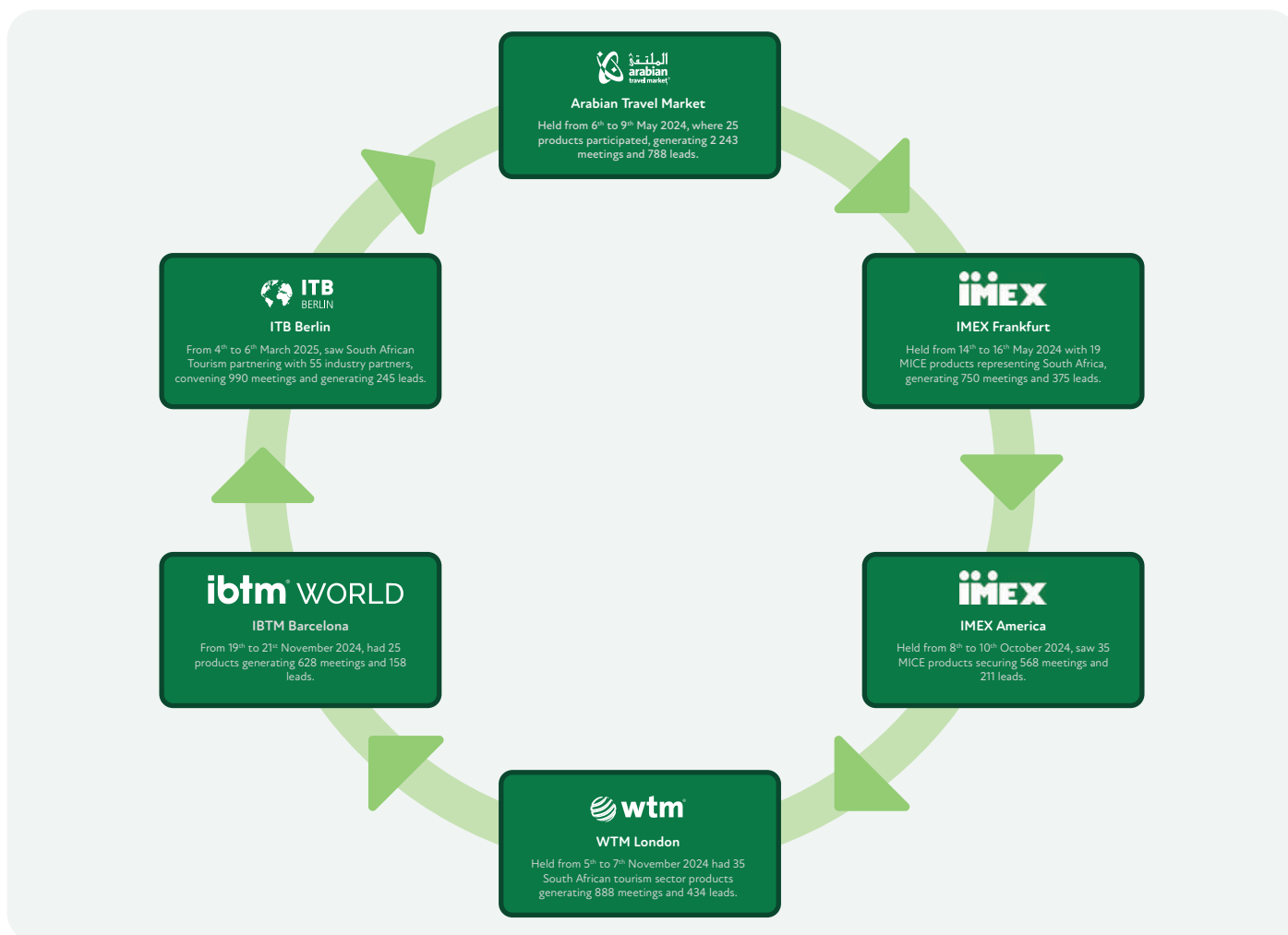
Africa's premier trade show, held from 14th to 16th May 2024, attracted 9 280 stakeholders, including 1 272 exhibitors, surpassing the target of 1 100. The event facilitated 23 825 confirmed business meetings and empowered SMMEs through the Hidden Gems Pavilion. The Airlines Pavilion hosted eight airlines, alongside four independent airlines, contributing to the global visibility of South Africa's tourism sector. Additionally, 26 African countries participated, marking strong Pan-African representation.

Meetings Africa 2025

The 2025 edition, held from 25th to 26th February, preceded by BONDay on 24th February, saw significant growth, with 3 609 delegates and 416 exhibitors, exceeding the target of 385. The event facilitated 15 650 meetings, with 7 576 confirmed during the show. A record 96 SMMEs participated, nearly doubling the target, while 16 independent airlines joined the show, further boosting South Africa's connectivity and business event sector.

International Strategic Trade Show Participation

South African Tourism facilitated participation at global trade platforms, driving business connections and showcasing South Africa's products. Important to these platforms are business leads, which are potential business opportunities or client contacts that can translate into future travel bookings and revenue, making them critical for growing the tourism sector. Key achievements include:



The SANCB in conjunction with the Tourism Educators of South Africa hosted the International Meetings Events-Meetings Professionals International (IMEX-MPI) Future Leaders Forum at Meetings Africa 2025. The event took place on from 24th to 25th February 2025 at the Sandton Convention Centre. The IMEX-MPI Future Leaders Forum stands as a meticulously crafted programme with the goal of inspiring and guiding the brightest students towards successful careers in the dynamic meetings and events industry. Over the course of two days, participants immerse themselves in a transformative experience, fostering valuable industry connections, accessing top tier educational content, gaining insights from seasoned professionals, and engaging in collaborative learning with peers.

As a unique opportunity for universities across the country, the SANCB invited nominations of the three best performing students from academic institutions to compete against their counterparts.

Universities are given an opportunity to submit proposals, after which the best three chosen to compete at Meetings Africa, where the winner competes at the Global University challenge at IMEX Frankfurt. Eligible students are enrolled in various qualifications focusing on Tourism and Hospitality. The selection criteria include a keen interest in the business events industry, academic excellence, and an age limit not exceeding 35 years.

Following the Meetings Africa Future Leaders Forum, winning participants advance to the International University Challenge. This global competition unfolds at Future Leaders Forums worldwide, providing students with a platform to showcase their creativity in event planning, representing their country, and competing against the world's best students. The overall winner, crowned at the IMEX Gala Dinner in Frankfurt, is presented with the coveted MPI Foundation Student Scholarship Award.

The victor of the Future Leaders Forum – International University Challenge at Meetings Africa 2025 – is awarded a sponsored prize, including flights, accommodation, and a travel allowance to attend the Future Leaders Forum at IMEX Frankfurt. The SANCB provided support in the form of flights, visa and travel allowance, with MPI backing accommodation. South Africa boasts a proud legacy, having clinched victory in the International University Challenge at IMEX Frankfurt four times. The distinguished South African winners include Anzelle Vorstman (2015 - North West University), Kazzandra Grove (2017 - North West University), Emile Coetzee (2019 - North West University) and Hlolohelo Zwane (2024- Tshwane North College). Fulufhelo Emre Tharaga from the Vaal University of Technology is the winner for 2025.

Transformation & Support to SMMEs

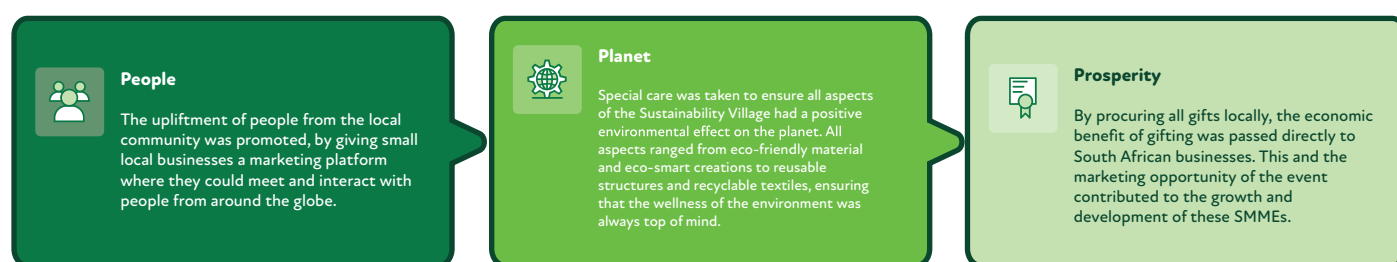
During the financial year, the SANCB strategically collaborated with the TIP, managed by the Department of Tourism, to drive targeted support for SMMEs. This partnership enabled the allocation of spaces for SMMEs at international trade shows, facilitating their access to global markets and expanding their business prospects. Furthermore, in collaboration with PTAs, the Department of Tourism, and independent SMMEs, Meetings Africa and Africa's Travel Indaba created cost-effective participation packages that enabled SMMEs to participate in Meetings Africa and Africa's Travel Indaba. This initiative resulted in significant opportunities for SMMEs at these high-profile trade shows, enhancing their visibility and stimulating growth within the tourism sector.

Through the Business Opportunities and Networking Day (BONDay) programme, Meetings Africa and Africa's Travel Indaba played a key role in raising awareness and strategically highlighting important topics such as disability inclusion in tourism, youth empowerment, and the advancement of women. These initiatives were carefully designed to address critical social issues and support the growth of sustainable tourism. Specifically, Africa's Travel Indaba leveraged its SMME participation criteria to prioritise communities that have historically been disadvantaged, giving them the opportunity to engage

with the global tourism industry. This approach not only fostered inclusivity but also contributed to broader socio-economic transformation within the sector, supporting equitable growth and development in line with national priorities.

Additionally, the Sustainability Village initiative was facilitated, offering local crafters a platform to showcase their products at Meetings Africa and Africa's Travel Indaba trade shows. This initiative connected crafters with international delegates, enabling them to secure sales and explore potential partnerships with global networks. Forty crafters benefited from this exposure, further advancing inclusivity, fostering entrepreneurship, and promoting long-term economic growth within the sector.

The Sustainability Village offered a solution to tailored gifting in the form of a seamless gift voucher system at an event. The advantage is that SMMEs showcase and sell their products to a ready market in the form of delegates attending the events. This approach upholds the three key principles of sustainability:



Sustainability Village activations undertaken for the reporting period included:

Event Name	Province and City	Number of Vendors
South African Association of Public Administration Management Annual Conference	North West, Rustenburg	6
60 th Annual Ear Nose Throat Conference	Gauteng, Pretoria	5
Total		11

SANCB Strategy Review

To continue making informed decisions that will benefit the business events sector and continue positioning SANCB as a thought leader, the current SANCB strategy was developed in FY2011/12. It was important that the strategy be reviewed to address growth for the destination in the business events sector, in alignment with its commitment to continuous improvement and strategic relevance. The SANCB initiated a review of its strategy, to guide its operations and impact for the seventh administration.

The strategy review process focused on positioning SANCB to respond proactively to evolving global trends in the MICE sector while maximising value for the South African economy. The revised strategy aims to deliver on four overarching outcomes:

Enhance South Africa's positioning and sustainability in the global MICE market by reinforcing the country's international competitiveness and long-term appeal as a leading business events destination.

Strengthen sector collaboration and cohesion through improved alignment and partnership between public and private stakeholders.

Drive optimised resource allocation and ensure a higher return on investment from SANCB's strategic platforms and sector enablement interventions.

Maximise economic beneficiation from the MICE sector by ensuring broader participation and inclusive growth, particularly in historically marginalised communities.

This strategy review will ensure that the SANCB remains a catalyst for growth and innovation in South Africa's business events industry and is well-positioned to drive the country's MICE agenda with purpose, agility, and impact over the seventh administration.



Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement 2024/25	Reasons for Deviation
Increase the tourism sector's contribution to inclusive economic growth	B2B brand campaign	Number of B2B brand campaigns implemented	One Domestic B2B Campaign implemented	One Domestic B2B Campaign was implemented	One Domestic B2B Campaign implemented	One Domestic B2B Campaign was implemented	None	None required
			One Global B2B Campaign implemented	One Global B2B Campaign was implemented including additional activities	One Global B2B Campaign implemented	One Global B2B Campaign was implemented	None	None required
	Business Events bidding platform	Number of bid submissions	95 bid submissions	Submitted 95 bids	93 bid submissions	Submitted 104 bids	Target exceeded by 11	Increased business development and sales activities for the financial year enhanced lead generation, resulting in additional bid submissions
		Number of business events hosted in VTSDs	Five business events hosted in VTSDs	Hosted five business events in VTSDs	Five business events hosted in VTSDs	Hosted nine business events in VTSDs	Target exceeded by four	Pipeline of sales engagements successfully converted into bid submissions
		Number of business events bidding impact reports	N/A	Four Business Events Bidding Impact Reports were produced	Two Business Events Bidding Impact Reports	Two Business Events Bidding Impact Reports were produced	None	None required
	Strategic platforms	Africa's Travel Indaba hosted	Hosting of Africa's Travel Indaba 2022	Hosted Africa's Travel Indaba 2023 Reimagined	Hosting of Africa's Travel Indaba 2024	Hosted Africa's Travel Indaba 2024	None	None required
		Meetings Africa hosted	Hosting of Meetings Africa 2023	Hosted Meetings Africa 2024 Reimagined	Hosting of Meetings Africa 2025	Hosted Meetings Africa 2025	None	None required
		Number of international strategic platforms participated in	N/A	Participated in six international strategic platforms	Six international strategic platforms participated in	Participated in six international strategic platforms	None	None required

Strategy to Overcome Area of Under-Performance

Target	Mitigating Action/s
There was no under-performance in this Programme.	

Programme 5: Tourist Experience

Overview of the Programme

The Tourist Experience Programme aims to ensure the delivery of quality assured tourist/visitor experiences, which are diverse, unique, and enriched. The Tourist Experience Programme includes the following business units:

Business Unit	Purpose
Quality Assurance and Development	○ Grows the number of graded properties across South Africa, which will improve overall perceptions of South Africa as a quality destination that offers a diverse, unique, and enriched variety of products and price points for tourists.
Visitor Experience	○ Enables travel trade and associated partners to deliver world-class, warm, friendly, and efficient services to tourists from the ports of entry to the various tourism value touch points; and ○ Recognises and celebrates tourism businesses for tourism excellence, for their contribution to South Africa's global competitiveness, and for growing tourism's contribution towards GDP and job creation.
Brand Experience	○ Seeks new offerings, products, and operators to package in exciting itineraries for the use of South African Tourism's hosting needs; and ○ Enables inclusive growth through itineraries that incorporate emerging/transformed businesses, encourages geographic spread across the country, and addresses the misperceptions associated with seasonal travel.
Global Trade	○ Fosters proactive and collaborative engagements between the organisation and stakeholders in the aviation and cruise industries (followed by road and rail) nationally, regionally, and internationally to promote South Africa as a lucrative destination; and ○ Identifies and implements trade tools required for international partners to better sell South Africa and improve conversion.

In contributing towards the South African Tourism impact of, “tourism in South Africa grows and increasingly contributes to GDP, job creation, inclusive economic participation, and is enjoyed by all South Africans”, this programme delivers against the following outcome and five-year targets in the approved Five-Year Strategic Plan 2020 - 2025:

Institutional Outcome	Sub-Outcome	Outcome Indicator	Baseline (2019/20)	Five-Year Target (2024/25)
Increase the tourism sector's contribution to inclusive economic growth	Demand fulfilment	Seasonality of tourist arrivals	1.3%	1.0%
		Geographic spread of international tourist arrivals	20.0%	13.9%
		Geographic spread of domestic tourist arrivals	8.0%	8.0%
		Number of SMME businesses supported	182	1 096 <i>(Cumulative 2020/21-2024/25. Through both business events platforms and Visitor Experience events and hosting itineraries.)</i>

Outcomes, Outputs, Output Indicators, Targets & Actual Achievements

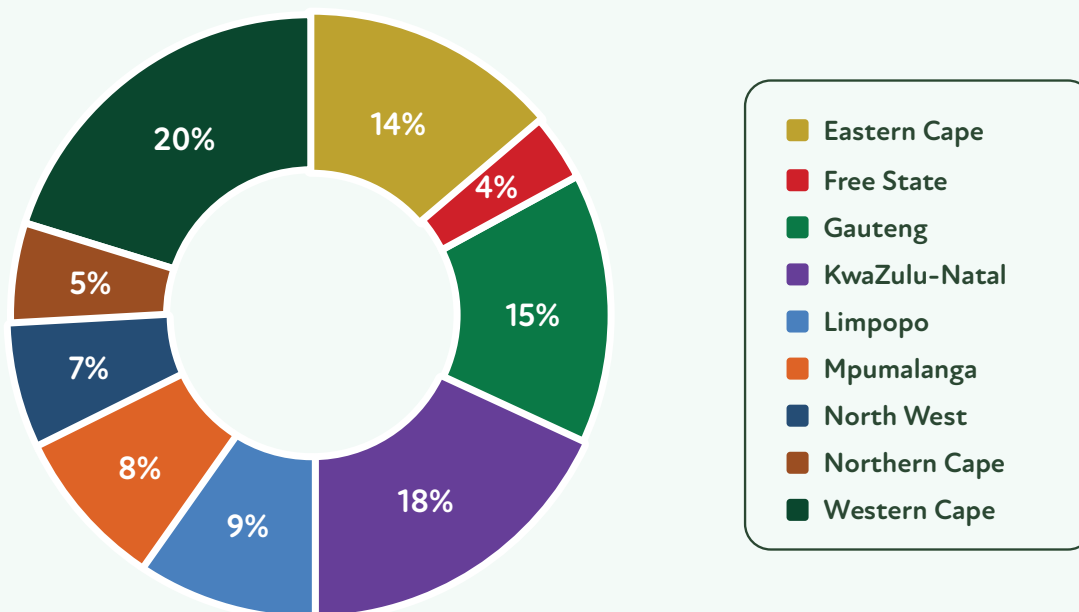
Within South African Tourism, tourist experience is addressed through Quality Assurance, Visitor Experience, and Brand Experience (Hosting). These focus areas collectively and individually improve the visitor experience for both international and domestic tourists.

Quality Assurance & Grading Excellence

The Quality Assurance function continued its drive to grow the number of graded properties across South Africa, to improve the overall perceptions of South Africa as a quality destination that offers a wide variety of products and price points for tourists.

During the 2024/25 financial year, the TGCSA quality assured 4 586 establishments across the country, against the annual target of 5 000. This milestone reflects steady progress in driving quality assurance in the tourism sector. The provincial distribution, depicted below, reflects both demand dynamics and growing provincial alignment with the national grading framework:

Provincial Distribution of Quality Assured Establishments



Advancing Universal Accessibility

Since the adoption of Universal Accessibility (UA) Grading Criteria in 2015, South Africa has approved approximately 136 UA-compliant properties. All new and renewing establishments are now assessed for UA compliance, ensuring that accessibility remains an integral part of the quality framework. This reflects an increasing commitment to inclusive tourism, enhancing experiences for persons with disabilities, older travellers, and families with young children.

Empowering Establishments through the Tourism Grading Support Programme

The TGSP continues to lower barriers to entry by subsidising grading costs, especially for SMMEs. In FY2024/25, the TGSP supported 2 970 establishments, encouraging active participation in the TGCSA's grading system. These efforts contribute to the standardisation of service excellence, helping South Africa remain competitive in global tourism markets.

Supporting Emerging Tourism through Basic Quality Verification

The BQV Programme continues to uplift homestays and small tourism offerings in VTSDs. This initiative equips ungraded establishments with a development roadmap to improve service quality, access new markets, and transition to formal grading. For the reporting period, the programme expanded in Gauteng, training 15 unemployed graduates to support outreach and assessment, broadening its national footprint.

Evolving with the Sector: Grading Criteria Review

Travel is about inclusive growth, not only for those that are in the tourism sector, but any South African that has experiences and knowledge to share that contributes positively to the consumer travel experience. For FY2024/25, a specific focus was the finalisation and implementation of the findings of the review of the grading system, including emerging product and accommodation SMMEs.

In line with its three-year review cycle, the TGCSA began consultations in February 2023 to update grading criteria, ensuring alignment with international benchmarks and evolving traveller expectations. Additional consultations took place during the Annual Assessor Conference on 29 June 2024, and provincial workshops were scheduled for October to November 2024. Upon completion, the revised grading standards will be submitted for Ministerial approval, followed by publication for public comment.

Enhancing Market Access: Speed Marketing

The speed marketing platform continues to create valuable B2B linkages between tourism providers and key buyers. In FY2024/25, five speed marketing programmes were held, including activations at Africa's Travel Indaba in May 2024 (634 attendees), Meetings Africa in February 2025 (181 attendees), and regional events in KwaZulu-Natal in September 2024 (12 attendees), Gauteng in March 2025 (12 attendees), and the Interprovincial Familiarisation Trip in collaboration with Sho't Left in March 2025 (15 attendees). These initiatives empowered both new and established tourism offerings with market visibility and trade opportunities.

Elevating the Visitor Experience: Welcome Programme

Visitor Experience focuses on enabling travel trade and associated partners to deliver world-class, friendly, and efficient services to tourists, particularly through the Welcome Programme that assists with targeted training of the travel trade and associated partners. Greater emphasis was placed on working with the private sector on the tourism value chain and barrier initiatives that contributed towards achieving targets set for South Africa.

The Welcome Programme, through its "Make Someone's Day" initiative, fostered authentic, memorable tourist interactions. For the reporting year, welcome activations were conducted at key industry events and ports of entry, with 548 frontline staff trained across the Oliver Reginald Tambo International Airport (ORTIA), the King Shaka International Airport (KSIA), the Cape Town International Airport (CTIA), and the Cape Town Cruise Terminal. This training included personnel from the Border Management Authority, airlines, South African Police Services (SAPS), and service providers, ensuring a unified and welcoming experience.

Strategic Partnerships for Sector Growth

Collaboration remained a cornerstone of progress. A strategic Memorandum of Agreement was signed

with SATSA, reinforcing public-private cooperation and amplifying South African Tourism's research, events, and industry leadership. Additionally, engagement with the TBCSA supported the development of The Group of Twenty Summit (G20) 2025 itineraries, aligning national tourism strategies with global platforms.

Promoting Sustainable Tourism

Brand Experience aids both international and domestic media and trade in promoting and selling the South African experience, attractions, and accommodation. Thus, the Brand Experience business unit continued to scour the country for new offerings, products, and operators to package in exciting itineraries for the use of South African Tourism hosting needs. To ensure that South African Tourism was true to our inclusive growth endeavours, itineraries incorporated emerging business, transformation representation, and encouraged geographic spread across the country.

Thus, 52 official hostings were undertaken. Complementing this, 15 pieces of sustainable tourism content were shared across social platforms, showcasing eco-friendly practices in all nine provinces. These efforts support South Africa's long-haul market strategy by promoting responsible travel, community upliftment, and environmental stewardship. The Sustainable Landing Page serves as a central hub for 24 curated sustainable content pieces, showcasing South African products and experiences that embody sustainability. The primary objective of the landing page is to:

- Serve as a digital repository for compelling sustainability-focused storytelling.
- Provide a comprehensive information platform for both global and local trade partners, as well as consumers, to gain insights into South Africa's sustainable tourism, products, and initiatives.

Strengthening Global Trade & Connectivity

South African Tourism, through its Global Trade business unit, continued to collaborate with government and stakeholders across the aviation sector to cement the airlift role and strengthen relationships with key stakeholders. The Global Trade business unit participated in various local and international platforms to connect and promote South Africa as a lucrative destination to international airlines and mitigate visa and air travel issues. In addition, the entity continued to participate in the provincial air access forums to ensure that insights into inbound global markets are made available to support efforts to secure new entrants.

The Global Trade BU expanded engagement across aviation and cruise sectors, achieving the following milestones:

- Airline Pavilions and engagements at Africa's Travel Indaba and Meetings Africa featured more airlines, some of which were new to South African Tourism's platforms. Increased participation at these platforms affirmed the value experienced by airlines and further highlighted the positive interlinkages between tourism and aviation.

- South African Tourism led a united delegation at the South Africa Pavilion at Routes World October 2024 where joint meetings were held with strategic airlines, like Air India.
- The entity also activated at AviaDev in June 2024, ensuring that delegates were positively exposed to the taste, sounds and look of South Africa.
- With regards to aviation collaborations, a highlight was the Lufthansa Group, the largest airline group in Europe, that hosted their Annual Market Conference in Africa, specifically Johannesburg, for the first time in February 2025. Additionally, South African Tourism was represented at the:
 - Gauteng Growth and Development Agency Brazil, Russia, India, China and South Africa (BRICS) engagement in which tourism insights for BRICS markets were addressed.
 - Global Business Travel Association which focused on business travel in and around South Africa.
 - Activated and attended the International Air Transport Association Wings of Change focus Conference.
 - Collaborated with the Airports Company of South Africa at their hosting of the International Association of African Airports (ACI) Africa Conference in Johannesburg.
- With route development taking centre stage, South African Tourism supported and collaborated with various stakeholders to promote new routes including:
 - SAA reinstating the Johannesburg - Perth route, and Norse Atlantic Airways introducing a Gatwick - Cape Town route.
 - Attendance at the Board of Airlines Representatives South Africa (BARSA) conference, fostering collaboration and encouragement of route development in March 2025.
- With respect to cruise initiatives, the highlights for the year were:
 - Participation at Seatrade Cruise Global with South African participants organised at a South Africa Pavilion.
 - Organised the second edition of the National Cruise Workshop to assist in aligning the industry and developing actionable plans, which was held in November 2024.

Currently, South Africa maintains active routes to 64 global cities, serviced by 49 airlines, which is an encouraging indicator of the sector's resilience and growth. A key milestone for the reporting year was the contribution by South African Tourism to the Cabinet's approval of the Tourism Route Development Marketing Plan (TRDMP) in December 2024. The TRDMP aims to drive route development and increase inbound travel volumes through targeted marketing and strategic connectivity. South African Tourism's role would be to coordinate the cross sector collaboration required to fulfil the TRDMP.

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement 2024/25	Reasons for Deviation
Increase the tourism sector's contribution to inclusive economic growth	Quality assured visitor services	Number of graded establishments	4 959 properties have been quality assured	4 668 graded establishments	5 000 graded establishments	4 586 graded establishments	Target not achieved by 414.	Grading is a voluntary programme. However, South African Tourism engaged a series of measures to drive the target. This included provincial quality assurance workshops, stakeholder MoUs, lead generation programmes and a Free Grading programme
	Quality assurance in the tourism value chain	Three-Year Tourism Value Chain and Barrier Strategy implemented	N/A	The Three-Year Tourism Value Chain Strategy was developed and approved	Implementation of Three-Year Tourism Value Chain Strategy FY2024/25 Roadmap	The Three-Year Tourism Value Chain Strategy FY2024/25 Roadmap was implemented	None	None required
				The Three-Year Tourism Value Chain Strategy Roadmap was developed				
	Global Trade Programme	Global Trade Programme implemented	The Global Trade Reimagined Programme implemented	The FY2023/24 Global Trade Plan was implemented, including additional activities	FY2024/25 Global Trade	FY2024/25 Global Trade Plan was implemented	None	None required

Strategy to Overcome Area of Under-Performance

Target	Mitigating Action/s
5 000 graded establishments	Moving forward, the target has been adjusted to a more conservative number.

Linking Performance with Budgets

Programme	2023/24			2024/25		
	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Programme 1: Corporate Support	207 525	204 025	3 500	225 336	212 697	12 639
Programme 2: Business Enablement	71 529	69 968	1 561	82 422	73 360	9 062
Programme 3: Leisure Tourism Marketing	876 138	878 598	(2 460)	774 736	773 805	931
Programme 4: Business Events	227 194	213 737	13 457	269 162	259 434	9 728
Programme 5: Tourist Experience	92 448	92 448	-	80 299	70 041	10 258
Total	1 474 834	1 458 776	16 058	1 431 955	1 389 337	42 618

Revenue Collection

Sources of Revenue	2023/24			2024/25		
	Estimate R'000	Actual Amount Collected R'000	(Over)/Under Collection R'000	Estimate R'000	Actual Amount Collected R'000	(Over)/Under Collection R'000
Government Grants & Subsidies	1 344 672	1 289 739	54 933	1 243 555	1 243 555	-
Sundry Income	62 908	138 078	(75 170)	65 809	166 073	(100 264)
Grading Income	13 210	15 233	(2 023)	13 804	25 580	(11 776)
Voluntary TOMSA Levies	53 972	133 544	(79 572)	108 787	-	108 787
Total	1 474 762	1 576 594	(101 832)	1 431 955	1 435 208	(3 253)

Capital Investment

Infrastructure Projects	2023/24			2024/25		
	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
None	0	0	0	0	0	0
Total	0	0	0	0	0	0

Part C

What We Did

Governance

Governance in South African Tourism ensures ethical, transparent, and accountable management of the sector, aligned with national goals like economic growth, transformation, and sustainability. It involves oversight, legal compliance, and inclusive engagement to drive tourism that benefits communities and protects the country's heritage.



Introduction

Corporate governance is an important cornerstone in ensuring that a public entity is appropriately managed in discharging its mandate. South African Tourism aspires to the highest standards of corporate governance. In so doing, the entity tables reports with various oversight bodies, including the Portfolio Committee on Tourism, the Shareholder as the Executive Authority, and the South African Tourism Board as the Accounting Authority.

Portfolio Committees

In terms of Section 92 of the Constitution, the Minister of Tourism is responsible for the tourism portfolio, including any public entity within the portfolio. The Minister is accountable to Parliament and must provide Parliament with full and regular reports on matters under his/her portfolio.

Thus, the Portfolio Committee on Tourism exercised oversight over South African Tourism during the reporting period, where the entity, through its Shareholder, tabled the following:

Date	Subject Matter
10 th July 2024	FY2024/25 Annual Performance Plan (APP)
21 st August 2024	South African Tourism's Programmes
3 rd September 2024	FY2023/24 Quarter 4 and FY2024/25 Quarter 1 Performance Reports
15 th October 2024	FY2023/24 Annual Performance Report
26 th November 2024	FY2024/25 Quarter 2 Performance Report
11 th February 2025	Progress on the preparation for the international tourism events including the hosting of G20 Countries

25 th February 2025	FY2024/25 Quarter 3 Performance Report
11 th March 2025	Market Prioritisation and Investment Framework
18 th March 2025	Tourism Route Development Marketing Plan
25 th March 2025	Briefing on Programme 4: Tourism Grading Council of South Africa and Programme 5: South African National Convention Bureau

The Portfolio Committee on Tourism approved the FY2024/25 APP, the FY2024/25 Quarterly Performance Reports, and the FY2023/24 Annual Report. The Portfolio Committee on Tourism raised a number of concerns during the financial year.

- While the Committee commended the entity on a well drafted FY2024/25 APP, the Committee noted concerns pertaining to the instability of the entity during the 6th administration. The Committee was assured by Minister of Tourism that as strategic appointments were concluded in relation to a new Board, as well as the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), the entity would begin to realise stability.
- In relation to the FY2024/25 Quarterly Performance Reports, the Committee noted:
 - Improving airlift is an important focus area.
 - The importance of Tourism Month and promoting domestic travel during this period.
 - The Committee shared the Minister of Tourism's concern regarding delays in the Global Brand Campaign and called for a detailed plan to mitigate these and avoid future disruptions.
 - The high number of Board meetings and financial implications.
 - The Committee recognised improved performance from the entity particularly from Quarter 2 onwards. The Committee commended the leadership of the CEO in setting the entity on the right path.

Regarding the FY2023/24 Annual Report, the Committee raised concerns regarding the entity's governance, highlighting irregular payments and the lack of clarity on whether internal audits had been conducted to oversee financial matters. The Committee further noted the resignation of Board members. Another challenge was the vacancy rate which hampered productivity. The appointment of the new Board Chairperson and additional Board members was welcomed as the step towards the right direction to ensure stability for the entity.

South African Tourism also presented the FY2023/24 Annual Report to the Select Committee on Trade and Industry, Economic Development, Small Business, Tourism, Employment and Labour, on 9th October 2024.

Executive Authority

South African Tourism’s sole Shareholder and Executive Authority (EA) is the Minister of Tourism, with the powers of the Shareholder articulated in the PFMA. In line with legislative requirements, South African Tourism submitted a number of compliance documents to the Shareholder:

Date	Subject Matter
30 th April 2024	FY2023/24 Quarter 4 Performance Report
31 st May 2024	FY2023/24 Annual Performance Report
30 th July 2024	FY2024/25 Quarter 1 Performance Report
30 th October 2024	FY2024/25 Quarter 2 Performance Report
30 th October 2024	Draft Five-Year Strategic Plan 2025 - 2030
30 th October 2024	Draft FY2025/26 Annual Performance Plan
30 th January 2025	FY2024/25 Quarter 3 Performance Report
30 th January 2025	Final Draft Five-Year Strategic Plan 2025 - 2030
30 th January 2025	Final Draft FY2025/26 Annual Performance Plan

South African Tourism attended the following meetings with the Department of Tourism:

Date	Purpose of Meeting
16 th April 2024	South African Tourism participated at the meeting focusing on the Revitalisation of Tourism in eThekwin Region, with the aim of engaging stakeholders in eThekwin to identify areas of collaboration in the revitalisation of the city and its surroundings.
16 th April 2024	The entity participated at the Trade, Tourism, Investment and Security (TTIS) Committee to present the Economic Impact Study on Meetings Africa 2024 and Africa's Travel Indaba 2023.
16 th May 2024	South African Tourism participated at the MIPTECH meeting, held during Africa's Travel Indaba 2024.
27 th June 2024	South African Tourism participated at the TSMP Working and Industry Reference Groups Meetings (formerly known as the NTSS Implementation Work Streams) to present the Destination Brand Index Report and the Report on Domestic Campaigns.
25 th July 2024	The entity participated at the TSMP Steering Committee Meeting.
1 st – 2 nd August 2024 and 7 th August 2024	South African Tourism attended the Minister's Inaugural Joint Planning Sessions between the Department of Tourism and the entity to plan for the seventh administration.
15 th August 2024	South African Tourism participated at the meeting focusing on the Revitalisation of Tourism in eThekwin Region, where the entity shared key areas of collaboration in relation to the Travel Week and Summer Campaigns.
5 th September 2024	South African Tourism participated at the NTSE, where the entity presented the Tourism Performance Report for the period January – June 2024.
17 th - 18 th October 2024	South African Tourism collaborated with the DT on an Outreach Programme in KwaZulu-Natal. The Outreach Programme was led by the Deputy Minister of Tourism. South African Tourism presented its programmes to support the industry, including grading, domestic tourism market access platforms.
21 st - 25 th October 2024	South African Tourism participated at the Department of Tourism's strategic planning session, aimed at translating the delivery imperatives highlighted at the joint planning session into tangible projects to inform the Five-Year Strategic Plan 2025 – 2030 and the FY2025/26 Annual Performance Plan.

5 th November 2024	South African Tourism participated at the Tourism Sector Masterplan (TSMP) Working and Industry Reference Groups Meetings, where the entity presented its initiatives to promote domestic tourism. The report presented insights for the domestic market, to enable collaboration on domestic campaigns between South African Tourism and participating provinces and the private sector.
29 th November 2024	South African Tourism participated at the Department of Tourism's on Outreach Programme in the Free State. The Outreach Programme was led by the Deputy Minister of Tourism. South African Tourism presented its programmes to support the industry, including grading, domestic tourism market access platforms.
28 th January 2025	South African Tourism participated at the Tourism Masterplan Steering Committee meeting.
5 th February 2025	South African Tourism participated at the Deputy Minister's Outreach Programme in Gugulethu, Western Cape, by sharing with tourism stakeholders its programmes to support the industry, including grading, domestic tourism market access platforms.
14 th February 2025	South African Tourism participated at the Joint MIPTECH meeting, which included the Departments of Small Business Development and Trade, Industry and Competition and provinces. The focus of the engagement was on the priorities of the G20 Tourism Working Group.
27 th February 2025	South African Tourism participated at the National Tourism Stakeholder Forum (NTSF) where the entity presented the Tourism Performance Report for 2024.

Key areas of focus for the EA during the year under review included improving stability within the entity, improving governance and internal controls, and ensuring a coordinated approach to implementation within the Department of Tourism and the entity.

The Tourism Act, 2014, provides for the existence and functions of the South African Tourism Board, including the mandate, composition, and appointment, and remuneration of members of the Board. Through the Board, the Minister ensures that the entity's legislative mandate is implemented.

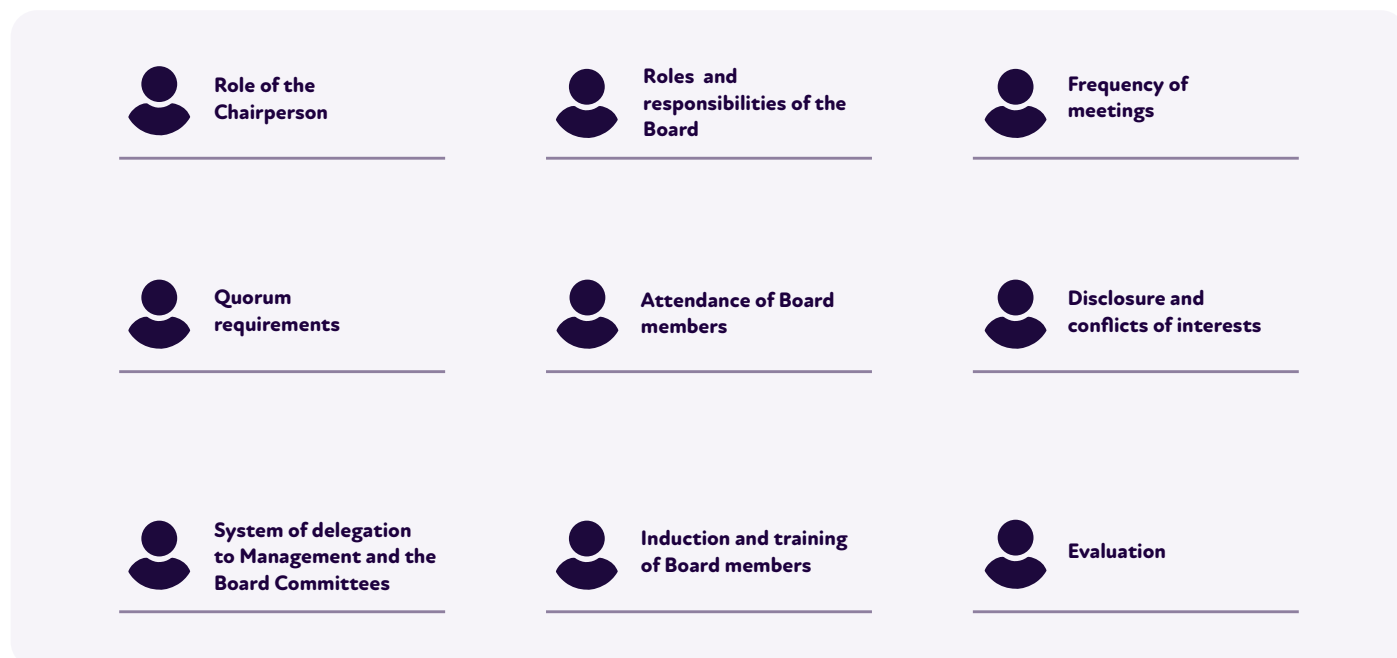
Accounting Authority/Board

The Board discharges its roles, responsibilities and fiduciary duties in respect of South African Tourism as outlined in the Tourism Act, the PFMA, Treasury Regulations, applicable laws and governance prescripts. The Board, at all times, ensured that the interests of the shareholder are promoted and protected. As the Accounting Authority, the Board ensures that the resources of the entity are properly managed for its intended purposes. The Board ensured full and ultimate accountability to the Minister in relation to the affairs of South African Tourism.

The Board Charter is subject to the provisions of the Tourism Act No. 3 of 2014, the PFMA, and any other applicable law and/or regulation. The South African Tourism Board also adhered to the Governance Protocol, which governs the relationship between the Minister of Tourism and the Board, to facilitate the Board's compliance with the relevant laws and prescripts and corporate governance principles.

The South African Tourism Board is committed to good governance as espoused in King IV, in terms of ethical and effective leadership to achieve the core governance outcomes of an ethical culture, good performance, and effective control.

The South African Tourism Board Charter sets out the:



As per the Board Charter, the Board consists of a minimum of nine, and a maximum of 13, non-executive directors, who were appointed by the Minister of Tourism. The CEO and the CFO are executive members of the Board.

The roles and responsibilities of the Board are to:



Act as the focal point and custodian of good corporate governance by steering South African Tourism's strategic direction, approving policy and planning that give effect to that direction, overseeing and monitoring the implementation and execution by Management through reporting and disclosures



Lead ethically and effectively by cultivating the characteristics of integrity, competence, fairness, transparency, accountability, and responsibility



Govern the ethics of the organisation by approving and overseeing the implementation of codes of conduct and ethics policies



Provide high-level input to management with the setting of strategic objectives for the organisation and the determination of high-level marketing strategy, taking into consideration the latest market intelligence, research, and appropriate risk parameters



Monitor compliance with the PFMA, Treasury Regulations, the Tourism Act, and other relevant legislation and regulations that are applicable to business in general and considering adherence to best practice



Govern risk, information and technology in a way that supports the organisation in setting and achieving its strategic objectives



Ensure that the evaluation of its performance, committees, the Chairperson and individual members, supports continued improvement in its performance and effectiveness



Ensure that the organisation remunerates fairly, responsibly, and transparently in order to promote the achievement of strategic objectives and outcomes by approving the remuneration policies of the organisation in line with the provisions of the Tourism Act



Ensure that the preparation of annual financial statements fairly presents the results of South African Tourism, and obtaining assurance that the information contained in the annual financial statements is accurate



Ensure that there is access to professional and independent advice and support to the Board and its Committees

The Board effectively discharged its role and responsibilities in the year under review. Key deliverables in this regard include:



Creating a level of stability in the entity with the appointments of the CEO and COO;



Providing strategic direction for the Five-Year Strategic Plan 2025–2030 and FY2025/26 Annual Performance Plan which were approved and tabled in Parliament;



Monitoring financial and non-financial performance resulting in the timeous submission of Quarterly Performance Reports to the Shareholder and Parliament;



Approving the Corporate Strategy, Integrated Tourism Brand Strategy and the Grading Criteria; and



Improving the policy environment, as well as the internal control and audit environment

Board & Committee Composition & Meetings

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	Number of Meetings Attended
Makhosazana Khanyile	Chairperson of the Board	8 th March 2024	13 th September 2024	○ MBA ○ Postgraduate Diploma: Management Practice ○ Bachelor of Arts ○ Diploma: International Journalism	○ Media ○ Marketing	None	None	38
Advocate Lizelle Jordaan (nee Haskins)	Deputy Chairperson of the Board	8 th March 2024	13 th September 2024	○ LLB ○ LLM: Corporate Law ○ Higher Diploma: Tax Practice ○ Corporate Governance Certificate ○ Commercial Mediator	Law	○ NEC Member: Pan African Bar Association of South Africa (PABASA) ○ NEC Member: National Association of Democratic Lawyers (NADEL)	○ Human Capital and Remuneration Committee ○ Audit and Risk Committee	28
Nqabomzi Haya	Member	8 th March 2024	16 th September 2024	○ MBA: In progress ○ Post-Graduate Diploma in Management Practice ○ Chartered Management (CIMA) - Operational Level ○ BCom. Statistics	○ Management ○ Marketing	None	○ Marketing and Commercial Committee ○ Human Capital and Remuneration Committee	21
Professor Stella Bvuma	Member	8 th March 2024	18 th September 2024	○ PhD-IT ○ M-Tech-IT ○ B-Tech-IT ○ ND-IT	Information Technology	SITA Board	○ Audit and Risk Committee ○ Human Capital and Remuneration Committee	25
Dr. Mzolisi Toni	Member	8 th March 2024	18 th September 2024	○ Diploma in Health Education ○ Diploma in Social Development ○ Certificate Course in Community Organising ○ Career Development Fellowship ○ Community Organising Programme ○ Certificate Course in Community Adult Education ○ Certificate in OD and Strategic Management ○ Certificate in Human Resource Management ○ Certificate in Business Counselling Course ○ Certificate in Management Development ○ Advanced Training for Leadership and Skills ○ BDS Training Programme Certificate in Mainstreaming and Empowerment of Disabled People ○ Masters in Philosophy in Disability ○ Doctor of Social Science (Honoris Causa).	○ Disability ○ Community Organisational Development	None	○ TGCSA Awards Committee ○ Human Capital and Remuneration Committee	17

Professor Rajesh Mahabeer	Member	8 th March 2024	18 th September 2024	- CA (SA) - FCMA CGMA - FCA (England and Wales) BFP - FCCA - CIA FIILASA - M.Inst.D - SARIPA - INSOL - MBA (Derby) - MCom (UKZN) - Post Grad Dip Acc (UKZN) - N Dip Cost Acc (DUT) - PhD (Candidate) (Wits)	- Finance - Auditing - Corporate Governance - Risk Management - Audit Forensics - Ethics - Legal Compliance	- Office of Health Standards Compliance - Onderstepoort Biological Products - Central University of Technology - REPSSI	- Audit and Risk Committee - Human Capital and Remuneration Committee	25
Ikaneng Pilane	Member	8 th March 2024	Current	Master's in Public Development and Management	Tourism	- SATSA - Mpumalanga Tourism Think Tank - Kruger Lowveld - Ehlanzeni District Development Model - Nkangala Economic Development Agency	- TGCSA Awards - Marketing and Commercial Committee	28
Ayanda Mazibuko	Member	8 th March 2024	Current	- Hospitality Leadership Short Course - Management Development - Hospitality Management	Tourism	Board Member: Cape Town Tourism	- TGCSA Awards - Marketing and Commercial Committee	24
Professor Gregory Davids	Board Chairperson	8 th March 2024	Current	- BA in Public Administration - B.A. (Hon) Development Administration - Master's Degree Public Administration - International Education: Train the Trainer Programme - Certificate in International Finance and Economics, (International Institute Public Administration France – Paris) 2000/01 Harvard University – Boston, United States (Harvard South African Fellow) - Harvard Business School (2000-01) 2009: Philosophiae Doctor: University Of Western Cape 2012: Harvard University Governance for Non - Profit Boards 2022: IODSA - Analysis Of Cashflows Statements And Balance Sheets	- Academic - Management	Overberg Water Board	- Former member of the Audit and Risk Committee - TGCSA Awards Committee	35
Maija de Rijk-Uys	Member	8 th March 2024	Current	UNISA B. Compt Honours	Tourism	None	- TGCSA Awards - Marketing and Commercial Committee	22
Uveshnee Pillay	Shareholder Representative	8 th March 2024	Current	- ND: Tourism Management - MBA - Tourism	Tourism	None	- TGCSA Awards Committee - Human Capital and Remuneration Committee	22

Judi Nwokedi	Member	27 th September 2024	Current	○ Bachelor of Science - Chemistry, Psychology, Sociology ○ Public Administration – University of Cape town	○ Tourism ○ Brand and Marketing ○ Strategic Leadership	○ Gauteng Tourism Authority ○ Presidential Council State Owned Entities ○ Hengton/Aberdare Cables ○ AM Hengton Telecoms	○ Human Capital and Remuneration Committee ○ Marketing and Commercial Committee	19
Jonathan Gadiah	Member	27 th September 2024	Current	Management Development Programme - Durban University of Technology	○ Executive Leadership ○ Strategic Planning and Development ○ Innovative Solutions/Strategic Innovation ○ Corporate Management ○ Board-Level Reporting ○ Revenue Optimisation	None	○ Audit and Risk Committee ○ TGCSA Awards Committee	6
Tumelo Selikane	Member	27 th September 2024	Current	○ Sports Sponsorship Marketing – European Sponsorship Marketing Association ○ Red and Yellow Creative School of Business – Digital Marketing ○ Project Management – University of Cape Town Get Smarter ○ Event Management – University of Cape Town Get Smarter ○ Mechanical Engineering: Wits University	○ Brand and Marketing ○ Stakeholder Management ○ Data Analytics ○ Commercial Strategy Development ○ Digital Marketing ○ Event Management ○ Business Development	None	○ Marketing and Commercial Committee ○ TGCSA Awards Committee	14
Nozipho Rachel Nxele	Member	27 th September 2024	Current	○ MBA - Gordon Institute of Business Science (University of Pretoria) ○ BSC Environmental Sciences - University of KwaZulu-Natal ○ Human Resources Management Certificate – University of Cape Town ○ Project Management	○ Tourism ○ Strategic Planning and Execution ○ Stakeholder Engagement Management and Partnership Building ○ Marketing and Sales ○ Financial Analysis and Management ○ Governance and Risk Management ○ Compliance and Regulation ○ Business Improvement Processes	○ Prescient Investment Management (Pty) Ltd ○ Sandringham 197 (Pty) Ltd ○ CX Wealth Pty (Ptd) ○ SATSA	Audit and Risk Committee	15
Miller Matola	Member	27 th September 2024	Current	○ Post Graduation Diploma in Company Direction, Graduate Institute of Management and Technology (GIMT) ○ MBA, University of West London ○ Management Advancement Programme (MAP) – Wits Business School ○ MA (Sociolinguistics, University of North West) ○ BA Honours (Applied Linguistics) University of North West ○ BA ed – University of the North	○ Destination Marketing ○ Reputation Management ○ Strategic Planning and Execution ○ Project Management	○ Africa Tourism Leadership Forum ○ Premier's Economic Growth Advisory Council (Limpopo Province) ○ Agriculture Work Group (Limpopo Province)	○ Audit and Risk Committee ○ TGCSA Awards Committee	23

Lawson Naidoo	Member	27 th September 2024	Current	- LLM - Cambridge University, Girton College - LLB – Southampton University	- Law - Corporate Governance and Compliance - Strategic Planning & Management - Political Risk Analysis - Communications	- Board of Momentum Medical Scheme - Paternoster Group - Council for the Advancement of the South African Constitution	- Audit and Risk Committee - Human Capital and Remuneration Committee	16
Sizakele Mzimela	Member	27 th September 2024	Current	- BA (Economics and Statistics) – University of Swaziland - Certificate in Management – Henley College - Transnet Development Programme, GIBS	- Strategic Leadership - Stakeholder Management - Corporate Governance - Financial Management	- Oasis Logistics South Africa - Airlines Association of South Africa - IATA Board - Bryte Insurance Company Limited - Bryte Life Company Limited - University of Cape Town Council - Africa Renaissance Company (Nominations Committee, Remuneration Committee, Audit Committee, and Social and Ethics Committee)	- Audit and Risk Committee - Human Capital and Remuneration Committee	19
Nombulelo Guliwe	Chief Executive Officer	01 st March 2024	Current	- Chartered Accountant - Bachelor Honours Degree in Accounting (CTA)	Chartered Accountant	None	None	14
Talib Sadik	Chief Financial Officer	01 st April 2024	13 th September 2024	- University of Natal Advanced Diploma: Accounting - KPMG CA (SA) - Chartered Accountant - University of Natal Bachelor of Commerce	Chartered Accountant	None	None	8
Takalani Ramovha	Acting Chief Financial Officer	30 th October 2024	Current	- Master of Commerce in Leadership Studies (MCLS) – University of KwaZulu-Natal - Professional Diploma in Procurement and Supply. Chartered MCIPS – CIPS (United Kingdom) - Post Graduate Diploma in Public Procurement and Regulations - University of Stellenbosch - Marketing Management – Cape Peninsula University of Technology - Bachelor of Commerce Honours - Regent Business School - Bachelor of Commerce Degree (B.Com) - Major in Economics and Accounting – University of Venda - Higher Certificate in Criminal Justice and Forensic Investigation - University of Johannesburg - Advanced Programme in Sourcing and Supply Chain Management - University of South Africa - Postgraduate Diploma in Drafting and Interpretation of Contracts - University of Johannesburg	- Supply Chain Management - Chartered MCIPS	None	None	4

Board Committee meetings held during the reporting period were:

Committee	Number of Meetings Held	Number of Members	Names of Members
Audit and Risk Committee (ARCO)	***17	4	Former: *Professor Rajesh Mahabeer *Professor Gregory Davids *Advocate Lizelle Jordaan (nee Haskins) *Professor Stella Bvuma
		5	Current: **Siza Mzimela ** Rachel Nxele ** Lawson Naidoo ** Jonathan Gadiah ** Miller Matola
Human Capital and Remuneration Committee (HCREMCO)	***7	5	Former: *Advocate Lizelle Jordaan (nee Haskins) *Professor Stella Bvuma * Professor Rajesh Mahabeer * Uveshnee Pillay * Nqabomzi Haya
		5	Current: ** Judi Nwokedi ** Siza Mzimela ** Rachel Nxele ** Miller Matola ** Lawson Naidoo ** Uveshnee Pillay
Marketing and Commercial Committee (MARCOM)	***7	4	Former: *Nqabomzi Haya *Ikaneng Pilane *Maija de Rijk Uys * Ayanda Mazibuko
		5	Current: **Ikaneng Pilane ** Tumelo Selikane ** Miller Matola ** Maija de Rijk Uys ** Ayanda Mazibuko

Tourism Grading Council of South Africa Committee (TGCSA Awards)	5	4	Former: *Ayanda Mazibuko *Ikaneng Pilane *Maija de Rijk Uys * Uveshnee Pillay
		6	Current: **Ayanda Mazibuko ** Ikaneng Pilane ** Jonathan Gadiah ** Miller Matola ** Tumelo Selikane ** Uveshnee Pillay

*Former ARCO/HCREMCO/MARCOM/ MARCOM/TGCSA Awards Members

**Current ARCO/HCREMCO/MARCOM/TGCSA Awards members

*** Total number of meetings held by former and current ARCO/HCREMCO/MARCOM/TGCSA Awards members

****Total number of ARCO members including former ARCO/HCREMCO/MARCOM/TGCSA Awards members.

Remuneration of Board Members

Name	Board Fees	Other Re-Imbursements	Total
*Makhosazana Khanyile	262 314	3 052	265 366
**Professor Gregory Davids	172 406	41 727	214 133
Dr. Mzolisi Toni	48 564	0	48 564
Professor Stella Bvuma	67 450	0	67 450
Professor Rajesh Mahabeer	59 356	0	59 356
Nqabomzi Haya	56 658	0	56 658
Maija de Rijk-Uys	51 262	0	51 262
***Uveshnee Pillay	0	0	0
Judi Nwokedi	26 980	0	26 980
Tumelo Selikane	40 470	0	40 470
Miller Matola	16 188	0	16 188
Lawson Naidoo	51 262	0	51 262

Sizakele Mzimela	43 168	0	43 168
Kholeka Zama	30 476	0	30 476
Total	926 554	44 779	971 333

* Former Board Chairperson

** Current Board Chairperson

***Shareholder Representative, not paid board fees

Risk Management

At the beginning of FY2024/25, South African Tourism determined its risk maturity at level 3, an improvement from level 2 in FY2021/22. Maturity level 2 indicates that some functions appear effective; however, there are major deficiencies in the process, with significant gaps that need to be closed. Maturity level 3 indicates that the entity has clearly defined enterprise risk management processes with room for improvement. The following achievements were made during the year under review with strategic guidance from ExCo and ARCO:

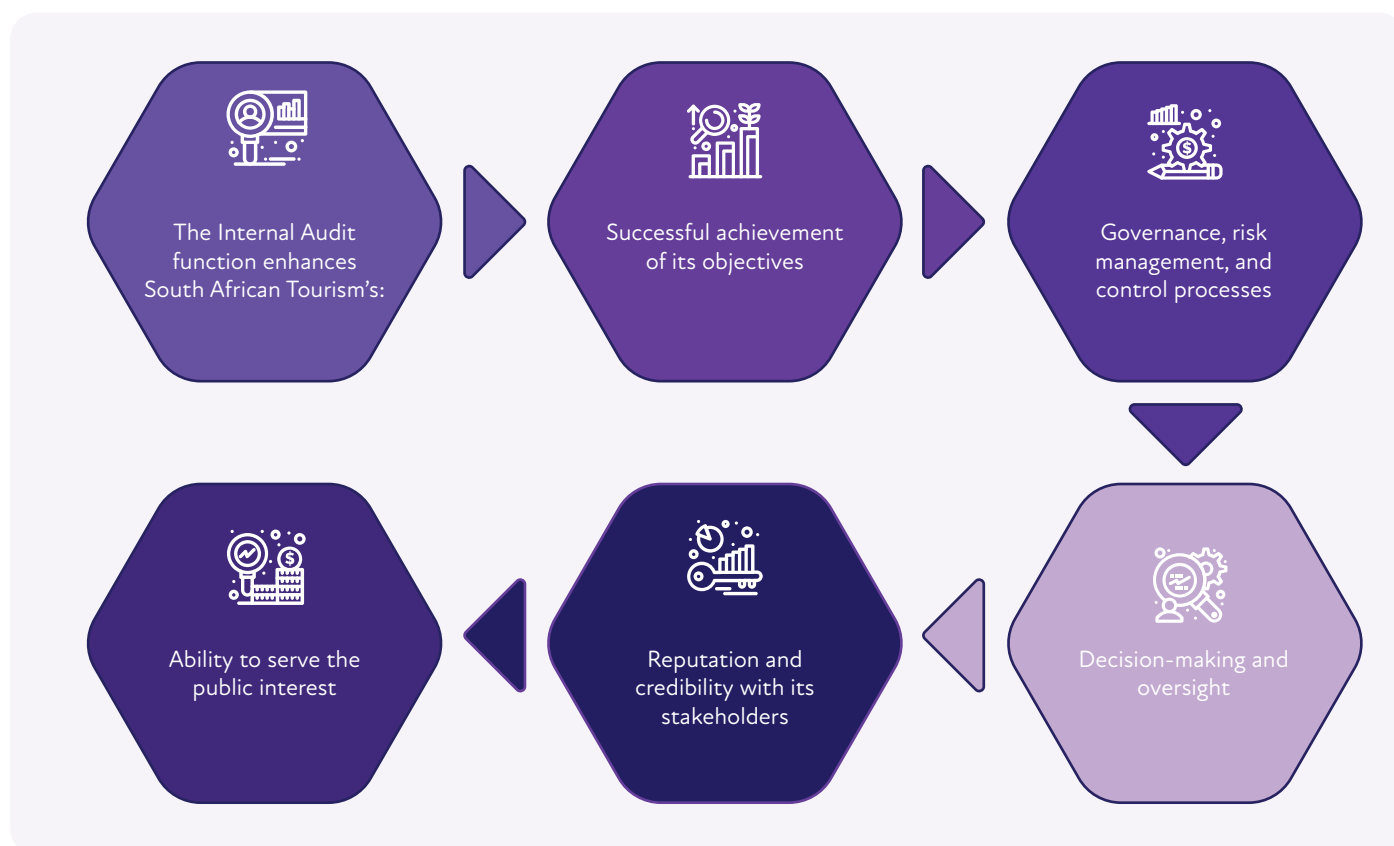
- Quarterly reporting to ExCo, the ARCO, and the Board on progress made with regards to enterprise-wide risk management;
- Some of the recommendations from the risk maturity assessment were implemented in Quarter 4;
- The annual review of the Enterprise Risk Management Framework and Policy was undertaken; and
- Training for the entity's employees on risk management during operational risk reviews was held.

It is envisaged that sufficient capacity for the Risk Management and Compliance function will be secured in the next financial year to progress the entity from risk maturity level 3 to 4.

Internal Audit

The purpose of the Internal Audit function is to strengthen South African Tourism's ability to create, protect, and sustain value by providing the Board and Management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The National Treasury Internal Audit Framework requires Internal Audit to assess and make recommendations for the improvement of governance, risk management and internal controls. In terms of King IV, Internal Audit is required to provide the South African Tourism Board with a written assessment regarding the effectiveness of the system of internal control and risk management.



Internal Audit, as the internal control unit at South African Tourism, performed the following work during the year under review:

Part A: Combined Assurance

- Combined assurance universe

Part B: Internal Audit Work Completed

- China (Beijing): Country Office Review
- France (Paris): Country Office Review
- Nigeria (Lagos): Country Office Review
- Human Capital Audit: Payroll and Leave Management
- Tourism Grading Council South Africa (TGCSA): Grading Process Audit
- Governance, Risk Management and Compliance Review (Follow-Up)
- ICT Audit: Cyber Security and User Access Management
- ICT Business Continuity Management Review
- Contract Management, MoUs and Partnership Agreements Review
- Corporate Brand Campaigns and Projects Review
- Africa Travel Indaba 2024 Audit
- Meetings Africa 2025 Audit
- Budget Management Audit

- Assets Management Audit
- Performance Information Audit for Quarters 1 – 4
- Supply Chain Management Review
- Corrective Action Tracking for Quarters 1 - 4

Part C: Investigations and Related Reviews

- Corruption: Alleged Sharing of Information with Service Provider
- Unethical Conduct: Tender Process Compromised
- Unethical Conduct: Alleged Abuse of Power and Nepotism
- Improper Conduct: Alleged Improper Conduct Supply Chain Process (In progress)
- Misconduct: Violation of Human Capital Disciplinary Policy (In progress)
- SCM Probity Assessments
- Human Capital Leave Pay-Out Reviews
- Assessments of Wasteful, Fruitless and Irregular Expenditures

Overall Opinion

Based on the results of the audit engagements, consultancy services rendered, and reports considered on governance, risk management and internal controls, the overall Internal Audit opinion is that in all significant respects, South African Tourism's control environment requires improvement. Limited reliance can be placed on the adequacy and effectiveness of internal controls. Governance, Risk Management and Compliance requires urgent attention.

With the exception of confirmed cases of irregular expenditure reported to Management and the Board via the Audit and Risk Committee, as well as the ongoing investigation into whistleblower reports, South African Tourism's Internal Audit has not identified any significant breakdowns in control design that might have led to organisational losses during the review period up to the date of this report. Internal Audit considered and consolidated the effects of the above deliverables to formulate overall assessments covering the adequacy and effectiveness of governance, risk management and internal control systems.

Audit & Risk Committee

The Audit and Risk Committee is constituted as a statutory committee in respect of its duties under sections 76(4)(d) and 77 of the PFMA and as a committee of the Board for all other duties assigned to it by the Board. The Committee operates under written terms of reference, which are reviewed and approved by the Board, to ensure that the Committee adequately addresses its membership, authority, and responsibility. The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members regarding their fiduciary duties, as they must exercise due care and judgment in accordance with their statutory obligations. The Committee does not assume the

functions of Management, which remain the responsibility of Management of South African Tourism. The Committee has an independent role, acting as an overseer and making recommendations to the Board for its consideration and approval.

During the year under review, the Committee convened meetings as required. The Committee ensured oversight over the following during FY2024/25:

- Financial Year 2022/23 Annual Report;
- Financial Year 2024/25 Annual Procurement Plan;
- Financial Year 2024/25 Annual Procurement Plan through Quarterly Financial and Non-Financial Performance Reports;
- Adjusted Audited Financial Statements;
- Materiality Irregularity Submission;
- Retention and/or Surplus of Funds;
- Prepayments
- Africa's Travel Indaba Venue Hire;
- Quarterly Financial Reports;
- Quarterly Internal Audit Reports;
- Quarterly Risk Management Reports;
- Quarterly ICT and DigiTech Reports;
- Quarterly Updates on the Entity's Litigation and Contingency Liability Register;
- Five-Year Strategic Plan 2025 - 2030;
- Annual Performance Plan for FY2025/26; and
- Recommendations from Bid Adjudication Committee.

The below table discloses relevant information on the Audit and Risk Committee members:

Name	Qualifications	Internal or External	If internal, position in the public entity	Date Appointed	Date Resigned	Number of Meetings Attended
Professor Rajesh Mahabeer	- CA (SA) - FCMA CGMA - FCA (England and Wales) BFP - FCCA - CIA FIIASA - M.Inst.D - SARIPA - INSOL - MBA (Derby) - MCom (UKZN) - Post Grad Dip Acc (UKZN) - N Dip Cost Acc (DUT) - PhD (Candidate) (Wits)	External	N/A	8 th March 2024	18 th September 2024	12
Professor Stella Bvuma	- PhD-IT - M-Tech-IT - B-Tech-IT - ND-IT	External	N/A	8 th March 2024	18 th September 2024	12
Advocate Lizelle Jordaan (Haskins)	- LLB - LLM: Corporate Law - Higher Diploma: Tax Practice - Corporate Governance Certificate - Commercial Mediator	External	N/A	8 th March 2024	13 th September 2024	11
Professor Gregory Davids	- BA in Public Administration - B.A. (Hon) Development Administration - Master's Degree Public Administration - International Education: Train the Trainer Programme - Certificate in International Finance And Economics, (International Institute Public Administration France – Paris) 2000/01 Harvard University –Boston, United States (Harvard South African Fellow) - Harvard Business School (2000-01) 2009: Philosophiae Doctor: University Of Western Cape 2012: Harvard University Governance for Non-Profit Boards 2022: IODSA - Analysis Of Cashflows Statements And Balance Sheets	External	N/A	8 th March 2024		12

Sizakele Mzimela	○ BA (Economics and Statistics) – University of Swaziland ○ Certificate in Management – Henley College ○ Transnet Development Programme, GIBS	External	N/A	27 th September 2024	16 th May 2025	8
Lawson Naidoo	○ LLM - Cambridge University, Girton College ○ LLB – Southampton University	External	N/A	27 th September 2024	N/A	7
Nosipho Rachel Nxele	○ MBA - Gordon Institute of Business Science (University of Pretoria) ○ BSC Environmental Sciences- University of KwaZulu-Natal ○ Human Resources Management Certificate – University of Cape Town ○ Project Management	External	N/A	27 th September 2024	N/A	7
Miller Matola	○ Post Graduation Diploma in Company Direction, Graduate Institute of Management and Technology (GIMT) ○ MBA, University of West London ○ Management Advancement Programme (MAP) – Wits Business School ○ MA (Sociolinguistics, University of North West) ○ BA Honours (Applied Linguistics) University of North West ○ BA ed – University of the North	External	N/A	27 th September 2024	N/A	6
Jonathan Gadiiah	○ Management Development Programme - Durban University of Technology	External	N/A	27 th September 2024	N/A	2

Audit & Risk Committee Report

We are pleased to present our report for the financial year ended 31st March 2025.

Audit and Risk Committee Responsibilities

The Audit and Risk Committee is constituted as a statutory committee in respect of its duties under sections 76(4)(d) and 77 of the PFMA and as a committee of the Board for all other duties assigned to it by the Board. The Committee operates under written terms of reference, which are reviewed and approved by the Board, to ensure that the Committee adequately addresses its membership, authority, and responsibility. The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members regarding their fiduciary duties, as they must exercise due care and judgment in accordance with their statutory obligations. The Committee does not assume the functions of Management, which remain the responsibility of the Senior Management of South African Tourism. The Committee has an independent role, acting as an overseer and making recommendations to the Board for its consideration and approval.

During the 2024/25, the committee convened meetings as required. The committee ensured oversight over the following:

- Quarterly Internal Audit Reports
- Quarterly investigations reports and recommendations
- Quarterly Risk management reports
- Quarterly ICT reports
- Quarterly updates on the entity's Litigation and Contingency Liability Register
- Annual procurement plan
- Quarterly Financial and non-financial performance reports
- Recommendations from the Bid Adjudication Committee
- Financial year annual report
- Annual per plan

In-year Management and Monthly/Quarterly Report

The public entity has submitted monthly and quarterly reports to the Executive Authority.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the public entity.

SA Tourism Management focuses on improving the controls and discipline across the entity, including improving organisational culture, addressing weaknesses in enterprise-wide IT systems, and software used for compiling AFS.

Operation Clean Audit (OPCA) has been strengthened through frequent meetings, timeously addressing the issues and root causes identified by both External and Internal Audit.

Auditor's Report

We have reviewed the public entity's implementation plan for audit issues raised in the prior year and are acknowledge the efforts by management in resolving the findings with a 73.0% achievement rate. However, this represents a regression compared to the previous financial year where 91.0% was achieved.

The Audit and Risk Committee concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the auditor.

Mr. Miller Matola

Audit and Risk Committee Member

South African Tourism

Date: 31st July 2025

Following the resignation of the Audit & Risk Committee Chairperson on 16th May 2025, the Audit & Risk Committee (ARCO) in accordance with paragraph 4.2.1 of the Audit & Risk Committee Terms of Reference, elected one of their members to act as Chairperson for the meeting of 27th May 2025, which resulted in a resolution being taken to recommend for approval by the SAT Board of Directors the SAT Printers Proof FY 2024/25 Annual Report. However, due to the dissolution of the SAT Board by the Honourable Minister of Tourism on 20th August 2025, the administrative requirement of appending the signature of the ARCO Chairperson could not be realised by the time of submitting the same to the Department of Tourism.

Compliance with Laws & Regulations

South African Tourism has in place a compliance universe which records a list of laws and regulations applicable to the entity, together with its compliance obligations and sanctions for non-compliance. The implementation thereof is monitored, and non-compliance is reported to the entity's governance and oversight structures.

In the next financial year, the entity in enhancing its compliance environment and internal controls, will develop a compliance framework and plan as well as undertake an audit on compliance risks.

Fraud & Corruption

There are two investigations underway, with three completed during FY2024/25.

Minimising Conflict of Interest

South African Tourism has several measures in place to detect and address any potential conflict of interest. During onboarding, new employees and Board members are required to declare outside interests on a standardised form which is managed by the Human Capital business unit. Employees and Board members are also required to declare any changes in terms of their status as and when required. Other measures include the standard bidding document (SBD) reviews, and National Treasury Central Supplier Database and Bid Committee declarations during procurement phases. Lastly, the AGSA, as part of its audit, reviews conflicts of interest on an annual basis through the use of the computer-assisted audit techniques (CAAT), and no conflict was identified in this process.

Code of Conduct

South African Tourism's policy serves to provide a framework for acceptable behaviour of all employees. This Code of Conduct is built on our internal core values and is a vital component in ensuring that we instil the desired organisational behaviour. The organisation's Disciplinary Code ensures the consistent and fair management of misconduct and where required, corrective action is taken.

Occupational Health, Safety & Environmental Issues

The Board of South African Tourism is responsible for ensuring that all employees work in a safe and healthy environment. This requires giving assurance to other stakeholders that South African Tourism conducts its business in compliance with the occupational health and safety standards and requirements as prescribed in the Occupational Health and Safety Act (1993).

South African Tourism has a representative in terms of section 16(1) and 16(2) of the Act. In the year under review, selected employees representing the different business units completed Health and Safety Representative, Emergency Evacuation, Fire Fighting training courses as well as emergency First-Aid Level 1-3 courses. The training culminated in certificates of competency issued to the trained employees, enabling them to perform emergency procedures if needed. All the trained employees serve as members of the Health and Safety Committee in terms of the Act.

Compliance on occupational health and safety is aimed at:



Providing and maintaining a healthy and safe workplace for all employees, employees and visitors



Conducting activities in an environmentally friendly manner to ensure the health and safety of people in the vicinity of the entity



Preventing personal injury and protecting the health of employees and others on the premises, in compliance with the requirements of the Compensation for Occupational



Identifying, documenting and maintaining processes within specified safety criteria, and documenting the methods of control for those processes, in compliance with the requirements of the Occupational Health and Safety Act



Ensuring that all employees, at every level and in every function, are aware of their responsibility for their own health and safety and that of others;



Ensuring that employees who advise on occupational health, safety and environmental matters are appropriately qualified, trained and accredited



Demonstrating South African Tourism's active involvement and commitment in relation to OHS within its scope of operations

In FY2024/25, South African Tourism undertook due diligence on occupational health and safety at its Head Office and the country offices in which it operates. All recommendations were implemented and risks mitigated including continuous improvements on the overall workplace health and safety measures. No OHS incidents were recorded for the financial year.

Company / Board Secretary

The role of the Company Secretary is to provide support to the South African Tourism Board and its Committees and to advise the Board individually and collectively on their fiduciary duties. In addition, the Company Secretary must advise the Board on relevant laws and regulations applicable to the organisation. The Board and its Committees may seek independent advice on any matter they deem fit or that may be required within the organisation's policies. The Company Secretary also has the responsibility of ensuring that the Board has complete and timely access to South African Tourism's information, reports, and records necessary for the Board to discharge its fiduciary duties. The annual workplans for the Board and its Committees set out the activities that the Board must perform on an annual basis. While the Company Secretary is not a member of the Board or its Committees, the Company Secretary serves as the Secretary to the Board and its Committees.

Social Responsibility

South African Tourism did not implement social responsibility initiatives during FY2024/25 however the Corporate Social Investment (CSI) Standard Operating Guideline and Procedure (SOGP) was developed. The CSI SOGP aligns with the ERRP, TSMP and the NDP which provide guidance on the implementation of impactful CSI initiatives, thus fostering inclusive growth, environmental sustainability, and community empowerment, reinforcing South African Tourism's commitment to being a responsible corporate citizen.

B-BBEE Compliance Performance Information

In accordance with compliance to the Broad-Based Economic Empowerment (B-BBEE) requirements of the Broad-Based Economic Empowerment Act of 2013, and as determined by the Department of Trade, Industry and Competition, South African Tourism may report as follows:

Has South African Tourism applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes/No	FY2023/24 Quarter 4 Performance Report
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	No	Not applicable to South African Tourism as no such activity was undertaken.
Developing and implementing a preferential procurement policy?	Yes	South African Tourism's procurement policy includes preferential procurement.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable to South African Tourism.
Developing criteria for entering into partnerships with the private sector?	Yes	South African Tourism's partnership policy includes criteria for considering partnerships.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Not applicable to South African Tourism.

B-BBEE Certificate



P.O. Box 3242, Somerset Park, 4021 • Tel: 031 572 7800 / Fax: 086 586 9125
Email: info@aaa-bee.co.za • www.aaa-bee.co.za

SOUTH AFRICAN TOURISM

GENERIC CERTIFICATE

NON - COMPLIANT

Registration Number N/A
VAT Number N/A
Physical Address Bojanala House, 90 Protea Road, Chislehurst, Johannesburg, 2196
Certificate Number AAA 1817/0825 Rev 0
Applicable Code Amended Codes of Good Practice
(Government Gazette Number 38766) – Specialised

B-BBEE SCORE PER ELEMENT	ACTUAL SCORE	TARGET SCORE	B-BBEE STATUS	
Ownership	N/A	N/A	Black Ownership	N/A
Management Control	0.00	20	Black Female Ownership	N/A
Skills Development	0.04	25	Black Designated Group	N/A
Enterprise and Supplier Development	0.00	50	Black Youth	N/A
Socio Economic Development	0.00	5	Black Disabled	N/A
Total Score	0.04	100	Black Unemployed	N/A
Procurement Recognition Level	0%		Black People living in Rural	N/A
Y.E.S Enhancement Applied	NO		Black Military Veterans	N/A
Y.E.S Target & 2.5% Absorption	NO		Black New Entrants	N/A
1.5 x Y.E.S Target & 5% Absorption	NO		Empowering Supplier	YES
Double Y.E.S Target & 5% Absorption	NO		Discounting Principle Applied	YES
Modified Flow Through Principle	NO		Issue Date	28/08/2025
Exclusion Principle Used	NO		Expiry Date	27/08/2026
Financial Year Used	01/04/2024 – 31/03/2025		Re-Issue Date	N/A

R Ramphal
Technical Signatory



This rating certificate is based on information provided to AAA BEE Verification Agency by the measured entity and represents an independent opinion based on the verification and analysis completed by AAA BEE Verification Agency.



Klein Karoo,
Northern Cape

Part D

People Power

Human Resource Management

South African Tourism focused on strengthening a high-performance and values-driven culture. Key priorities included staff wellness, leadership development, and talent retention. Targeted training programmes were implemented to build employee skills and support transformation goals. Workforce planning remained aligned to ensure agility and effective service delivery.



Kruger National Park,
Mpumalanga

South Africa Awaits: **Come Find Your Joy**

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Introduction

During the FY2024/25, South African Tourism's Human Capital (HC) business unit continued its strategic evolution, reinforcing itself as a forward-looking and essential partner within the organisation.

Despite facing substantial constraints due to the Ministerial Moratorium on hiring, the HC business unit sustained momentum in critical areas such as transformation, compliance, and enhancing employee engagement.

Emphasis was placed on cultivating a culture characterised by high performance and employee-centricity, supported by significant interventions in organisational design, performance management reform, and comprehensive employee wellness initiatives. These staff engagement and cultural initiatives were fully operationalised, driving positive change through values-driven recognition programmes and targeted communication via newsletters.

The performance review completion rate significantly increased to 84%, marking a notable improvement. Organisational Development interventions successfully delivered competency frameworks, and extensive leadership development programmes. Gender and racial equity targets were either met or surpassed, and internal policies were systematically reviewed and adjusted in response to audit recommendations.

Human Capital Priorities for the Year

Strategic priorities for the financial year included the implementation of the Staff Engagement Survey Two-Year Improvement Plan, execution of the Organisational Effectiveness Assessment Plan, piloting the revised Performance Management System, leadership capability development, and stringent policy compliance and audit readiness.

These strategic priorities resulted in notable impacts, with consistent employee engagement through monthly SmartHR newsletters. The introduction of the Peer Recognition Programme markedly improved staff morale and reinforced the organisation's core values. The submission rates for performance management reviews rose impressively from 44% in the first quarter to 84% by the final quarter, reflecting improved compliance.

Workforce Planning Framework and Strategies

At the end of March 2025, workforce planning efforts, executed throughout the financial year,

had produced mixed results regarding equity and diversity targets. Representation of persons with disabilities remained below target at 1%, against the desired 2%. Senior and top management positions held by women was below the 50% target, reaching 48%. Overall female representation achieved the target of 60%. Black employee representation exceeded the 60% target, reaching 75%. The moratorium affected permanent hiring, leading to a high vacancy rate of 22%. The labour turnover rate remained low at 18.78%, well within the acceptable threshold. However, strategic initiatives were implemented to mitigate impacts. A recruitment dashboard was developed and maintained to enhance efficiency in the recruitment process, with preparatory actions undertaken for targeted recruitment in alignment with the approved structure. Additionally, proactive measures to improve disability hiring included readiness assessments and targeted awareness sessions. Internship programmes were initiated across various business units, aimed at fostering transformation and building future talent pipelines.

Employee Performance Management

The revised Employee Performance Management Framework, piloted in 2024, transitioned successfully to a bi-annual review system, substantially enhancing employee engagement and the management of performance. Training sessions, awareness campaigns, and a refined template cascading performance objectives from senior leadership to operational staff contributed significantly to an improved completion rate from 45% to 84% by the end of the year. Furthermore, revisions to the Performance Management Policy and Guaranteed Remuneration Policy were finalised, with implementation scheduled for the upcoming financial year. A dedicated Performance Anxiety Workshop was also held to support employee wellbeing associated with performance evaluations.

Employee Wellness

Employee wellness initiatives remained a priority, highlighted by bi-annual Wellness Days, and a special focus on emotional intelligence in the final quarter. Tracking of ICAS utilisation provided essential insights into employee mental wellness, guiding tailored support strategies. Disability awareness sessions, facilitated by Access Human Solutions, contributed significantly to the organisation's broader transformation and inclusivity goals. Ongoing wellness communications were effectively disseminated through SmartHR newsletters, maintaining a continuous dialogue on employee health and wellbeing.

Policy Development

Policy development efforts were prioritised throughout FY2024/25, resulting in comprehensive revisions of the Performance Management Policy, the Guaranteed Remuneration Policy, the Grievance Policy, the Harassment Policy, and the Employee Wellness Policy. Efforts were also initiated to align recruitment practices with public sector norms, enhancing organisational consistency and governance.

Challenges Faced by the Entity

The organisation faced notable challenges, primarily driven by the persistent moratorium, which saw an increased vacancy rate and limited opportunities for diversity hiring, particularly in disability representation. Ongoing audit findings related to payroll discrepancies, inconsistencies in leave and sick accrual processes, including compliance concerns regarding acting policies posed significant risks.

Future Plans

Strategic priorities and plans in the next financial year include:

- Conducting a comprehensive Staff Engagement Survey with action-oriented follow-ups
- Implementing the new performance management system across the organisation
- Implementing the revised operating model and the revised organisational structure
- Rigorously tracking productivity metrics
- Launching a dedicated Leadership Development Programme aimed specifically at women
- Integrating the Competency Framework into recruitment processes and performance policies
- Timeously closing outstanding audit findings
- Aligning Human Capital operations with public service standards to strengthen overall organisational governance.

Human Resource Oversight Statistics

Personnel Cost by Programme

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure as a % of Total Expenditure	Number of Employees	Average Personnel Cost per Employee (R'000)
Programme 1: Corporate Support	202 697	63 945	31.5%	52	1 163
Programme 2: Business Enablement	73 360	20 546	28.0%	12	1 712
Programme 3: Leisure Tourism Marketing	826 359	7 834	13.5%	65	1 722
Programme 4: Business Events	235 434	15 447	6.6%	13	1 188
Programme 5: Tourist Experience	75 041	16 456	21.9%	18	914
Total	1 412 891	224 227	16.2%	160	1 401

Personnel Cost by Salary Band

Level	Personnel Expenditure (R'000)	% of Personnel Expenditure to Total Personnel Cost	Number of Employees	Average Personnel Cost per Employee (R'000)
Top Management	9 597	2.7%	4	2 399
Senior Management	27 518	14.3%	15	1 835
Professional Qualified	99 063	53.5%	72	1 790
Skilled	53 056	27.5%	57	931
Semi-skilled	3 893	2.0%	12	324
Unskilled	0	0.0%	0	0
Total	224 227	100%	160	1 456

Performance Rewards

Programme	Performance Rewards	Personnel Expenditure (R'000)	% of Performance Rewards to Total Personnel Cost
Programme 1: Corporate Support	0	0	0.0%
Programme 2: Business Enablement	0	0	0.0%
Programme 3: Leisure Tourism Marketing	0	0	0.0%
Programme 4: Business Events	0	0	0.0%
Programme 5: Tourist Experience	0	0	0.0%
Total	0	0	0.0%

Training Costs

Programme	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	Number of Employees Trained	Average Training Cost per Employee (R'000)
Programme 1: Corporate Support	63 945	523	0.8%	23	23
Programme 2: Business Enablement	20 546	47	0.2%	1	47
Programme 3: Leisure Tourism Marketing	111 953	61	0.1%	9	7
Programme 4: Business Events	15 447	20	0.1%	4	5
Programme 5: Tourist Experience	16 456	33	0.2%	7	5
Total	228 346	684	0.3%	44	17

Employment & Vacancies

Programme	2023/24 Number of Employees	2024/25 Approved Posts	2024/25 Number of Employees	2024/25 Vacancies	% of Vacancies
Programme 1: Corporate Support	47	60	52	5	9.0%
Programme 2: Business Enablement	18	18	12	6	33.3%
Programme 3: Leisure Tourism Marketing	65	86	65	21	24.4%
Programme 4: Business Events	16	17	13	4	23.5%
Programme 5: Tourist Experience	19	21	18	3	14.3%
Total	165	202	160	45	22.0%

Level	2023/24 Number of Employees	2024/25 Approved Posts	2024/25 Number of Employees	2024/25 Vacancies	% of Vacancies
Top Management	4	7	4	3	42.9%
Senior Management	17	25	15	10	40.0%
Professional Qualified	73	89	72	20	19.44%
Skilled	62	67	57	10	14.9%
Semi-skilled	9	14	12	2	14.3%
Unskilled	0	0	0	0	0.0%
Total	165	202	160	45	22.0%

The table above outlines the approved posts, actual employment, and vacancies across programmes and salary levels for the 2024/25 reporting period. The organisation currently operates with 160 employees against 202 approved posts, resulting in an overall vacancy rate of 22%. Programme 2 (Business Enablement) has the highest vacancy rate at 33.3%, followed by Programme 3 (Leisure Tourism Marketing) at 24.4%, suggesting a need for targeted recruitment efforts in these areas. At the occupational level, Top Management and Senior Management reflect the highest vacancy rates of 42.9% and 40.0% respectively, highlighting difficulties in attracting or appointing talent at leadership level. The persistence of these vacancies is attributed to a moratorium on permanent appointments, during which only fixed-term contracts were allowed. As a result, prospective candidates were reluctant to move from permanent roles to temporary roles, leading to delays in filling positions, particularly for strategic and highly skilled roles. On average, vacancies have remained unfilled for three to six months. Measures to address this include the implementation of a peer recognition programme, revisions to short- and long-term incentives, and enhancing the overall employee value proposition to support talent attraction and retention. In addition, exit interviews are conducted to further understand and analyse the reasons for staff departures, enabling the organisation to identify trends and implement mitigating measures where possible to improve workforce stability and reduce turnover.

Employment Changes

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Employment at End of the Period
Top Management	5	2	3	4
Senior Management	14	3	2	15
Professional Qualified	76	8	12	72
Skilled	58	13	14	57
Semi-skilled	12	0	0	12
Unskilled	0	0	0	0
Total	165	26	31	160

The table above reflects changes in employment across salary bands over the financial year, highlighting appointments, terminations, and resulting headcount shifts. Overall, the organisation experienced a slight decrease in total headcount from 165 to 160 employees, with 26 appointments and 31 terminations. While this indicates relative workforce stability, notable movements occurred in specific bands. Top Management recorded a high turnover rate of 60.0%, suggesting potential instability at the executive level, while Skilled and Professional Qualified categories experienced the highest volume of workforce movement, indicating mobility and retention challenges in critical operational roles. In contrast, the Semi-skilled and Unskilled bands showed no changes, pointing to either stability or limited growth opportunities at these levels. Senior Management showed a slight increase, suggesting strategic or growth-oriented appointments. These patterns highlight a moderately dynamic employment environment, with potential risks in leadership continuity and talent retention in core functional areas, warranting focused workforce planning and retention strategies.

Reasons for Staff Leaving

Reason	Number	% of Total Number of Staff Leaving
Death	0	0.0%
Resignation	22	71.0%
Dismissal	2	7.1%
Retirement	1	3.0%
Ill health	1	3.0%
Expiry of Contract	4	14.3%
Other	1	3.0%
Total	31	100%

The table above provides a breakdown of the reasons behind the 31 staff exits during the financial year. Resignations accounted for 71.0% of all terminations, indicating a possible trend in voluntary mobility, potentially linked to external job opportunities, career growth, or remuneration competitiveness. Contract expiry contributed to 14.3% of exits, highlighting temporary employment constraints during the period. Other causes, including dismissals (7.1%), retirement (3.6%), and ill health (3.6%), were minimal and within normal expectations. To manage departures and continuity of service, recruitment initiatives and interim acting appointments were implemented. However, challenges in converting acting roles to permanent ones - largely due to the moratorium - may have extended operational disruptions. Going forward, focused talent management, improved career development planning, and succession strategies are essential to reduce avoidable turnover and mitigate the impact of departures.

Labour Relations: Misconduct & Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	4
Final Written Warning	4
Dismissal	2
Total	10

Equity Target & Employment Equity Status

Level	Male								
	African		Coloured		Indian		White		Non-SA
	Current	Target	Current	Target	Current	Target	Current	Target	Current
Top Management	1	2	0	0	0	0	1	0	0
Senior Management	4	3	0	1	0	2	1	1	0
Professional Qualified	23	24	1	0	0	2	2	2	7
Skilled	8	12	1	1	1	1	1	2	4
Semi-skilled	3	3	0	1	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0	0
Total	39	44	2	3	1	5	5	5	11

Levels	Female								
	African		Coloured		Indian		White		Non-SA
	Current	Target	Current	Target	Current	Target	Current	Target	Current
Top Management	2	3	0	0	0	1	0	1	0
Senior Management	8	3	1	2	1	1	0	1	0
Professional Qualified	26	28	4	5	3	1	0	3	9
Skilled	26	27	3	4	2	2	2	3	9
Semi-skilled	9	6	0	1	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0	0
Total	71	67	8	12	6	5	2	8	18

Levels	Persons with Disability			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	1	0	1
Skilled	0	0	1	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Total	0	1	1	1

The Employment Equity table reflects current demographics across race, gender, and occupational levels, compared to set employment equity targets. Several gaps are evident, particularly in the representation of Coloured, Indian, and Non-South African employees, across both male and female categories. For example, Indian male and female employees are under-represented in Senior and Top Management

compared to targets. Among people with disabilities, there is a shortfall in male representation across all levels, and a female representation gap of one at the professional qualified level. While African representation is generally close to targets, particularly among women, there is room to improve the presence of Coloured and Indian employees in skilled and senior roles.

The organisation has acknowledged these disparities and is committed to addressing them through targeted recruitment strategies, inclusive hiring practices, and succession planning that aligns with employment equity goals. Key interventions include broadening candidate sourcing channels, applying diversity-conscious recruitment panels, and enhancing support mechanisms for under-represented groups, including persons with disabilities. These actions are aimed at not only improving numerical representation but also promoting inclusivity and sustainable transformation.

Remuneration for Executive Management

Surname	Name	Date Engaged	Date Terminated	Basic Salary	13 th Cheque	Performance Bonus	Other Earnings	Total Company Contribution	Total Cost
Auret	Bronwen	1 st July 2022	-	2 024 708.64	0	0	139 589.58	134 194.80	2 298 493.02
Mthethwa	Siyabonga	1 st March 2024	-	2 353 803.92	0	0	88 606.31	138 378.20	2 580 988.43
Guliwe	Nombulelo	1 st March 2024	-	2 646 725.32	0	0	102 300.00	155 339.08	2 904 364.40
Sadik	Talib	11 th March 2024	13 th September 2024	1 217 609.74	0	0	174 945.16	71 567.00	1 464 121.90
Sehloho	Thembisile	1 st April 2024	-	2 459 395.60	0	0	90 308.50	144 529.08	2 694 233.18
Ndlovu	Nomasonto	1 st July 2022	9 th April 2024	57 483.58	0	0	288 987.99	11 747.04	358 218.61
Erasmus	Darryl	7 th January 2025	-	600 483.04	0	0	12 226.35	36 863.26	649 572
Total				11 360 210.84	0	0	896 963.89	692 618.46	12 949 990



Part E

Accountability First

PFMA Compliance Report

South African Tourism is guided by strong governance rooted in accountability, transparency, and ethical leadership. Oversight by the Board of Directors ensures strategic direction, fiscal responsibility, and performance aligned with national policy. Committed to sustainable growth and stakeholder trust, SA Tourism adheres to the PFMA, King IV, and tourism legislation.

Irregular, Fruitless and Wasteful Expenditure and Material Losses

Irregular Expenditure

a. Reconciliation of irregular expenditure

Description	2023/24 R'000	2024/25 R'000
Opening balance	61 842	86 047
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	24 205	5 164
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	86 047	91 211

Reconciling Notes

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure that was under assessment	-	5 164
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	24 205	-
Total	24 205	5 164

b. Details of irregular expenditure (under assessment, determination, and investigation)

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure under assessment	-	5 164
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	-	5 164

c. Details of irregular expenditure condoned

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure condoned	-	-
Total	-	-

d. Details of irregular expenditure removed (not condoned)

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

e. Details of irregular expenditure recoverable

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure recovered	-	-
Total	-	-

f. Details of irregular expenditure written off (irrecoverable)

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure written off	-	-
Total	-	-

Additional disclosure relating to inter-institutional arrangements**g. Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)**

Description
Total

h. Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2023/24 R'000	2024/25 R'000
Total	-	-

i. Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken

Fruitless & Wasteful Expenditure

a. Reconciliation of fruitless & wasteful expenditure

Description	2023/24 R'000	2024/25 R'000
Opening balance	6 403	6 415
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	12	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	6 415	6 415

Reconciling Notes

Description	2023/24 R'000	2024/25 R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	-	-
Total	-	-

b. Details of fruitless & wasteful expenditure (under assessment, determination, & investigation)

Description	2023/24 R'000	2024/25 R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	-	-

c. Details of fruitless & wasteful expenditure recoverable

Description	2023/24 R'000	2024/25 R'000
Fruitless and wasteful expenditure recovered	-	-
Total	-	-

In July 2024, the Auditor General of South Africa identified fruitless and wasteful expenditure as a Material Irregularity totalling R4.1 million. In response, the Board of South African Tourism initiated recovery proceedings in August 2024. On 5 September 2024, the service provider was formally notified of the decision to withhold the declared fruitless and wasteful expenditure amount from valid invoices as part of the recovery process. The R4.1 million was subsequently withheld from the service provider on 11 November 2024. As of the reporting date, the matter between the parties are in progress.

d. Details of fruitless & wasteful expenditure not recoverable & written off

Description	2023/24 R'000	2024/25 R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

e. Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken

Additional disclosure relating to material losses in terms of PFMA section 55(2)(b)(i) &(iii)

a. Details of material losses through criminal conduct

Material losses through criminal conduct	2023/24 R'000	2024/25 R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

b. Details of other material losses

Nature of other material losses	2023/24 R'000	2024/25 R'000
-	-	-
Total	-	-

c. Other material losses recoverable

Nature of losses	2023/24 R'000	2024/25 R'000
-	-	-
Total	-	-

d. Other material losses not recoverable & written off

Nature of losses	2023/24 R'000	2024/25 R'000
-	-	-
Total	-	-

Late &/or Non-payment of Suppliers

Description	Number of invoices	Consolidated Value R'000
Valid invoices received	-	-
Invoices paid within 30 days or agreed period	-	-
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

Supply Chain Management

Procurement by other means

Project Description	Name of Supplier	Type of Procurement by Other Means	Contract Number	Value of Contract R'000
Routes Market - Participating Fee	Informa Markets	Single Source	N/A	1 533
Bid Support - FIP World Congress of Pharmacy and Pharmaceutical Sciences 2022	The Pharmaceutical Soc of SA	Single Source	N/A	1 185
Data Appeal - Diversity of Data Collect and the Dashboard	The Data Appeal Company	Single Source	N/A	1 339
IBTM World 2024 Exhibition Space and Participation Cost	Reed Exhibitions Centre	Single Source	N/A	4 152
IMEX America 2024 Exhibition Space Cost	IMEX America	Single Source	N/A	3 308
WTM London 2024 Exhibition Space Cost	Reed Exhibitions Limited	Single Source	N/A	3 235
Stand Builder for Routes World 2024	City Neon	Single Source	N/A	1 208
IGTM 2024 Package - Participation Fee and Stand Build	Reed Exhibitions	Single Source	N/A	2 924
Office Rent for Urmi Estate Office for Mumbai office	Keshav & Co. & Kartavya Ventures LLP	Single Source	N/A	7 378
Stand Builder for World Travel Market 2024	Hawtdotz	Multi Source	N/A	4 885
Signature Preferred Destination Status	Signature Travel Network	Single Source	N/A	1 323
2024 - 2025 Travel Trade Program	Travel Relation	Single Source	N/A	1 952

Matador Network Guide Geek 2024 Subscription	Matador Network	Single Source	N/A	1 620
Communication Platform and Trade Media	TaConnect	Single Source	N/A	1 225
Africa Travel Indaba (ATI) 2024 Venue Hire	Synergy Business Events (Consultant)	Urgency Deviation	N/A	15 217
IBTM World 2024 Standbuild	FairServices.net GMBH	Multi Source	N/A	1 900
ITB Berlin 2025 Participation Fee	Messe Berlin GMBH	Single Source	N/A	1 779
Oracle Support Renewal ERP System	Oracle Corporation Pty LTD	Single Source	N/A	2 988
Signature Preferred Destination Status	Virtuoso	Single Source	N/A	1 283
Meetings Africa 2025 Exhibition Infrastructure	South African Expo Solutions	Multi Source	N/A	3 518
Meetings Africa Media Buy - TV OB Crossings, Radio Packages & Digital News Channel 404	South African Broadcasting Corporation	Single-Source Procurement from Another Government Institution	N/A	1 466
Total				65 418

Contract Variations & Expansions

Project Description	Name of Supplier	Contract Modification Type (Expansion or Variation)	Contract Number	Original Contract Value	Value of Previous Contract Expansion/s or Variation/s (if applicable)	Value of Current Contract Expansion or Variation
				R'000	R'000	R'000
Plus 94 Research Domestic Survey Extension	Plus 94 Research Pty Ltd	Contract Variation	N/A	9 771	1 466	1 466
Beijing Office Lease	Beijing Sheng Ya Realty Management Co Ltd	Contract Variation	N/A	CNY 2 541 860	CNY 2 541 860	6 677
Total						8 143



Part F

Tracking the Numbers

Financial Information

South African Tourism is a government agency responsible for marketing South Africa as a premier travel destination, both locally and internationally. It is primarily funded by the Department of Tourism through the National Treasury.

Report of the Auditor-General to Parliament on South African Tourism

Report on the Audit of the Financial Statements

Qualified Opinion

1. I have audited the financial statements of the South African Tourism (SAT) set out on pages 190 to 235, which comprise the statement of financial position as at 31st March 2025, statement of financial performance, statement of changes in net assets and cash flow statement and for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of South African Tourism as at 31st March 2025, and financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for Qualified Opinion

Trade payables from exchange transactions

3. I was unable to obtain sufficient appropriate audit evidence for trade payables and accrued liabilities included in payables from exchange transactions due to a lack of proper record keeping and reconciliation of control accounts. I was unable to confirm these trade payables by alternative means. Consequently, I was unable to determine whether any further adjustments to Payables from exchange transactions stated at R323 825 186 (2024: R290 765 403) in note 13 to the financial statements were necessary.

Cash flow statement

4. Net cash flows from operating activities was not correctly prepared and disclosed as required by Standards of GRAP 2, Cash flow statements. This was due to multiple errors in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments to cash flows from operating activities as stated at R237 157 855 in the financial statements were necessary.

Prior period errors

5. Not all prior period errors were disclosed in note 29 to the financial statements, as required by GRAP 3, Accounting policies, estimates and errors. The nature and the amount of the correction for some financial statement items affected, and the amount of the correction at the beginning of the earliest previous period were not disclosed. I was unable to confirm these disclosures by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the prior period errors disclosed in the financial statements.

Context for Opinion

6. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

7. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

8. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Responsibilities of the Accounting Authority for the Financial Statements

9. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

10. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the Auditor-General for the Audit of the Financial Statements

11. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 185 - 187, forms part of my auditor's report.

Report on the Annual Performance Report

13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

14. I selected the following material performance indicators related to Programme 3: Leisure Tourism Marketing presented in the annual performance report for the year ended 31st March 2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Integrated Tourism Brand strategy developed.
- Global Tourism Brand campaign Implemented.
- Number of Europe hubs marketing campaigns implemented.
- Number of distribution channel initiatives implemented in Europe.
- Number of Marketing campaigns implemented in Americas hubs.
- Number of distribution channel initiatives implemented in Americas.
- Number of localised brand campaigns implemented in support of the global tourism brand campaign in Embassy support markets.
- Number of distribution channel initiatives implemented in Embassy support markets.
- Number of Localised brand campaigns implemented in Asia and Australasia.
- Number of distribution channel initiatives implemented in Asia and Australasia markets.
- Number of regional seasonal campaigns implemented.
- Number of Distribution channel initiatives implemented in regional (Africa) markets.
- Number of domestic seasonal campaigns implemented.
- Number of distribution channel initiatives implemented in the domestic market.
- Annual Tourism Economic impact communications plans implemented.
- Annual Global PR and communications plan implemented.

15. I evaluated the reported performance information for the selected material performance indicators

against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.

16. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives.
- all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included.
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over-or underachievement of targets.

17. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

18. I did not identify any material findings on the reported performance information for the selected indicators.

Other Matter

19. I draw attention to the matter below.

Achievement of Planned Targets

20. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under-achievements.
21. The table that follows provides information on the achievement of planned targets and indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 38 to 117.

Name of Programme - Programme 3: Leisure Tourism Marketing

Targets achieved: 94%		
Indicator not achieved	Planned target	Reported achievement
Global Tourism Brand Campaign implemented	FY2024/25 Global Tourism Brand Campaign Plan implemented	The FY2024/25 Global Tourism Brand Campaign Plan was launched but not implemented

Report on Compliance with Legislation

22. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity’s compliance with legislation.
23. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
24. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor’s report.
25. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual Financial Statements and Annual Report

26. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1)(b) of the PFMA.

27. Material misstatements of non-current assets, current liability, expenditure and disclosure items identified by the auditors in the submitted financial statements were corrected and the supporting records were provided, but the uncorrected material misstatements resulted in the financial statements receiving a qualified opinion.

Other Information in the Annual Report

28. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.

29. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

30. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

31. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal Control Deficiencies

32. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

33. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.

34. Due to lack of oversight and inadequate review of annual financial statements, management did not ensure that the annual financial statements submitted for audit are accurate and disclosures are appropriately presented and described.

35. Regular reconciliations were not performed to ensure that there are no differences between the public entity's records and suppliers' records.

Material Irregularities

36. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Material Irregularities identified during the Audit

Expenditure incurred on dome activities without delivery of services

37. SAT did not comply with Treasury Regulation 31 (1)(2)(c) when the entity made an upfront payment to a supplier. The agreement between SAT and the supplier has no clause stipulating that an upfront payment will be required for services provided. Furthermore, there were no services rendered by the supplier subsequent to the pre-payment.

38. The accounting authority was notified of the material irregularity on 03rd July 2024. The following actions have been taken to resolve the materiality:

- The guidelines relating to the guidelines on prepayments/upfront payments were communicated to SAT's executive committee and to the public entity's employees.
- The matter was investigated by a firm of forensic investigators, and an investigation report was shared with the board.
- The General Financial Management Policy that deals with pre-payments has been updated to include accounts payables and pre-payments.

39. The following actions are still in progress by the accounting authority to resolve the material irregularity:

- The Board shall institute consequence management efficiently on the outcomes of the findings of the investigation by the independent forensic firm.
- Amounts from monies owed to the supplier to be withheld for settlement against the prepayment.

Auditor-General

Pretoria

04th August 2025



Annexure to the Auditor's Report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-General's Responsibility for the Audit

Professional Judgement and Professional Scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the public entity's compliance with selected requirements in key legislation.

Financial Statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the

financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with Governance

- I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.
- From the matters communicated to those charged with governance, I determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore key audit matters. I describe these matters in this auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in this auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

Compliance with Legislation - Selected Legislative Requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); Section 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); Section 55(1)(c)(i); 56(1); 57(b); 66(3)(c)
Treasury Regulations, 2005	Regulation 8.2.1; 8.2.2; 16A3.2; 16A3.2(a); Regulation 16A6.1; 16A6.2(a); 16A6.2(b); Regulation 16A6.3(a); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; Regulation 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; Regulation 16A.7.7; 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A 9.1(d); 16A9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); Regulation 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; Regulation 31.2.5; 31.2.7(a); 32.1.1(a); 32.1.1(b); Regulation 32.1.1(c); 33.1.1; 33.1.3
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	CIDB Regulation 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
National Treasury Instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Instruction No.1 of 2021/22	Paragraph 4.1
National Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury Supply Chain Management (SCM) Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No.03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; Paragraph 7.6
National Treasury SCM Instruction No.11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No.2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 9.2; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act No.12 of 2004	Section 34(1)

South African Tourism

Financial Statements for the year ended 31st March 2025

Members' Responsibilities and Approval

The members are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the members to ensure that the financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the financial statements and was given unrestricted access to all financial records and related data.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the members sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The members have reviewed the entity's cash flow forecast for the year to 31st March 2026 and, in the light of this review and the current financial position, the members are satisfied that the entity has or has access to adequate resources to continue in its operational existence for the foreseeable future.

The entity is wholly dependent on the Department of Tourism for continued funding of operations. The financial statements are prepared on the basis that the entity is a going concern and that the entity has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The financial statements set out on page 190, which have been prepared on the going concern basis, were approved by the members on 30th May 2025 and were signed on its behalf by:



Member

Board Chairperson

Date: 31st July 2025

Statement of Financial Position as at 31st March 2025

*Figures in Rand

	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Receivables from exchange transactions	7	30 392 431	38 436 914
Receivables from non-exchange transactions	8	-	133 543 522
Staff advances	6	71 701	215 963
Cash and cash equivalents	9	554 722 059	557 924 960
		585 186 191	730 121 359
Non-Current Assets			
Property, plant and equipment	2	68 977 912	65 573 656
Intangible assets	3	7 145 824	6 528 441
		76 123 736	72 102 097
Total Assets		661 309 927	802 223 456
Liabilities			
Current Liabilities			
Finance lease obligation	11	2 575	14 428
Operating lease liability	4	39 467	332 522
Payables from exchange transactions	13	323 825 186	290 765 403
Provisions	12	7 885 853	7 885 853
Employee Benefit Obligations	5	20 033 000	1 318 000
		351 786 081	300 316 206
Non-Current Liabilities			
Employee Benefit Obligation	5	18 175 000	28 902 000
Total Liabilities		369 961 081	329 218 206
Net Assets		291 348 846	473 005 250
Reserves			
Revaluation reserve	10	50 681 978	44 381 978
Accumulated surplus		240 666 868	428 623 272
Total Net Assets		291 348 846	473 005 250

Statement of Financial Performance

	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Sundry Income	14	113 136 378	124 613 656
Grading Revenue	15	25 580 133	15 232 515
Interest received	16	52 936 301	13 465 468
Total revenue from exchange transactions		191 652 812	153 311 639
Revenue from non-exchange transactions			
Transfer revenue			
Government grants		1 243 555 121	1 289 739 000
Voluntary TOMSA levies		-	133 543 522
Total revenue from non-exchange transactions		1 243 555 121	1 423 282 522
Total revenue	14	1 435 207 933	1 576 594 161
Expenditure			
Employee related costs	17	(224 426 796)	(234 579 029)
Administration and management fees	18	(107 635 433)	(81 286 736)
Depreciation and amortisation	19	(12 583 148)	(6 149 719)
Finance costs	21	(427)	(3 671)
Lease rentals on operating lease	33	(21 611 493)	(16 096 278)
Debt Impairment	22	(82 569)	241 466
Loss on disposal of assets		(699 549)	(7 424)
Loss on foreign exchange		(32 431 837)	(36 119 688)
Travel Expenses	23	(18 642 392)	(18 983 146)
Marketing expenses	20	(943 949 960)	(1 041 808 560)
Auditors Remuneration	24	(13 773 989)	(11 330 213)
Grading expenses	15	(13 499 679)	(10 997 456)
Total expenditure		(1 389 337 272)	(1 457 120 454)
Surplus for the year		45 870 661	119 473 707

Statement of Changes in Net Assets

	Revaluation reserve	Accumulated surplus/deficit	Total net assets
Opening balance as previously reported	52 114 555	282 847 181	334 961 736
Adjustments			
Correction of errors 29	-	21 201 502	21 201 502
Restated* Balance at 01 April 2023	52 114 555	304 048 683	356 163 238
Net income (losses) recognised directly in net assets	-	-	-
Surplus for the year	-	81 125 816	81 125 816
Changes in revaluation	(7 732 577)	-	(7 732 577)
Total changes	(7 732 577)	81 125 816	73 393 239
Opening balance as previously reported	44 381 978	385 174 499	429 556 477
Adjustments			
Correction of errors 29	-	38 765 715	38 765 715
Restated* Balance at 01 April 2024 as restated*	44 381 978	423 940 207	473 005 250
Changes in revaluation	6 300 000	-	6 300 000
Surrender of Surplus	-	(229 144 000)	(229 144 000)
Total changes	6 300 000	(229 144 000)	(222 844 000)
Surplus for the year	-	45 870 661	45 870 661
Total recognised income and expenses for the year	6 300 000	(183 273 339)	(176 973 339)
Total changes	6 300 000	(183 273 339)	(176 973 339)
Balance at 31 March 2025	50 681 978	240 666 868	291 348 846

Cash Flow Statement

	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		125 723 745	133 543 522
Grants		1 243 555 121	1 289 739 000
Interest income		50 940 071	13 447 315
TOMSA levy		133 543 522	115 440 622
		<u>1 553 762 459</u>	<u>1 552 170 459</u>
Payments			
Employee costs		(224 909 142)	(230 888 079)
Suppliers		(1 091 695 462)	(1 205 805 974)
		<u>(1 316 604 604)</u>	<u>(1 436 694 053)</u>
Net cash flows from operating activities	25	<u>237 157 855</u>	<u>115 476 406</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(5 851 739)	(3 585 543)
Proceeds from sale of property, plant and equipment	2	-	(7 424)
Purchase of other intangible assets	3	(5 352 737)	(1 872 200)
		<u>(11 204 476)</u>	<u>(5 465 167)</u>
Net cash flows from investing activities		<u>(11 204 476)</u>	<u>(5 465 167)</u>
Cash flows from financing activities			
Finance lease payments		(12 280)	667
Finance cost		-	(3 671)
Surrender of Surplus		(229 144 000)	-
		<u>(229 156 280)</u>	<u>(3 004)</u>
Net cash flows from financing activities		<u>(229 156 280)</u>	<u>(3 004)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(3 202 901)</u>	<u>110 008 235</u>
Cash and cash equivalents at the beginning of the year		557 924 960	447 916 725
Cash and cash equivalents at the end of the year	9	<u>554 722 059</u>	<u>557 924 960</u>

Significant Accounting Policies

1. Significant Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of Preparation

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

These accounting policies are consistent with the previous period.

1.2 Presentation Currency

These financial statements are presented in South African Rand, which is the functional currency of South African Tourism.

1.3 Going Concern Assumption

These financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.4 Significant Judgements and Sources of Estimation Uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include: Provisions and extension of useful life in line with GRAP 17.

Trade Receivables

South African Tourism assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in the Statement of Financial

a measurable decrease in the estimated future cash flows from a financial asset.

Effective Interest Rate

South African Tourism uses an appropriate interest rate, taking into account guidance provided in the standards and applying professional judgement specific to circumstances to discount future cashflows.

Depreciation and Amortisation

Depreciation and amortisation recognised on property, plant and equipment and intangible assets is determined with reference to the useful lives of the underlying items. The useful lives of assets are based on management's estimation of the assets condition, including expected condition at the end of period of use, its current use as well as expected future use.

Significant judgement was applied in determining the extended useful lives of fixed assets. Individual useful lives are reviewed with sufficient regularity and adjusted through depreciation catchup method where necessary.

Provisions

Provisions are measured at present value of estimated future outflows required to settle the obligation unless the impact of timing is immaterial. In determining the best estimate of the future settlement amount Management has considered weighting of all the possible outcomes by their associated possibilities.

Post-Retirement Benefits

Post-employment pension benefits offered by South African Tourism take the form of a defined contribution plan. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate fund, resulting in no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The entity determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the entity considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition. Management makes certain assumptions regarding the categorisation of debtors into groups with similar risk profiles in order to assess and determine possible impairment. The measurement of receivables is derived after consideration of the allowance for doubtful debts. Trade receivables over 90 days are provided for, as significant days outstanding are deemed to be an indicator of impairment. The exception to this are government entities due to past payment trend analysis.

Accounting by Principals and Agent

The entity makes assessments on whether it is the principal or agent in principal-agent relationships. The existence of principal vs agent arrangements are evaluated in terms of GRAP 109, judgement is applied in relation to South African Tourism's mandate for purposes of concluding if the entity is an agent. Judgement is applied in relation to industry norm for purposes of concluding if the entity is a principal.

1.5 Property, Plant and Equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives,

they are accounted for as separate items (major components) of property, plant and equipment. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for land, buildings and artwork which are carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

South African Tourism has elected to adopt the asset management framework for recognition of minor assets.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation Method	Average Useful Life
Building	Straight-line	50 years
Furniture and Fixtures	Straight-line	4 - 40 years
Motor Vehicles	Straight-line	4 - 15 years
IT Equipment	Straight-line	3 - 20 years

Leasehold Improvements	Straight-line	Period of lease
Lift	Straight-line	5 - 50 years
Airconditioning	Straight-line	5 - 20 years
Leased Assets	Straight-line	Period of lease or shorter
Electrical Installation	Straight-line	5 - 20 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.6 Intangible Assets

An intangible asset is an identifiable non-monetary asset without physical substance.

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or

- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date. Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation Method	Average Useful Life
Patents, Trademarks and Marketing rights	Straight-line	20 years
Computer software, other	Straight-line	10 - 12 years
Website Cost	Straight-line	2 - 10 years
Other intangible assets	Straight-line	2 - 10 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.7 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses.

The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest

rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due. Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance Leases - Lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the entity's incremental borrowing rate.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating Leases - Lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.9 Cash and Cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known

amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

1.10 Employee Benefits

Identification

Employee Benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A constructive obligation is an obligation that derives from an entity's actions whereby through an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities. As a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short Term Employee Benefits

Recognition and Measurement

All Short Term Employee Benefits

Short-term employee benefits include items such as the following, if expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related services: (a) wages, salaries and social security contributions; (b) paid annual leave and paid sick leave;

(c) bonus, incentive and performance related payments; and (d) non-monetary benefits such as medical care, and free or subsidised goods or services for current employees. An entity need not reclassify a short-term employee benefit if the entity's expectations of the timing of settlement change temporarily. However, if the characteristics of the benefit change (such as a change from a non-accumulating benefit to an accumulating benefit) or if a change in expectations of the timing of settlement is not temporary, then the entity considers whether the benefit still meets the definition of short-term employee benefits.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- (a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
- (b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Bonus, Incentive and Performance Related Payments

The entity recognises the expected cost of bonus, incentive and performance related payments when, and only when:

- (a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and
- (b) a reliable estimate of the obligation can be made. A present obligation exists when, and only when, the entity has no realistic alternative but to make the payments.

Post employment benefits: Distinction between defined contribution plans and defined benefit plans

Insured Benefits

The entity may pay insurance premiums to fund a post-employment benefit plan. The entity treats such a plan as a defined contribution plan unless the entity will have (either directly or indirectly through the plan) a legal or constructive obligation either to:

- (a) pay the employee benefits directly when they fall due; or
- (b) pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior reporting periods. If the entity retains such a legal or constructive obligation, the entity treats the plan as a defined benefit plan.

Post employment benefits: Defined contribution plans

Recognition and Measurement

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- (a) as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- (b) as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset. When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, they are discounted using the discount rate as specified.

1.11 Provisions

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

No obligation arises as a consequence of the sale or transfer of an operation until the entity is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 27.

1.12 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancelable or only cancelable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.13 Revenue from Exchange Transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when

those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of Goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date.

The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable. Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest, Royalties and Dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method.

1.14 Revenue from Non-Exchange Transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Revenue from non-exchange transactions, including TOMSA levy contributions, is recognised when the entity receives resources or has an enforceable claim to resources, and it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the resources can be measured reliably. TOMSA levy contributions are recognised as revenue when the levies are collected by Tourism Business Council of South Africa (TBCSA) / Tourism Marketing South Africa (TOMSA) and formal approval for the pay-over is received from TOMSA, in terms of the Memorandum of Agreement. The amount recognised is the fair value of the net amount collected by TBCSA/TOMSA, after deduction of agreed operational and project expenses as per the MOA. Any conditions relating to the transfer of funds, such as the achievement of a non-qualified audit opinion or budget utilisation, are considered conditions subsequent to the earning of revenue and are disclosed as appropriate.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

1.15 Interest

Interest received is recognised as the interest accrues.

1.16 Accounting by Principals and Agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the entity is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an entity is a principal or an agent requires the entity to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding Arrangement

The entity assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the entity in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the entity concludes that it is not the agent, then it is the principal in the transactions.

The entity is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the entity has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The entity applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the entity is an agent.

Recognition

The entity, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The entity, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.17 Translation of Foreign Currencies

Foreign Currency Transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised directly in net assets, any exchange component of that gain or loss is recognised directly in net assets. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.18 Comparative Figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

South African Tourism does not make its budget publicly available and is thus not required to disclose budget information in accordance with GRAP 24.

Material prior periods changes or errors, are dealt with in terms of applicable GRAP statement. Presentation and classification is consistent with previous financial year.

1.19 Fruitless and Wasteful Expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.20 Irregular Expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including:

- a. this Act; or
- b. the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- c. any provincial legislation providing for procurement procedures in that provincial government.

All expenditure relating to irregular expenditure is recognised as an expense in the surplus or deficit in the period that the expenditure was incurred. The expenditure is classified in accordance with the

nature of the expense and where recovered it is subsequently accounted for as revenue in the surplus or deficit.

On 23rd December 2022, National Treasury issued Instruction No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3rd January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of irregular expenditure. Among the effects of this framework is that irregular expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 36 to the financial statements.

The movements in respect of irregular expenditure are no longer disclosed in the notes to the annual financial statements of South African Tourism. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of South African Tourism.

1.21 Segment Information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in

the entity's financial statements.

1.22 Related Parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its financial statements.

1.23 Events after Reporting Date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue.

Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

Notes to the Financial Statements

2. Property, Plant and Equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	15 800 000	-	15 800 000	17 100 000	-	17 100 000
Buildings	40 489 411	(5 792 290)	34 697 121	33 147 145	(5 359 682)	27 787 463
Furniture and fixtures	15 393 779	(7 791 078)	7 602 701	16 588 076	(7 384 498)	9 203 578
Motor vehicles	1 854 552	(1 716 821)	137 731	1 854 552	(1 547 699)	306 853
Computer equipment	30 783 224	(20 251 121)	10 532 103	29 019 522	(18 127 191)	10 892 331
Leasehold improvements	2 581 855	(2 373 599)	208 256	3 194 360	(2 930 097)	264 263
Leased Assets	-	-	-	165 324	(146 156)	19 168
Total	106 902 821	(37 924 909)	68 977 912	101 068 979	(35 495 323)	65 573 656

Reconciliation of Property, Plant and Equipment - 2025

	Opening Balance	Additions	Disposals	Revaluations	Depreciation	Total
Land	17 100 000	-	-	(1 300 000)	-	15 800 000
Buildings	27 787 464	48 377	-	7 600 000	(738 720)	34 697 121
Furniture and fixtures	9 203 578	423 702	(44 985)	-	(1 979 594)	7 602 701
Motor vehicles	306 853	-	-	-	(169 122)	137 731
Computer equipment	10 892 331	5 379 660	(806 553)	-	(4 933 335)	10 532 103
Leasehold improvements	264 263	-	(3 959)	-	(52 048)	208 256
Leased Assets	19 168	-	(3 107)	-	(16 061)	-
	65 573 657	5 851 739	(858 604)	6 300 000	(7 888 880)	68 977 912

Reconciliation of Property, Plant and Equipment - 2024

	Opening Balance	Additions	Disposals	Revaluations	Other changes, movements	Depreciation	Total
Land	10 000 000	-	-	7 100 000	-	-	17 100 000
Buildings	43 996 246	51 698	-	(23 200 000)	8 350 131	(1 410 612)	27 787 463
Furniture and fixtures	10 919 121	62 374	-	-	-	(1 777 917)	9 203 578
Motor vehicles	110 651	-	-	-	-	196 202	306 853
Computer equipment	8 577 702	3 471 471	(16 038)	-	-	(1 140 804)	10 892 331
Leasehold improvements	353 186	-	-	-	-	(88 923)	264 263
Leased Assets	51 967	-	-	-	-	(32 799)	19 168
	74 008 873	3 585 543	(16 038)	(16 100 000)	8 350 131	(4 254 853)	65 573 656

Revaluations

The effective date of the revaluations was Monday, 31st March 2025. Land and buildings were revalued on 31st March 2025 by DDP Valuation & Advisory Services (Pty) Ltd, an independent professional valuer (Nicholas Peel, SACPVP Reg. No 8066). The valuation was performed using the Income Approach, cross-referenced with the Comparable Sales Approach. The fair value of the property, known as Bojanala House (Erf 50 Chislehurst), as at 31st March 2025, was determined to be R49 600 000.00. The carrying amount has been adjusted to reflect this revalued amount, with the revaluation increment recognised in the revaluation surplus in accordance with GRAP 17, paragraph 40.

Management has assessed the frequency of revaluations in accordance with GRAP 17, paragraph 39. The property market commentary provided by the independent valuer (DDP Valuation Report, March 2025, Section 9) indicates that while the South African office market shows signs of recovery, with Johannesburg experiencing rental growth in key nodes like Sandton, overall volatility remains a factor. The observed increase in the property's fair value from previous periods to the R49.6 million valuation at 31st March 2025 further supports the need for regular assessment. Consequently, the entity will continue to perform revaluations at least every three years, but will proactively engage valuers more frequently (e.g., annually or bi-annually) if there are indications of significant market shifts or changes in property value that would cause the carrying amount to differ materially from fair value at the reporting date. This approach ensures compliance with GRAP 17's requirement for 'sufficient regularity' and addresses the AGSA's recommendation regarding the assessment of market volatility.

In the prior year, an adjustment of R8.3m was made to accumulated depreciation for buildings following revaluation. This has been reflected as other changes.

3. Intangible Assets

	2025			2024		
	Cost / Valuation	Accumulated Amortisation and Accumulated impairment	Carrying Value	Cost / Valuation	Accumulated Amortisation and Accumulated impairment	Carrying Value
Marketing rights	6 670 981	(4 055 032)	2 615 949	4 316 293	(3 312 156)	1 004 137
Computer software	22 552 831	(20 052 041)	2 500 790	22 633 601	(17 502 341)	5 131 260
Website costs	4 624 817	(2 595 732)	2 029 085	2 210 705	(1 817 661)	393 044
Total	33 848 629	(26 702 805)	7 145 824	29 160 599	(22 632 158)	6 528 441

Reconciliation of Intangible Assets - 2025

	Opening Balance	Additions	Disposals	Amortisation	Total
Marketing rights	1 004 137	2 354 688	-	(742 876)	2 615 949
Computer software	5 131 260	-	(11 645)	(2 618 825)	2 500 790
Website costs	393 044	2 998 049	(29 441)	(1 332 567)	2 029 085
	6 528 441	5 352 737	(41 086)	(4 694 268)	7 145 824

Reconciliation of Intangible Assets - 2024

	Opening Balance	Additions	Amortisation	Total
Marketing rights	1 036 171	-	(32 034)	1 004 137
Computer software	5 362 999	1 872 200	(2 103 939)	5 131 260
Website costs	151 936	-	241 108	393 044
	6 551 106	1 872 200	(1 894 865)	6 528 441

4. Operating Lease Asset (Liability)

	2025	2024
Current liabilities	39 467	332 522

Operating lease accrual is due to operating lease straight-lining which mainly emanates from international office leases. Further disclosure in line with GRAP 13 can be found in Note 26.

5. Employee Benefit Obligations

Defined Benefit Plans - General Information

Post Employment Health Care Benefits

South African Tourism provides post-retirement health care benefits to its pensioners and eligible employees. These benefits are considered a defined benefit plan under GRAP 25. The plan is unfunded, meaning that the benefits are paid directly by South African Tourism as they become due.

Key Characteristics and Risks

Eligibility: Pensioners and eligible employees who were in service as of the reporting date are entitled to these benefits.

Benefit Structure: The benefits cover medical aid costs for eligible individuals.

Actuarial Valuation: The liability for post-retirement health care benefits is determined annually by an independent actuary. The valuation considers factors such as expected future medical cost inflation, investment returns on plan assets (if any), staff turnover, and mortality rates.

Key Risks:

- **Longevity Risk:** The risk that beneficiaries live longer than expected, leading to higher-than-anticipated benefit payments.
- **Medical Cost Inflation Risk:** The risk that medical costs increase at a faster rate than assumed in the actuarial valuation.
- **Investment Risk:** If the plan were funded, there would be a risk that the returns on plan assets would be lower than expected. However, as this plan is unfunded, this risk is not applicable.

The amounts recognised in the statement of financial position are as follows:

The present value of the defined benefit obligation is recognized as a liability

	2025	2024
Carrying value		
Current Members	20 033 000	1 318 000
Non-Current Members	18 175 000	28 902 000
	38 208 000	30 220 000

Net expense recognised in the statement of financial performance are as follows:

The following components of the net benefit expense are recognized in the statement of financial performance:

- **Service Cost:** The present value of benefits earned by employees during the year.
- **Net Interest Expense/Income:** The change in the PVDBO due to the passage of time.
- **Remeasurements:** Actuarial gains or losses, which arise due to changes in actuarial assumptions or experience adjustments.

	2025	2024
Service cost	1 608 000	1 318 000
Net interest on the net defined benefit liability (asset)	5 024 000	4 506 000

Impact on Future Cash Flows

The post-retirement health care benefits plan will result in future cash outflows as benefits are paid to eligible beneficiaries. The timing and amount of these cash flows are uncertain and depend on various factors, including:

- The number of beneficiaries claiming benefits.
- The actual medical costs incurred by beneficiaries.
- The mortality experience of beneficiaries.

Reconciliation of defined Benefit obligation

	2025	2024
Opening balance	30 220 000	26 637 000
Current service cost	1 608 000	1 318 000
Interest cost	4 506 000	3 505 000
Actuarial (gain)/loss	3 928 000	738 000
Benefits paid	(2 054 000)	(1 978 000)
	38 208 000	30 220 000

Key Assumptions Used

The following are the key actuarial assumptions used in the valuation of the post-retirement health care benefits as of 31st March 2025

Discount Rate: Yield curve

Medical Cost Inflation Rate: CPI + 3%

Retirement Age: 65 years

The nominal and real zero curves as at 1st April 2025 supplied by the Johannesburg Stock Exchange has

been used to determine the discounted rates and CPI assumptions at each relevant time period.

Sensitivity Analysis

Medical Aid Inflation

The cost of the subsidy after retirement is dependent on the increase in the contributions to the medical aid scheme before and after retirement. The rate at which these contributions increase will thus have a direct effect on the liability of future retirees. The actuaries have tested the effect of a 1% p.a. change in the medical aid inflation assumption.

2025	1% increase	1% decrease
Total accrued liability	33 413 000	44 125 000
Interest cost	4 371 000	5 831 000
Service cost	1 290 000	1 934 000

2024	1% increase	1% decrease
Total accrued liability	34 645 000	26 614 000
Interest cost	5 196 000	3 945 000
Service cost	1 958 000	1 332 000

Mortality Rate

The actuaries have illustrated the effect of higher and lower mortality rates by increasing and decreasing the mortality rates by 20% on the actual cost as follows.

2025	20% increase	20% decrease
Total accrued liability	34 956 000	42 313 000
Interest cost	4 584 000	5 579 000
Service cost	1 434 000	1 747 000

2024	20% increase	20% decrease
Total accrued liability	27 380 000	33 828 000
Interest cost	4 069 000	5 062 000
Service cost	1 455 000	1 799 000

Actuary

The valuation was conducted by ZAQ Consultants and Actuaries (Pty) Ltd. There is no conflict of interest.

6. Staff Advances

	2025	2024
Staff advances at year end	71 701	215 963

Staff advances consists of study loans and travel advances made to staff members. The advances are interest free and are repayable within 12 months.

7. Receivables from Exchange Transactions

	2025	2024
Trade receivables	17 625 670	21 822 172
Deposits	5 150 728	5 298 099
Prepaid expenses	7 616 033	11 316 643
	30 392 431	38 436 914

Trade receivables held by South African Tourism at 31st March 2025 amounted to R17.6million (2024: R21.8million). Short-term receivables with no stated interest rate is measured at original invoice amount if the effect of discounting is immaterial. Accounts receivable discounting procedures were performed and the results were immaterial.

South African Tourism has provided fully all receivables over 90 days because historical experiences is such that receivables that are beyond 90 days are generally not recoverable except for government entities.

The creation and release of provision of impaired receivables have been included in operating expenses in surplus or deficit to the extent that they related to the current year. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. None of the above trade receivables has been pledged as security or collateral for liabilities or contingent liabilities nor have any terms of any receivables been renegotiated. The carrying amount approximates fair value because of the short period to maturity.

Trade and Other Receivables Impaired

As of 31st March 2025, trade and other receivables of 673 656 (2024: 6 652) were impaired.

The amount of the provision was 2 020 079 as of 31st March 2025 (2024: 2 693 735).

The ageing of these receivables is as follows:

	2025	2024
90 - 180 days	804 656	780 814
180 - 360 days	1 215 423	1 912 921
	2 020 079	2 693 735

Reconciliation of Provision for Impairment of Trade and other Receivables

	2025	2024
Opening balance	2 693 735	2 962 274
Trade Receivables impaired	(673 656)	2 693 735
Amounts written off as uncollectible	-	(2 962 274)
	2 020 079	2 693 735

8. Receivables from Non-Exchange Transactions

	2025	2024
Other receivables from non-exchange TOMSA voluntary levies	-	133 543 522

The balance at year end for TOMSA levy contributions is due to South African Tourism, in terms of the memorandum of agreement between the two entities. No confirmation for TOMSA levies were received from the Tourism Business Council (TBCSA) in the current year.

9. Cash and Cash Equivalents

Cash and cash equivalents consist of:	2025	2024
Cash on hand	65 740	68 886
Bank Balances	554 656 319	557 856 074
	554 722 059	557 924 960

Included in the prior period bank balance is an adjustment of R12.3m due to bank transactions not recognised in the prior period. Refer to disclosure note 29.

10. Revaluation Reserve

	2025	2024
Opening balance	44 381 978	52 114 555
Adjustment to revaluation	-	(7 732 577)
Buildings Revaluation gain	6 300 000	-
	50 681 978	44 381 978

11. Finance Lease Obligation

	2025	2024
Minimum lease payments due		
- within one year	2 575	14 428
Present value of minimum lease payments due		
- within one year	-	14 428

It is South African Tourism policy to lease certain equipment under finance leases.

The average lease term was 4 years and the average effective borrowing rate was 10.0%.

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

12. Provisions

Reconciliation of Provisions - 2025

	Opening Balance	Total
Provision for withholding tax	7 885 853	7 885 853

Reconciliation of Provisions - 2024

	Opening Balance	Total
Provision for withholding tax	7 885 853	7 885 853

Provision for withholding tax relates to tax that may be payable to the South African Revenue Services in relation to a locally recruited employee in Angola.

13. Payables from exchange transactions

	2025	2024
Trade payables	217 293 111	118 948 148
Accrued liabilities	88 146 176	152 600 384
Accrued leave pay	18 385 899	19 216 871
	323 825 186	290 765 403

Payables from exchange transactions mainly comprises of invoices that emanate from goods and services already delivered for marketing and operational expenditure. Accrued liabilities of R213m in the previous year were adjusted to R152m in the prior period with an amount of R61m owing to invalid purchase orders which were cancelled. Trade Payables adjusted to R118m from R101m in the prior period. This amount was adjusted by R12.6m due to bank transactions not recognised in the previous financial year. The prior period error has been disclosed in note 29.

14. Revenue

	2025	2024
Sundry income	113 136 378	124 613 656
Grading income	25 580 133	15 232 515
Interest received	52 936 301	13 465 468
Government grants & subsidies	1 243 555 121	1 289 739 000
Voluntary TOMSA levies	-	133 543 522
	1 435 207 933	1 576 594 161

The amount included in revenue arising from exchanges of goods or services are as follows:

Sundry income	113 136 378	124 613 656
Grading income	25 580 133	15 232 515
Interest received - investment	52 936 301	13 465 468
	191 652 812	153 311 639

Sundry income is mainly related to receipts from Exhibition income.

The amount included in revenue arising from non-exchange transactions is as follows:

	2025	2024
Transfer revenue		
Government grants & subsidies	1 243 555 121	1 289 739 000
Voluntary TOMSA levies	-	133 543 522
	1 243 555 121	1 423 282 522

15. Grading income and expenses

	2025	2024
Grading revenue	25 580 133	15 232 515
Grading Expenses	(13 499 679)	(10 997 456)
	12 080 454	4 235 059

16. Investment Income

Interest revenue	2025	2024
Bank	52 936 301	13 465 468

17. Employee Related Costs

	2025	2024
Basic	177 040 888	174 041 680
Bonus	-	7 542
Medical aid - company contributions	9 734 508	2 069 817
UIF	356 885	1 067 527
SDL and staff training	626 531	1 911 461
Leave pay provision charge	2 230 295	2 437 046
Other short term costs	-	7 508
Defined contribution plans	10 173 865	10 449 460
Allowances	13 277 049	22 744 829

Social Insurance	5 592 069	7 328 002
Other employee related costs	5 394 706	12 514 157
	224 426 796	234 579 029

Bonus comprises solely of employee optional structured 13th cheque. There were no performance-related bonuses charge in the 2024/25 financial year.

18. Administrative Expenditure

	2025	2024
Administration and management fees - third party	105 897 698	80 678 814
Administration and management fees - related party	1 737 735	607 922
	107 635 433	81 286 736

Administrative expenditure comprises of mainly legal fees, IT support and licencing fees. Administration and management fees - related party relates to expenses incurred by the Accounting Authority of South African Tourism.

19. Depreciation and Amortisation

	2025	2024
Property, plant and equipment	7 888 880	4 254 853
Intangible assests	4 694 268	1 894 866
	12 583 148	6 149 719

20. Marketing Expenses

	2025	2024
Marketing costs	943 949 960	1 041 808 560

Marketing expenses mainly consists of costs toward media placements, content generation and marketing activations for brand campaigns, digital marketing and stimulating domestic tourism. Marketing expenditure in the previous year include an adjustment of R28m, which was due to invalid purchase orders recognised in the prior period. This has reduced the prior period balance from R1.069bn to R1.041bn.

21. Finance Costs

	2025	2024
Finance leases	427	3 671

22. Debt Impairment

	2025	2024
Bad debts written off/ (Bad debt reversal)	82 569	(241 466)

23. Travel Expenses

	2025	2024
Travel Expenses relating to marketing expenditure	18 642 392	18 983 146

24. Auditors' Remuneration

	2025	2024
Fees	13 773 989	11 330 213

25. Cash Generated from Operations

	2025	2024
Surplus	45 870 661	119 473 707
Adjustments for:		
Depreciation and amortisation	12 583 148	6 149 719
Loss on sale of assets	699 549	7 424
Loss on foreign exchange	32 627 927	31 492 607
Finance costs - Finance leases	427	3 671
Debt impairment	82 569	(241 466)
Movements in operating lease assets and accruals	(293 055)	(1 119 973)
Movements in retirement benefit assets and liabilities	7 988 000	3 482 797
Movement in Net Asset	(37 193 421)	(38 967 818)
Changes in working capital:		
Receivables from exchange transactions	8 044 483	40 096 924
Consumer debtors	144 262	241 466
Other receivables from non-exchange transactions	133 543 522	(18 102 900)
Payables from exchange transactions	33 059 783	(27 005 369)
Income received in advance	-	(34 383)
	237 157 855	115 476 406

26. Commitments

Authorised Capital Expenditure

	2025	2024
Already contracted for but not provided for		
Intangible assets	-	2 876 591
Total capital commitments		

Already contracted for but not provided for	-	2 876 591
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Authorised Operational Expenditure

	2025	2024
Already contracted for but not provided for		
Subvention funding	10 509 000	14 335 000
Total operational commitments		
Already contracted for but not provided for	10 509 000	14 335 000

Total Commitments

	2025	2024
Total commitments		
Authorised capital expenditure	-	2 876 591
Authorised operational expenditure	10 509 000	14 335 000
	10 509 000	17 211 591

This committed expenditure relates to intangible assets and marketing expenditure and will be financed by retained surpluses, and existing cash resources.

Operating Leases - as Lessee (Expense)

	2025	2024
Minimum lease payments due		
- within one year	12 680 781	7 820 423
- in second to fifth year inclusive	6 719 592	684 889
	19 400 373	8 505 312

Operating lease payments represent rentals payable by the entity for office premises with escalation clauses. Leases are negotiated for an average term of four to ten years. No contingent rent is payable.

27. Contingencies

Litigation relates to labour related matters, tender administration matters and alleged breach of contract. The gross contingent liabilities are estimated to be R7 490 487.15, with gross contingent assets not determinable. These cases are under the jurisdiction of the various courts and structures and had not been finalised by the close of the financial year. Subsequent to year end, there has not been any material developments concerning these cases. The following is the breakdown of the contingent matters by nature.

Contingent Liabilities

Labour matters:	R1 360 016
Tender Administration matters:	R6 130 471

Contingent Assets

Tender Administration matters:	R10 130 269
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Cash Surplus

In terms of section 53 (3) of the PFMA, public entities listed in Schedule 3A and 3C may not retain cash surpluses that were realised in the previous financial year without obtaining the prior written approval of National Treasury. Instruction note No. 12 of 2020/21 issued by National Treasury provided a formula for the calculation of cash surpluses. Cash surpluses are based on cash and cash equivalents, plus receivables less current liabilities.

The surplus at year-end amounts to R233 328 409. Subsequent to the year-end, an application will be lodged with National Treasury for the retention of surpluses.

	2025	2024
Cash Surplus		
Cash and cash equivalents	554 722 059	557 924 960
Add: Net receivables	30 392 431	38 436 914
Less: Current liabilities	(351 786 081)	(300 316 206)
	233 328 409	296 045 668

28. Related Parties**Related Party Transactions**

South African Tourism is 100% controlled by the government as represented by the Department of Tourism. South African Tourism is a Schedule 3A public entity in terms of the Public Finance Management Act. During the financial year, South African Tourism received grant income of R1 243 555 121 (2024: R1 289 739 000). Related party relationships exist.

However, all purchasing and selling transactions were concluded at arm's length.

Remuneration of Management**Management Class: Board Members****2025**

	Board fees	Other re-imbursement	Total
Name			
M Khanyile	262 314	3 052	265 366

M Toni	48 564	-	48 564
S Bvuma	67 450	-	67 450
R Mahabeer	59 356	-	59 356
N Haya	56 658	-	56 658
G Davids	172 406	41 727	214 133
M de Rijk Uys	51 262	-	51 262
J Nwokedi	26 980	-	26 980
T Selikane	40 470	-	40 470
M Matola	16 188	-	16 188
L Naidoo	51 262	-	51 262
S Mzimela	43 168	-	43 168
C Zama	30 476	-	30 476
	926 554	44 779	971 333

2024

	Board Fees	Total
Name		
M Bhayat	5 396	5 396
S Botha	26 980	26 980
T Botha	64 144	64 144
T Harris	102 258	102 258
N Maphaza	18 886	18 886
N Mbulawa	29 678	29 678
O Mtati	26 604	26 604
N Mazwai	24 282	24 282
P Mhlongo	2 698	2 698
M Mabi	26 980	26 980
B Ngubo	29 678	29 678
E Rapodile	16 188	16 188
G Reddy	26 980	26 980
M Zakwe	59 028	59 028
M Khanyile	76 988	76 988
L Jordaan	7 785	7 785
G Davids	5 396	5 396
M Toni	5 396	5 396

S Bvuma	5 396	5 396
R Mahabeer	5 396	5 396
I Pilane	5 396	5 396
A Mazibuko	5 396	5 396
N Haya	5 396	5 396
M de Rijk-Uys	5 396	5 396
U Pillay	5 396	5 396
C Zama	8 892	8 892
	602 009	602 009

Management Class: Executive Management

2025

	Basic salary	Company contributions	Other earnings	Total
Name				
N Guliwe Chief Executive Officer	2 646 725	155 339	102 300	2 904 364
S Mthethwa Chief Strategy Officer	2 353 804	138 378	88 806	2 580 988
T Sadik Chief Financial Officer (termination 15 th September 2024)	1 217 610	71 567	174 945	1 464 122
B Aurret Chief Quality Assurance Officer	2 024 709	134 194	139 589	2 298 492
T Sehloho Chief Marketing Officer (engaged 1 st April 2024)	2 459 396	144 529	90 308	2 694 233
D Erasmus Chief Operating Officer (engaged 1 st January 2025)	600 483	36 863	12 226	649 572
N Ndlovu Chief Operating Officer (termination 30 th April 2024)	57 484	11 747	288 988	358 219
	11 360 211	692 617	897 162	12 949 990

2024

	Basic salary	Other earnings	Company contribution	Total
Name				
N Guliwe Chief Executive Officer (engaged 1 st March 2024)	213 854	5 000	13 239	232 093
S Mthethwa Chief Strategy Officer (engaged 1 st March 2024)	190 105	4 250	11 787	206 142
T Sadik Chief Financial Officer (engaged 11 th March 2024)	141 594	2 942	11 782	156 318
N Ndlovu Chief Operations Officer	2 365 373	267 740	149 069	2 782 182
T Khumalo Chief Marketing Officer (terminated 5 th May 2023)	261 640	275 354	27 401	564 395
B Aurret Chief Quality Assurance Officer	1 964 717	431 441	138 905	2 535 063
	5 137 283	986 727	352 183	6 476 193

29. Prior Period Errors

Payables relating to prior period which consist of Accrued liabilities and Accounts Payable were found to be invalid in the prior period due to the recognition of expenditure through purchase orders and not through invoices in terms of GRAP 1 Presentation of Financial Statements. The transactions had an impact on Administration expenditure and Marketing expenditure which were also overstated in prior periods.

Bank transactions not recognised in the prior period have been disclosed as prior period adjustments. The impact on the statement of financial position and financial performance is reflected below:

The correction of the error results in adjustments as follows:

	2025	2024
Statement of Financial Position		
Accrued Liabilities	-	1 862 751
Trade Payables	-	12 300 326
Bank	-	(12 300 326)
AP Accrual	-	58 104 459
Accumulated Surplus	-	(21 201 502)
	2025	2024
Statement of Financial Performance		
Marketing Expenditure	-	(28 046 722)
Administration costs	-	(10 718 986)

30. Financial Instruments

Liquidity Risk

South African Tourism's risk to liquidity is a result of the funds available to cover future commitments. South African Tourism manages liquidity risk through an ongoing review of future commitments and bank facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

At 31 March 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	305 439 287	-	-	-
Finance lease liability	2 575	-	-	-
At 31 March 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	271 548 532	-	-	-
Finance lease liability	14 428	-	-	-

Credit Risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade receivables. South African Tourism only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. South African Tourism's receivables are of a sundry nature and the credit risk is therefore limited. The credit risk is managed through periodic reviews of the level of bad debts. Accordingly, the entity has no significant concentration of credit risk.

Financial instruments exposed to credit risk at year end were as follows:

	2025	2024
Trade receivables	30 392 431	171 980 436
Cash and cash equivalents	554 722 059	557 924 960

Market Risk

Interest Rate Risk

As South African Tourism has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

Foreign Exchange Risk

South African Tourism operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the UK pound. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

South African Tourism does not hedge foreign exchange fluctuations. The amount of exchange differences recognised in the statement of financial performance is R32 425 021 (2024: R36 119 688). No net exchange differences as a separate component of net assets was recognised during the financial year.

Exchange rates used for conversion of foreign items were:

	2025	2024
GBP	23.81	23.87
JPY	0.12	0.12
EUR	19.92	20.41
USD	18.39	18.90
AUD	11.57	12.33
INR	0.21	0.23
CNY	2.53	2.62
NGN	0.12	0.13

BRL	3.15	3.78
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South African Tourism reviews its foreign currency exposure, including commitments on an ongoing basis.

31. Going Concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

32. Events after the Reporting Date

The Accounting Authority is not aware of any matter or circumstance arising since the end of the financial year to the date of this report, in respect of matters that would require adjustments to or disclosure in the annual financial statements.

33. Lease rentals on operating leases

	2025	2024
Lease rentals for office leases	21 611 493	16 096 278

34. Irregular and Fruitless and Wasteful Expenditure

	2025	2024
Irregular expenditure	-	24 205 000
Fruitless and wasteful expenditure	-	12 000
Closing balance	-	24 217 000

35. Segment Information

General Information

Identification of Segments

South African Tourism is organised and reports to management on the basis of three major functional areas: primary, secondary and tertiary educational services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated Segments

The entity operates in South Africa as well as in 11 countries. Segments were aggregated on the basis of geographical areas in which the marketing activities are executed.

Types of goods and/or services by segment

These reportable segments as well as the goods and services for each segment are set out below:

Reportable segment	Goods and/or services
Head office	Domestic marketing, quality assurance, SANCB, Global marketing and support
International offices	International marketing

Segment Surplus or Deficit, Assets and Liabilities

2025

	Head Office	International Marketing	Total
Revenue			
Revenue from non-exchange transactions	1 243 555 121	-	1 243 555 121
Interest revenue	52 329 384	606 918	52 936 302
Sundry Income	110 834 030	2 302 348	113 136 378
Grading revenue	25 580 132	-	25 580 132
Total segment revenue	1 432 298 667	2 909 266	1 435 207 933
Entity's revenue			1 435 207 933
Expenditure			
Employee related costs	172 429 195	51 997 601	224 426 796
Marketing expenditure	697 458 803	246 491 157	943 949 960
Travel Expenses	11 290 551	7 355 841	18 646 392
General expenses	90 100 649	79 781 638	169 882 287
Forex gain/(loss)	858 178	31 573 659	32 431 837
Total segment expenditure	972 137 376	417 199 896	1 389 337 272
Total segmental surplus/(deficit)	460 161 291	(414 290 630)	45 870 661
Assets			
Segment assets	506 211 285	155 098 642	661 309 927
Total assets as per Statement of financial Position			661 309 927
Liabilities			

Segment liabilities	270 023 685	99 937 396	369 961 081
Total liabilities as per Statement of financial Position			369 961 081
2024			
	Head Office	International Marketing	Total
Revenue			
Revenue from non-exchange transactions	1 423 282 522	-	1 423 282 522
Interest revenue	12 818 446	647 022	13 465 468
Sundry income	122 685 493	1 928 163	124 613 656
Grading revenue	15 232 515	-	15 232 515
Total segment revenue	1 574 018 976	2 575 185	1 576 594 161
Entity's revenue			1 576 594 161
Expenditure			
Employee related costs	163 793 061	67 577 675	231 370 736
Marketing expenses	784 992 619	249 306 705	1 034 299 324
Travel expenses	6 629 129	12 354 017	18 983 146
General expenses	90 840 586	45 506 974	136 347 560
Forex gain/(loss)	1 116 142	35 003 546	36 119 688
Total segment expenditure	1 047 371 537	409 748 917	1 457 120 454
Total segmental surplus/(deficit)	526 647 439	(407 173 732)	119 473 707
Assets			
Segment assets	633 291 181	168 932 275	802 223 456
Total assets as per Statement of Financial Position			802 223 456
Liabilities			
Segment liabilities	236 583 621	92 634 585	329 218 206
Total liabilities as per Statement of Financial Position			329 218 206

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

36. Accounting by Principals and Agents

The entity was a party to a principal-agent arrangement(s).

Details of the arrangment(s) is/are as follows:

Management of Exhibitions

The Africa’s Travel Indaba is an exhibition owned by South African Tourism. Synergy Business Events was appointed to manage exhibitions on behalf of the organisation. Synergy Business Events collects revenue from exhibitors and pays all the exhibition-related costs. The resulting residual is remitted to South African Tourism by Synergy Business Events in line with a binding agreement between the two entities.

Risk Identification and Assessment of Internal Controls

Both Platforms are independently reviewed by both Internal and external auditors, further controls are governed by terms effected through the signed agreement between both parties.

Entity as Principal

Resources (including assets and liabilities) of the entity under the custodianship of the agent

Synergy Business Events holds no resources or liabilities on behalf of South African Tourism. Amounts from participants that opted to defer their participation fees advanced to Synergy Business Events for exhibition purposes have been subsequently transferred to South African Tourism and recognised as Income received in advance.

Free Paid

	2025	2024
Management fees	8 120 719	11 381 354

Management fees are levied by the agent at 15.0%, in terms of contractual obligations.

Resource and/or cost implications for the entity if the principal agent arrangement is terminated

The agent is appointed on a fixed term basis in line with supply chain prescripts, and a bidding process for filling the vacancy is followed at the end of the fixed term.

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